

The Senate Economic Development Committee offered the following substitute to SB 542:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 1 of Title 38 of the Official Code of Georgia Annotated, relating to  
2 general provisions concerning military, emergency, and veterans affairs, so as to authorize  
3 the creation of implementing local redevelopment authorities under certain circumstances;  
4 to confer powers and impose duties on such authorities; to provide for the membership and  
5 the appointment of members of such authorities and their terms of office, qualifications,  
6 duties, powers, and compensation; to provide for vacancies, organization, meetings, and  
7 expenses; to prohibit authority employees and members from having certain interests; to  
8 provide for definitions; to provide for revenue bonds and their form, signatures thereon,  
9 negotiability, sale, and use of proceeds from such sales; to provide for interim documents and  
10 for lost or mutilated documents; to provide for conditions for issuance; to prohibit the pledge  
11 of credit for the payment of bonds; to provide for trust indentures and a sinking fund; to  
12 provide for payment of bond proceeds; to provide for bondholder remedies and protection;  
13 to provide for refunding bonds; to provide for bond validation; to provide for venue and  
14 jurisdiction; to provide for trust funds; to provide for authority purpose; to provide for  
15 charges; to provide for rules and regulations; to provide for tort immunity; to provide for tax  
16 exemptions; to provide for supplemental powers; to provide for effect on other governments;  
17 to provide for liberal construction; to provide for an effective date; to repeal conflicting laws;  
18 and for other purposes.

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

20 Chapter 1 of Title 38 of the Official Code of Georgia Annotated, relating to general  
21 provisions concerning military, emergency, and veterans affairs, is amended by designating  
22 the existing provisions of such chapter as Article 1 and adding a new article to read as  
23 follows:  
24

## "ARTICLE 2

38-1-20.

(a) As used in this article, the term:

(1) 'Affected military installation' means a United States military base or installation located in this state which has been designated for realignment or closure by the Defense Base Closure and Realignment Commission, also known as the BRAC Commission, which contains 500 acres or less of real property, and for which the planning local redevelopment authority is seeking an economic development conveyance of all or a portion of such base or installation.

(2) 'Authority' or 'redevelopment authority' means an implementing local redevelopment authority created by this article.

(3) 'Cost of the project' means and embraces the cost of construction; the cost of all lands, properties, rights, easements, and franchises acquired; the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction; the cost of engineering, architectural, fiscal agent, and legal expenses, and of plans and specifications, and other expenses necessary or incident to determining the feasibility or practicability of the project, administrative expenses, and such other expenses as may be necessary or incident to the financing authorized in this article; the cost of the acquisition or construction of any project; and the cost of placing any project in operation. Any obligation or expense incurred for any of the foregoing purposes shall be regarded as a part of the cost of the project and may be paid or reimbursed as such out of the proceeds of revenue bonds issued under the provisions of this article for such project.

(4) 'Economic development conveyance' has the same meaning as provided in 32 C.F.R. 174.9(a).

(5) 'Project' includes:

(A) The land and any one or more buildings or structures located in or on the land (the real property) formerly occupied by the affected military installation and the real property adjacent thereto to be used in education, parks and recreation, transportation, health care, research, housing, commerce, or the production, manufacturing, processing, assembling, storing, or handling of any agricultural, manufactured, mining, or industrial product or any combination of the foregoing or similar uses, in every case with all necessary or useful furnishings, machinery, equipment, parking facilities, landscaping, and facilities for outdoor storage, all as determined by the authority, which determination shall be final and not subject to review; and there may be included as part of any such project all improvements necessary to the full utilization thereof, including

1 site preparation, roads and streets, sidewalks, water supply, outdoor lighting, belt line  
2 railroad sidings and lead tracks, bridges, causeways, terminals for railroad and  
3 automotive transportation, and transportation facilities incidental to the project;

4 (B) The acquisition, construction, leasing, or equipping of new industrial facilities or  
5 the improvement, modification, acquisition, expansion, modernization, leasing,  
6 equipping, or remodeling of existing industrial or governmental facilities located or to  
7 be located in or on the property formerly occupied by the affected military installation  
8 and the properties adjacent thereto;

