

Senate Bill 549

By: Senator Butterworth of the 50th

**AS PASSED SENATE**

**A BILL TO BE ENTITLED**

**AN ACT**

1 To amend an Act to create and establish the Rabun County Building Authority, approved  
 2 April 1, 1994 (Ga. L. 1994, p. 4564), so as to authorize Rabun County or the Rabun County  
 3 School District to lease or sell lands and buildings to the Authority; to authorize the  
 4 Authority, Rabun County, and the Rabun County School District to enter into contracts and  
 5 leases pertaining to uses of such facilities; to provide that no debt of Rabun County or the  
 6 Rabun County School District shall be incurred by the exercise of any of the powers granted;  
 7 to provide for related matters; to provide an effective date; to repeal conflicting laws; and for  
 8 other purposes.

9 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

10 **SECTION 1.**

11 An Act to create and establish the Rabun County Building Authority, approved April 1, 1994  
 12 (Ga. L. 1994, p. 4564), is amended by revising Section 1 as follows:

13 "SECTION 1.

14 Rabun County Building Authority created. There is created a public body corporate and  
 15 politic to be known as the Rabun County Building Authority, herein called 'the Authority,'  
 16 which shall be an instrumentality and a public corporation of the State of Georgia, the  
 17 purpose of which shall be to acquire, construct, and equip self-liquidating projects,  
 18 including, but not limited to, buildings, sanitary and surface water sewers, streets, roads  
 19 and public facilities of every nature, type and character, for use by Rabun County or the  
 20 Rabun County School District for their governmental, proprietary, public, administrative  
 21 and educational functions and Rabun County and the Rabun County School District are  
 22 granted the right and power by proper resolution of their governing authorities to sell or  
 23 lease to the Authority lands and buildings owned by them. The Authority shall not be a  
 24 state institution, nor a department or agency of the state, but shall be an instrumentality of  
 25 the state, a mere creation of the state, having distinct corporate entity and being exempt  
 26 from the provisions of Article 2 of Chapter 17 of Title 50 of the O.C.G.A., the 'Georgia

27 State Financing and Investment Commission Act.' The Authority shall have its principal  
28 office in Rabun County, and its legal situs or residence for the purposes of this chapter shall  
29 be Rabun County."

30 **SECTION 2.**

31 Said Act is further amended by revising paragraph (2) of Section 3 as follows:

32 "The word 'project' shall mean land, buildings, facilities, equipment, and real property and  
33 personal property of every kind and character necessary or convenient for the efficient  
34 operation of Rabun County or the Rabun County School District, or any other political  
35 subdivision or municipality of the State of Georgia located within Rabun County."

36 **SECTION 3.**

37 Said Act is further amended by revising paragraphs (3) and (4) of Section 4 as follows:

38 "(3) To make and execute with public and private persons and corporations contracts,  
39 leases, rental agreements, and other instruments relating to its projects and incident to the  
40 exercise of the powers of the Authority, including contracts for constructing, renting, and  
41 leasing of its projects for the use of Rabun County or the Rabun County School District;  
42 and, without limiting the generality of the foregoing, authority is specifically granted to  
43 Rabun County and the Rabun County School District to enter into lease contracts and  
44 related agreements for the use of any structure, building, or facility or a combination of any  
45 two or more structures, buildings, or facilities of the Authority for a term not exceeding 50  
46 years; and Rabun County and the Rabun County School District may enter into lease  
47 contracts and related agreements for the use of any structure, building, or facility, or a  
48 combination of the two or more structures, buildings, or facilities of the Authority for a  
49 term not exceeding 50 years upon a majority vote of its governing body and may obligate  
50 itself for the use of such property so leased and also obligate itself as part of the  
51 undertaking to pay debt service incurred in connection with such property, and to pay the  
52 cost of maintaining, repairing, and operating the property furnished by and leased from the  
53 Authority; and the sums agreed to be paid under the provisions of such lease contracts or  
54 related agreements may be pledged or assigned to secure the payment of revenue bonds  
55 issued hereunder;

