

Senate Bill 136

By: Senators Butler of the 55th, Henson of the 41st, Levetan of the 40th and Stokes of the 43rd

AS PASSED

A BILL TO BE ENTITLED
AN ACT

1 To amend an Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965,"
2 approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended, so as to provide that the
3 interest income from certain reserve funds may be used to pay the operating costs until June
4 20, 2008; to provide an effective date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 An Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965," approved
8 March 10, 1965 (Ga. L. 1965, p. 2243), as amended, is amended by striking subsection (i)
9 of Section 25 and inserting in its place the following:

10 "(i) Use of Proceeds. The proceeds of the tax levied pursuant to this Act shall be used
11 solely by each local government to fulfill the obligations incurred in the contracts entered
12 into with the Metropolitan Atlanta Rapid Transit Authority as contemplated in the
13 Metropolitan Atlanta Rapid Transit Authority Act of 1965, as amended, provided, however,
14 that no more than fifty percent (50%) of the annual proceeds of the tax shall be used to
15 subsidize the operating costs of the system, exclusive of depreciation, amortization, and
16 other costs and charges as provided in this subsection, until January 1, 2002. For the period
17 beginning January 1, 2002, and ending June 30, 2002; each fiscal year commencing
18 thereafter until July 1, 2006; and the period beginning July 1, 2006, and ending December
19 31, 2006, no more than fifty-five percent (55%) of the proceeds of the tax shall be used to
20 subsidize the operating costs of the system, exclusive of depreciation, amortization, and
21 other costs and charges as provided in this subsection; and for the period beginning
22 January 1, 2007, and ending June 30, 2007, and each fiscal year commencing thereafter
23 until July 1, 2032, no more than fifty percent (50%) of the proceeds of the tax shall be used
24 to subsidize the operating costs of the system, exclusive of depreciation, amortization, and
25 other costs and charges as provided in this subsection; except that if the Board of the
26 Metropolitan Atlanta Rapid Transit Authority shall fail to file with the Metropolitan

1 Atlanta Rapid Transit Overview Committee not later than December 31, 2002, the original
2 and 14 copies of a report of the findings of a completed management performance audit of
3 the authority's current operations, which audit was performed under contract with and at
4 the expense of the authority by the Georgia Regional Transportation Authority pursuant to
5 paragraph (16) of subsection (a) of Code Section 50-32-11 of the O.C.G.A., along with any
6 auditor's recommendations based thereon and the auditor's signed written verification that
7 the Metropolitan Atlanta Rapid Transit Authority fully cooperated with such audit and
8 allowed access to all its books, records, and documents to the extent the auditor deemed
9 necessary, then for the period beginning January 1, 2003, and ending June 30, 2003, and
10 each fiscal year commencing thereafter until July 1, 2032, no more than fifty percent (50%)
11 of the proceeds of the tax shall be used to subsidize the operating costs of the system,
12 exclusive of depreciation, amortization, and other costs and charges as provided in this
13 subsection. For each fiscal year commencing on or after July 1, 2032, no more than sixty
14 percent (60%) of the annual proceeds of the tax shall be used to subsidize the operating
15 costs of the system, exclusive of depreciation, amortization, and other costs and charges
16 as provided in this subsection; and commencing with July 1, 2032, and for every year
17 thereafter, the proceeds of the tax shall not be used to subsidize operations of the
18 transportation system to an extent greater than fifty percent (50%) of the operating costs
19 of the system, exclusive of depreciation, amortization, and other costs and charges as
20 provided in this subsection. In adopting its annual budget, the Board of the Metropolitan
21 Atlanta Rapid Transit Authority shall be authorized to rely upon estimates of all revenues,
22 operating costs, patronage and other factors which may affect the amount of the fare
23 required to limit the operating subsidy herein provided for. If the results of any year's
24 operations reflect that the proceeds of the tax were used to subsidize operations to an extent
25 greater than herein provided, the Board shall adjust fares in order to make up the deficit in
26 operations during a period of not to exceed three (3) succeeding years. If the results of
27 operations in the Authority's fiscal year commencing July 1, 1980 or in any subsequent
28 fiscal year reflect that the proceeds of the tax were not used to subsidize operations to the
29 maximum extent herein provided, the Board may, in its sole discretion, reserve any
30 amounts that could have been used to subsidize operations in that fiscal year and later use
31 said reserved amounts and any interest earned on said reserved amounts to provide an
32 additional subsidy for operations in any future fiscal year or years. The words "operating
33 costs of the system" for purposes of this subsection 25(i) are defined to include all of the
34 costs of that division of the Authority directly involved and that portion of the nonoperating
35 administrative costs of those divisions of the Authority indirectly involved, through the
36 provision of support services, in providing mass transportation services for the
37 metropolitan area, but exclusive of the costs of the division or divisions directly involved

1 and that portion of the nonoperating administrative costs of those divisions indirectly
 2 involved, in the planning, design, acquisition, construction, and improvement of the rapid
 3 transit system, according to accepted principles of accounting, and also exclusive of the
 4 following costs:

5 (1) Nonrecurring costs and charges incurred in order to comply with any statute or
 6 regulation concerning either the protection or cleaning up of the environment, or
 7 accessibility by handicapped or disabled persons, or occupational health or safety, or with
 8 any judgment, decree, or order of any court or regulatory agency in implementation of
 9 any such statute or regulation; and

10 (2) In the case of leases of equipment or facilities that, according to generally accepted
 11 principles of accounting, would not be classified as capital leases, payments of rent and
 12 other payments for the property subject to such leases or for the use thereof; provided that
 13 any costs for regular maintenance or repair of such equipment or facilities shall not be
 14 excluded.

15 If any proceeds of the tax levied pursuant to this Act are held for the purpose of planning,
 16 designing, acquiring, or constructing additional facilities or equipment for or improvements
 17 to the rapid transit system and are invested, then all interest earned from such investments
 18 shall be used only for such purposes or for paying the principal of or interest on bonds or
 19 certificates issued for such purposes. Commencing July 1, 1988, and until June 30, ~~2003~~
 20 2006, and only if expressly authorized by the board, interest earned on reserve funds set
 21 aside for rebuilding, repairing, or renovating facilities of the rapid transit system; for
 22 replacing, repairing, or renovating equipment or other capital assets thereof; or from the
 23 sale or other disposition of real property, may, without regard to the original source of the
 24 funds so reserved, be used to pay the operating costs of the system as such costs are defined
 25 in this subsection."

26 SECTION 2.

27 This Act shall become effective upon its approval by the Governor or upon its becoming law
 28 without such approval.

29 SECTION 3.

30 All laws and parts of laws in conflict with this Act are repealed.