9 (C) The acquisition, construction, improvement, or modification of any property, real  
10 or personal, which any industrial concern might desire to use, acquire, or lease in  
11 connection with the operation of any plant or facility located or to be located in or on  
12 the property formerly occupied by the affected military installation and the properties  
13 adjacent thereto; and

14 (D) The acquisition and development of land in or on the property formerly occupied  
15 by the affected military installation as the site for an educational facility, historical  
16 preservation site, commercial enterprise, entertainment facility, park or recreational  
17 facility, industrial park, transportation facility, health care facility, research facility,  
18 residential project, or similar uses, provided that, for purposes of this subparagraph, the  
19 term 'development of land' includes the provision of water, sewage, drainage, or similar  
20 facilities or transportation, power, or communication facilities which are incidental to  
21 use of the site as an educational facility, historical preservation site, commercial  
22 enterprise, entertainment facility, park or recreational facility, industrial park,  
23 transportation facility, health care facility, research facility, residential project, or  
24 similar use but, except with respect to such facilities, does not include the provision of  
25 structures or buildings.

26 (6) 'Revenue bonds' or 'bonds' means revenue bonds as defined and provided for in  
27 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the 'Revenue Bond Law,' and such  
28 type of obligations may be issued by the authority as authorized under said Revenue  
29 Bond Law and any amendments thereto and, in addition, shall also mean obligations of  
30 the authority, the issuance of which are hereinafter specifically provided for in this  
31 article.

32 (b) Any project shall be deemed 'self-liquidating' if, in the judgment of the authority, the  
33 revenues and earnings to be derived by the authority therefrom and all facilities used in  
34 connection therewith will be sufficient to pay the costs of operating, maintaining, repairing,  
35 improving, and extending the project and to pay the principal of and interest on the revenue  
36 bonds which may be issued to finance, in whole or in part, the cost of such project or  
37 projects.

1 38-1-21.

2 (a) There is created for each affected military installation in this state an implementing  
3 local redevelopment authority which shall be a body corporate and politic and which shall  
4 be deemed to be a political subdivision of the State of Georgia and a public corporation.  
5 Such body may contract and be contracted with, sue and be sued, implead and be  
6 impleaded, and bring and defend actions in all courts. Such authority, after activation as  
7 provided in subsection (k) of this Code section, shall have perpetual existence and shall be  
8 the exclusive means by which any economic development conveyance may be made with  
9 regard to the affected military installation; provided, however, that the authority may be  
10 dissolved by executive order of the Governor or upon resolution approved by a majority  
11 of the voting members of the authority that:

12 (1) Finds that the purpose of the authority has been served and that there is no further  
13 need for the authority;

14 (2) Finds that all bonded indebtedness and other debt obligations of the authority have  
15 been satisfied;

16 (3) Provides for the transfer of all assets and property, both real and personal, of the  
17 authority to the state or other governmental entity; and

18 (4) Provides for the dissolution of the authority as of a date certain.

19 (b) An authority created pursuant to this article shall consist of not less than 11 nor more  
20 than 15 members. The majority of the members of the authority:

21 (1) In the case of an affected military installation located wholly within a municipality,  
22 shall come from such municipality;

23 (2) In the case of an affected military installation located wholly within the  
24 unincorporated area of a county, shall come from such county; and

25 (3) In the case of an affected military installation that is located partially within a  
26 municipality or municipalities, partially in the unincorporated area of a county or  
27 counties, or a combination thereof, shall come from the county or municipality that  
28 contains the greatest portion of the affected military installation.

29 In addition, the Governor shall select a voting member to represent the State of Georgia.  
30 With the exception of the member selected by the Governor to represent the State of  
31 Georgia, the members shall be appointed by the Governor from a list of not less than ten  
32 nominees each submitted by the governing authorities of each county and by the mayor of  
33 each municipality in which the affected military installation is located and by the governing  
34 authority of each county and by the mayor of any municipality which abuts the affected  
35 military installation. Persons so appointed shall serve for initial terms of office which shall  
36 expire on December 31 of the fourth year after their appointment. After the initial terms  
37 of office, members of the authority shall serve for terms of office of four years each.