56 (4) To acquire in its own name by purchase on such terms and conditions and in such  
57 manner as it may deem proper or by condemnation in accordance with the provisions of  
58 any and all existing laws of the State of Georgia applicable to the condemnation of property  
59 for public use, including the power to proceed as a condemning body under the provisions  
60 of Article 2 of Chapter 2 of Title 22 of the O.C.G.A., relating to proceedings before a  
61 special master, or by gift, grant, lease, or otherwise real property or rights and easements

62 therein and franchises and personal property necessary or convenient for its corporate  
 63 purposes and to use the same so long as its corporate existence shall continue and to lease  
 64 or make contracts with respect to the use or disposition of the same in any manner it deems  
 65 to the best advantage of the Authority. Title to any such property shall be held by the  
 66 Authority exclusively for the benefit of the public. The Authority shall be under no  
 67 obligation to accept and pay for any property condemned as provided herein except from  
 68 the funds provided therefore and, in any proceedings to condemn, such orders may be made  
 69 by the court having jurisdiction of the suit, action, or proceedings as may be just to the  
 70 Authority and to the owners of the property to be condemned; and no property shall be  
 71 acquired as provided herein upon which any lien or other encumbrance exists, unless at the  
 72 time such property is so acquired a sufficient sum of money shall be deposited in trust to  
 73 pay and redeem the amount of such lien or encumbrance. If the Authority shall deem it  
 74 expedient to construct any project on lands which are subject to the control of Rabun  
 75 County or the Rabun County School District, the governing authority of Rabun County or  
 76 the Rabun County School District, whichever is applicable, is authorized to convey such  
 77 lands to the Authority for such consideration, not exceeding reasonable value, as may be  
 78 agreed upon by the Authority, as Grantee, and by such governing authority, on behalf of  
 79 Rabun County or the Rabun County School District, as Grantor, taking into consideration  
 80 the public benefit to be derived from such conveyance."

81 **SECTION 4.**

82 Said Act is further amended by revising Section 5 as follows:

83 "SECTION 5.

84 Credit not pledged and debt not created by bonds. Revenue bonds issued under the  
 85 provisions of this Act shall not constitute a debt or a pledge of the faith and credit of the  
 86 State of Georgia, Rabun County, or the Rabun County School District; but such bonds shall  
 87 be payable from the rentals, revenue, earnings, and funds of the Authority as provided in  
 88 the resolution or trust agreement or indenture authorizing the issuance and securing the  
 89 payment of such bonds; and the issuance of such bonds shall not directly, indirectly, or  
 90 contingently obligate the state, county, or such school district to levy or pledge any form  
 91 of taxation whatever for the payment thereof. No holder of any bond or receiver or trustee  
 92 in connection with therewith shall have the right to enforce the payment thereof against any  
 93 property of the state or of such county or school district nor shall any such bond constitute  
 94 a charge, lien, or encumbrance, legal or equitable, upon any such property. All such  
 95 bonds shall contain on their face a recital setting forth substantially the foregoing  
 96 provisions of this section. However, such county or school district may obligate itself to

97 pay the amounts required under any contract entered into with the Authority from funds  
98 received from taxes to be levied and collected for that purpose to the extent necessary to  
99 pay the obligations contractually incurred under this section, and from any other source;  
100 and the obligation to make such payments shall constitute a general obligation and a pledge  
101 of the full faith and credit of the obligor but shall not constitute a debt of the obligor under  
102 the meaning of the Constitution of the State of Georgia, Article IX, Section V, Paragraph I;  
103 and, when such obligation is made to make such payments from taxes to be levied for that  
104 purpose, then the obligation shall be mandatory to levy and collect such taxes from year  
105 to year in an amount sufficient to fulfill and fully comply with the terms of such  
106 obligation."

107 **SECTION 5.**

108 This Act shall become effective on the first day of the month following the month in which  
109 it is approved by the Governor or becomes law without such approval.

110 **SECTION 6.**

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