1 Members of the authority shall serve for their respective terms of office specified in this  
2 subsection and until their respective successors are appointed and qualified. Any member  
3 of the authority may be appointed to succeed himself or herself. After such appointment,  
4 the members of such authority shall enter upon their duties. Any vacancy on the authority  
5 shall be filled in the same manner as was the original appointment of the member whose  
6 term of membership resulted in such vacancy, except that if a nomination of a person to fill  
7 a vacancy in membership is not submitted to the Governor within 30 days after the vacancy  
8 occurs, the vacancy shall be filled by an appointment made by the Governor without the  
9 necessity of a nomination from the affected area. A person appointed to fill a vacancy shall  
10 serve for the remainder of the unexpired term and until the appointment and qualification  
11 of a successor. The members of the authority shall be reimbursed, upon submission of  
12 sworn vouchers, for all actual expenses incurred in the performance of their duties out of  
13 funds of the authority but shall receive no further compensation. The authority shall make  
14 rules and regulations for its own government.

15 (c) To be eligible for appointment as a member of the authority, a person shall be at least  
16 21 years of age and shall not have been convicted of a felony.

17 (d) The Governor shall select one of the members of the authority to serve as chairperson.  
18 Also, the members of the authority shall elect one of their number as vice chairperson, shall  
19 elect one of their number as secretary, and may elect one of their number as treasurer. The  
20 secretary may also serve as treasurer. Each of such officers shall serve for a period of two  
21 years and until their successors are duly elected and qualified. The chairperson of the  
22 authority shall be entitled to vote upon any issue, motion, or resolution.

23 (e) In addition to the members set forth in subsection (b) of this Code section, there shall  
24 be ex officio members who shall be as follows:

25 (1) One member appointed by the members of the Senate whose districts include all or  
26 a portion of the affected military installation and one member appointed by the members  
27 of the House of Representatives whose districts include all or a portion of the affected  
28 military installation;

29 (2) The commissioner of the Department of Economic Development or his or her  
30 designee;

31 (3) The commissioner of the Department of Community Affairs or his or her designee;

32 (4) The commissioner of the Department of Natural Resources or his or her designee;

33 (5) The commissioner of the Department of Transportation or his or her designee;

34 (6) The Commissioner of Labor or his or her designee; and

35 (7) The chancellor of the University System of Georgia or his or her designee.

36 Such ex officio members shall have all of the rights and duties as other members of the  
37 redevelopment authority except that they shall not have the right to vote on any matter.

1 (f) The redevelopment authority may create the following subcommittees: health care,  
2 education, infrastructure, labor, real estate, economic development, housing and  
3 homelessness, environment, and quality of life and others as deemed appropriate. The  
4 redevelopment authority may appoint as members of the subcommittees such individuals  
5 from the community as the authority deems appropriate and such members do not have to  
6 be members of the authority. The subcommittees shall serve in an advisory capacity to the  
7 redevelopment authority. The chairperson of the authority shall choose from among the  
8 members of each subcommittee a person to serve as chairperson of that subcommittee. The  
9 chairpersons of the subcommittees shall serve two-year terms and shall be eligible for  
10 reappointment.

11 (g) A majority of the members of the authority, excluding ex officio members, shall  
12 constitute a quorum. No vacancy on the authority shall impair the right of the quorum to  
13 exercise all of the rights and perform all of the duties of the authority.

14 (h) A vacancy on the authority shall exist in the office of any member of the authority who  
15 is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted  
16 of a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who  
17 is convicted of any act of misfeasance, malfeasance, or nonfeasance of such person's duties  
18 as a member of the authority; or who fails to attend three consecutive regular meetings of  
19 the authority without an excuse approved by a resolution of the authority.

20 (i) All meetings of the authority, regular or special, shall be open to the public.

21 (j) No member or employee of the authority shall have, directly or indirectly, any financial  
22 interest, profit, or benefit in any contract, work, or business of the authority nor in the sale,  
23 lease, or purchase of any property to or from the authority.

24 (k) No authority shall come into existence pursuant to this article unless and until the  
25 Governor issues an executive order finding that:

26 (1) A United States military base or installation located in this state has been designated  
27 for realignment or closure by the Defense Base Closure and Realignment Commission,  
28 also known as the BRAC Commission;

29 (2) The base or installation contains 500 acres or less of real property;

30 (3) The planning local redevelopment authority is seeking an economic development  
31 conveyance of all or a portion of such base or installation; and

32 (4) The creation of an implementing local redevelopment authority is in the best interests  
33 of the state and the affected area.

34 38-1-22.

35 Without limiting the generality of any provision of this article, the general purpose of an  
36 authority created under this article is declared to be that of executing and administering a

1 reuse plan for the property formerly occupied by the affected military installation,  
2 executing economic development conveyances for such property, and acquiring,  
3 constructing, equipping, maintaining, and operating projects in or on the property formerly  
4 occupied by the affected military installation resulting from the closure or realignment of  
5 the affected military installation so as to ameliorate the impact of such closure or  
6 realignment on the communities and citizens of the surrounding area; extending and  
7 improving such projects; acquiring the necessary property therefor, both real and personal,  
8 with the right to contract for the use of or to lease or sell any or all of such facilities,  
9 including real property, to any persons, firms, or corporations, whether public or private,  
10 if in the sole judgment of the authority such use, lease, or sale supports the general  
11 purposes of the authority; and doing all things deemed by the authority necessary,  
12 convenient, and desirable for and incident to the efficient and proper development and  
13 operation of such type of undertakings.

14 38-1-23.

15 An authority created under this article shall have the power:

16 (1) To have a seal and alter the same at its pleasure;

17 (2) To acquire by purchase, lease, or otherwise, including acquisition of land from the  
18 federal government, and to hold, lease, and dispose of real and personal property of every  
19 kind and character for its corporate purposes and to plan, acquire, establish, develop,  
20 construct, enlarge, improve, maintain, equip, and lease all projects which shall come  
21 under the control of the authority under the provisions of this article or which it may  
22 acquire or plan to acquire; to regulate, protect, and police such projects and all related  
23 activities and facilities; to enter into any contracts, leases, or other agreements,  
24 promulgate any orders, and set any tolls, fees, or other charges for the use of property or  
25 services of the authority and collect and use the same as necessary to operate the projects  
26 under control of the authority; and to accomplish any of the purposes of this article and  
27 make any purchases or sales necessary for such purposes;

28 (3) To acquire in its own name by purchase, on such terms and conditions and in such  
29 manner as it may deem proper, real property, or rights or easements therein, or franchises  
30 necessary or convenient for its corporate purposes, and to use the same so long as its  
31 corporate existence shall continue, and to lease or make contracts with respect to the use  
32 of such property, or dispose of the same in any manner it deems to be to the best  
33 advantage of the authority;

34 (4) To appoint, select, and employ officers, agents, and employees, including real estate,  
35 environmental, engineering, architectural, and construction experts, fiscal agents, and  
36 attorneys, and to fix their respective compensations;

1 (5) To make contracts and leases and to execute all instruments necessary or convenient,  
2 including contracts for construction of projects and leases of projects or contracts with  
3 respect to the use of projects which it causes to be constructed, erected, or acquired. Any  
4 and all persons, firms, and corporations and any and all political subdivisions,  
5 departments, institutions, or agencies of the state and federal government are authorized  
6 to enter into contracts, leases, or agreements with the authority upon such terms and for  
7 such purposes as they deem advisable; and, without limiting the generality of the  
8 foregoing, authority is specifically granted to municipal corporations, counties, and other  
9 political subdivisions and to the authority to enter into contracts, lease agreements, or  
10 other undertakings with each other relating to projects of the authority for a term not  
11 exceeding 50 years. Likewise, without limiting the generality of the above and foregoing,  
12 the same authority above granted to municipal corporations, counties, political  
13 subdivisions, and to the authority relative to entering into contracts, lease agreements, or  
14 other undertakings is authorized between the authority and private corporations, both  
15 inside and outside this state, and between the authority and public bodies, including  
16 counties and cities outside this state and the federal government;

17 (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,  
18 equip, operate, and manage projects, as defined in this article, the cost of any such project  
19 to be paid in whole or in part from the proceeds of revenue bonds of the authority or from  
20 such proceeds and any grant or contribution from the United States of America or any  
21 agency or instrumentality thereof or from the State of Georgia or any agency or  
22 instrumentality thereof;

23 (7) To accept loans and grants of money or materials or property of any kind from the  
24 United States of America or any agency or instrumentality thereof upon such terms and  
25 conditions as the United States of America or such agency or instrumentality may  
26 require;

27 (8) To accept loans and grants of money or materials or property of any kind from the  
28 State of Georgia or any agency or instrumentality or political subdivision thereof upon  
29 such terms and conditions as the State of Georgia or such agency or instrumentality or  
30 political subdivision may require;

31 (9) To borrow money for any of its corporate purposes and to issue negotiable revenue  
32 bonds payable solely from funds pledged for that purpose and to provide for the payment  
33 of the same and for the rights of the holders thereof;

34 (10) To exercise any power usually possessed by private corporations performing similar  
35 functions, including the power to make short-term loans and approve, execute, and  
36 deliver appropriate evidence of such indebtedness, provided that no such power is in  
37 conflict with the Constitution or general laws of this state; and

1 (11) To do all things necessary or convenient to carry out the powers expressly given in  
2 this article.

3 38-1-24.

4 An authority created under this article, or any authority or body which has or which may  
5 in the future succeed to the powers, duties, and liabilities vested in the authority created by  
6 this article, is authorized to provide by resolution for the issuance of negotiable revenue  
7 bonds of the authority for the purpose of paying all or any part of the cost as herein defined  
8 of any one or more projects. The principal of and interest on such revenue bonds shall be  
9 payable solely from the special fund provided in this article for such payment. The bonds  
10 of each issue shall be dated, shall bear interest at such rate or rates per annum, payable at  
11 such time or times, shall mature at such time or times not exceeding 40 years from their  
12 date or dates, shall be payable in such medium of payment as to both principal and interest  
13 as may be determined by the authority, and may be redeemable before maturity, at the  
14 option of the authority, at such price or prices and under such terms and conditions as may  
15 be fixed by the authority in the resolution for the issuance of bonds.

16 38-1-25.

17 An authority created under this article shall determine the form of the bonds, including any  
18 interest coupons to be attached thereto, and shall fix the denomination or denominations  
19 of the bonds and the place or places of payment of principal and interest thereon, which  
20 may be at any bank or trust company inside or outside the state. The bonds may be issued  
21 in coupon or registered form, or both, as the authority may determine, and provision may  
22 be made for the registration of any coupon bond as to principal alone and also as to both  
23 principal and interest.

24 38-1-26.

25 In case any officer whose signature shall appear on any bond or whose facsimile signature  
26 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,  
27 such signature shall nevertheless be valid and sufficient for all purposes the same as if such  
28 officer had remained in office until such delivery. All such bonds shall be signed by the  
29 chairperson of the authority and the official seal of the authority shall be affixed thereto and  
30 attested by the secretary of the authority and any coupons attached thereto shall bear the  
31 facsimile signatures of the chairperson and the secretary of the authority. Any coupon may  
32 bear the facsimile signatures of such persons and any bond may be signed, sealed, and  
33 attested on behalf of the authority by such persons as at the actual time of the execution of

1 such bonds shall be duly authorized or hold the proper office, although at the date of such  
2 bonds such person may not have been so authorized or shall not have held such office.

3 38-1-27.

4 All revenue bonds issued under the provisions of this article shall have and are declared to  
5 have all the qualities and incidents of negotiable instruments under the laws of this state.  
6 Such bonds, their transfer, and the income therefrom shall be exempt from all taxation  
7 within this state.

8 38-1-28.

9 An authority created under this article may sell such bonds in such manner and for such  
10 price as it may determine to be for the best interest of the authority. The proceeds derived  
11 from the sale of such bonds shall be used solely for the purpose or purposes provided in the  
12 resolutions and proceedings authorizing the issuance of such bonds.

13 38-1-29.

14 Prior to the preparation of any definitive bonds, an authority created under this article may,  
15 under like restrictions, issue interim receipts, interim certificates, or temporary bonds, with  
16 or without coupons, exchangeable for definitive bonds upon the issuance of the latter.

17 38-1-30.

18 An authority created under this article may provide for the replacement of any bonds or  
19 coupons which shall become mutilated or be destroyed or lost.

20 38-1-31.

21 Revenue bonds may be issued without any other proceedings or the happening of any other  
22 conditions or things other than those proceedings, conditions, and things which are  
23 specified or required by this article. In the discretion of the authority, revenue bonds of a  
24 single issue may be issued for the purpose of any particular project. Any resolution  
25 providing for the issuance of revenue bonds under the provisions of this article shall  
26 become effective immediately upon its passage and need not be published or posted, and  
27 any such resolution may be passed at any regular or special meeting of the authority by a  
28 majority of its members.

29 38-1-32.

30 Revenue bonds issued under the provisions of this article shall not be deemed to constitute  
31 a debt of the State of Georgia or any county or municipality nor a pledge of the faith and

1 credit of the State of Georgia or any county or municipality; but such bonds shall be  
2 payable solely from the fund hereinafter provided for and the issuance of such revenue  
3 bonds shall not directly, indirectly, or contingently obligate the State of Georgia or any  
4 county or municipality to levy or to pledge any form of taxation whatever therefor or to  
5 make any appropriation for their payment. All such bonds shall contain recitals on their  
6 face covering substantially the foregoing provisions of this Code section.

7 38-1-33.

8 In the discretion of an authority created under this article, any issuance of such revenue  
9 bonds may be secured by a trust indenture by and between the authority and a corporate  
10 trustee, which may be any trust company or bank having the powers of a trust company  
11 inside or outside the state. Such trust indenture may pledge or assign fees, tolls, revenues,  
12 and earnings to be received by the authority. Either the resolution providing for the  
13 issuance of revenue bonds or such trust indenture may contain such provisions for  
14 protecting and enforcing the rights and remedies of the bondholders as may be reasonable  
15 and proper and not in violation of law, including covenants setting forth the duties of the  
16 authority in relation to the acquisition of property, the construction of the project, the  
17 maintenance, operation, repair, and insuring of the project, and the custody, safeguarding,  
18 and application of all moneys, and may also provide that any project shall be constructed  
19 and paid for under the supervision and approval of consulting engineers or architects  
20 employed or designated by the authority, and satisfactory to the original purchasers of the  
21 bonds issued therefor, and may also require that the security given by contractors and by  
22 any depository of the proceeds of the bonds or revenues or other moneys be satisfactory  
23 to such purchasers, and may also contain provisions concerning the conditions, if any, upon  
24 which additional revenue bonds may be issued. It shall be lawful for any bank or trust  
25 company incorporated under the laws of this state to act as such depository and to furnish  
26 such indemnifying bonds or pledge such securities as may be required by the authority.  
27 Such indenture may set forth the rights and remedies of the bondholders and of the trustee  
28 and may restrict the individual right of action of bondholders as is customary in trust  
29 indentures securing bonds and debentures of corporations. In addition to the foregoing,  
30 such trust indenture may contain such other provisions as the authority may deem  
31 reasonable and proper for the security of the bondholders. All expenses incurred in  
32 carrying out such trust indenture may be treated as a part of the cost of maintenance,  
33 operation, and repair of the project affected by such indenture.

1 38-1-34.

2 In the resolution providing for the issuance of revenue bonds or in the trust indenture, an  
3 authority created under this article shall provide for the payment of the proceeds of the sale  
4 of the bonds to any officer or person who, or any agency, bank, or trust company which,  
5 shall act as trustee of such funds and shall hold and apply the same to the purposes of this  
6 article, subject to such regulations as this article and such resolution or trust indenture may  
7 provide.

8 38-1-35.

9 The revenues, fees, tolls, and earnings derived from any particular project or projects,  
10 regardless of whether or not such fees, earnings, and revenues were produced by a  
11 particular project for which bonds have been issued, unless otherwise pledged and  
12 allocated, may be pledged and allocated by an authority created under this article to the  
13 payment of the principal and interest on revenue bonds of the authority as the resolution  
14 authorizing the issuance of the bonds or the trust instrument may provide. Such funds so  
15 pledged from whatever source received, including funds received from one or more or all  
16 sources, shall be set aside at regular intervals as may be provided in the resolution or trust  
17 indenture into a sinking fund which shall be pledged to and charged with the payment of:

- 18 (1) The interest upon such revenue bonds as such interest shall fall due;
- 19 (2) The principal of the bonds as the same shall fall due;
- 20 (3) The necessary charges of paying agents for paying principal and interest and other  
21 investment charges;
- 22 (4) Any premium upon bonds retired by call or purchase as provided in this article; and
- 23 (5) Any investment fees or charges.

24 The use and disposition of such sinking fund shall be subject to such regulations as may  
25 be provided in the resolution authorizing the issuance of the revenue bonds or in the trust  
26 indenture but, except as may otherwise be provided in such resolution or trust indenture,  
27 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds  
28 without distinction or priority of one over another. Subject to the provisions of the  
29 resolution authorizing the issuance of the bonds or the trust indenture, any surplus moneys  
30 in the sinking fund may be applied to the purchase or redemption of bonds, and any such  
31 bonds so purchased or redeemed shall forthwith be canceled and shall not again be issued.

32 38-1-36.

33 Any holder of revenue bonds issued under the provisions of this article or any of the  
34 coupons appertaining thereto and the trustee under the trust indenture, if any, except to the  
35 extent the rights given in this article may be restricted by resolution passed before the

1 issuance of the bonds or by the trust indenture, may, either at law or in equity, by suit,  
2 action, mandamus, or other proceedings, protect and enforce any and all rights under the  
3 laws of this state or granted under this article or under such resolution or trust indenture  
4 and may enforce and compel performance of all duties required by this article or by such  
5 resolution or trust indenture to be performed by the authority or any officer thereof,  
6 including the fixing, charging, and collecting of revenues, fees, tolls, and other charges for  
7 the use of the facilities and services furnished.

8 38-1-37.

9 An authority created under this article is authorized to provide by resolution for the  
10 issuance of bonds of the authority for the purpose of funding or refunding any revenue  
11 bonds issued under the provisions of this article and then outstanding, together with  
12 accrued interest thereon and premium, if any. The issuance of such funding or refunding  
13 bonds, the maturities and all other details thereof, the rights of the holders thereof, and the  
14 duties of the authority in respect to the same shall be governed by the foregoing provisions  
15 of this article insofar as the same may be applicable.

16 38-1-38.

17 Bonds of an authority created under this article shall be confirmed and validated in  
18 accordance with the procedures of Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the  
19 'Revenue Bond Law.' The petition for validation shall also make party defendant to such  
20 action the State of Georgia or any municipality, county, authority, political subdivision, or  
21 instrumentality of the State of Georgia which has contracted with the authority for the  
22 services and facilities of the project for which bonds are to be issued and sought to be  
23 validated, and the state or such municipality, county, authority, political subdivision, or  
24 instrumentality shall be required to show cause, if any exists, why such contract or  
25 contracts and the terms and conditions thereof should not be inquired into by the court and  
26 the contract or contracts adjudicated as a part of the basis for the security for the payment  
27 of any such bonds of the authority. The bonds, when validated, and the judgment of  
28 validation shall be final and conclusive with respect to such bonds, and the security for the  
29 payment thereof and interest thereon and against the authority issuing the same and the  
30 state and any municipality, county, authority, political subdivision, or instrumentality, if  
31 a party to the validation proceedings, contracting with the redevelopment authority.

32 38-1-39.

33 Any action to protect or enforce any rights under the provisions of this article or any suit  
34 or action against such authority shall be brought in the Superior Court of Fulton County,

1 Georgia; and any action pertaining to validation of any bonds issued under the provisions  
2 of this article shall likewise be brought in said court which shall have exclusive, original  
3 jurisdiction of such actions.

4 38-1-40.

5 While any of the bonds issued by an authority created under this article remain outstanding,  
6 the powers, duties, or existence of said authority or its officers, employees, or agents shall  
7 not be diminished or impaired in any manner that will affect adversely the interests and  
8 rights of the holders of such bonds. No other entity, department, agency, or authority will  
9 be created which will compete with the authority to such an extent as to affect adversely  
10 the interest and rights of the holders of such bonds, nor will the state itself so compete with  
11 the authority. The provisions of this article shall be for the benefit of the authority and the  
12 holders of any such bonds, and, upon the issuance of bonds under the provisions hereof,  
13 shall constitute a contract with the holders of such bonds.

14 38-1-41.

15 All moneys received pursuant to the authority of this article, whether as proceeds from the  
16 sale of revenue bonds, as grants or other contributions, or as revenue, income, fees, and  
17 earnings, shall be deemed to be trust funds to be held and applied solely as provided in this  
18 article.

19 38-1-42.

20 An authority created under this article is authorized to prescribe and fix rates and to revise  
21 the same from time to time and to collect fees, tolls, and charges for the services, facilities,  
22 and commodities furnished and, in anticipation of the collection of the revenues of such  
23 undertaking or project, to issue revenue bonds as herein provided to finance, in whole or  
24 in part, the cost of the acquisition, construction, reconstruction, improvement, betterment,  
25 or extension of any project and to pledge to the punctual payment of said bonds and interest  
26 thereon, all or any part of the revenues of such undertaking or project, including the  
27 revenues of improvements, betterments, or extensions thereto thereafter made.

28 38-1-43.

29 It shall be the duty of an authority created under this article to prescribe rules and  
30 regulations for the operation of the project or projects constructed or acquired under the  
31 provisions of this article.

1 38-1-44.

2 An authority created under this article shall have the same immunity and exemption from  
3 liability for torts and negligence as other counties and municipalities in this state; and the  
4 officers, agents, and employees of the authority, when in the performance of the work of  
5 the authority, shall have the same immunity and exemption from liability for torts and  
6 negligence as officers, agents, and employees of other counties and municipalities in this  
7 state when in the performance of their public duties or work of such political subdivisions.

8 38-1-45.

9 It is found, determined, and declared that the creation of an authority under this article and  
10 the carrying out of its corporate purpose is in all respects for the benefit of the people of  
11 this state and that such authority is an institution of purely public charity and will be  
12 performing an essential governmental function in the exercise of the power conferred upon  
13 it by this article, and this state covenants with the holders of the bonds that such authority  
14 shall not be required to pay any taxes or assessments upon any of the property acquired or  
15 leased by it or under its jurisdiction, control, possession, or supervision or upon its  
16 activities in the operation or maintenance of the projects erected by it or any rates, fees,  
17 tolls, or other charges for the use of such projects or other income received by such  
18 authority, and that the bonds of the authority, their transfer, and the income therefrom shall  
19 at all times be exempt from taxation within this state. The exemption from taxation  
20 provided for in this Code section shall not extend to tenants or lessees of such authority and  
21 shall not include exemptions from sales and use taxes on property purchased by such  
22 authority or for use by such authority.

23 38-1-46.

24 The provisions of this article shall be deemed to provide an additional and alternative  
25 method for the doing of the things authorized by this article, shall be regarded as  
26 supplemental and additional to powers conferred by other laws, and shall not be regarded  
27 as in derogation of any powers now existing.

28 38-1-47.

29 This article shall not and does not in any way take from any county or municipality the  
30 authority to own, operate, and maintain projects or to issue revenue bonds as is provided  
31 by Article 3 of Chapter 82 of Title 36, the 'Revenue Bond Law.'

1 38-1-48.

2 This article being for the welfare of various political subdivisions of the state and its  
3 inhabitants shall be liberally construed to effect the purposes of this article."

4 **SECTION 2.**

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

7 **SECTION 3.**

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