

Senate Bill 376

By: Senator Douglas of the 17th

A BILL TO BE ENTITLED  
AN ACT

1 To create the Covington Municipal Airport Authority; to provide for a short title and  
2 legislative findings; to confer powers and impose duties on the authority; to provide for the  
3 membership and the appointment of members of the authority and their terms of office,  
4 qualifications, duties, powers, and compensation; to provide for vacancies, organization,  
5 meetings, and expenses; to prohibit authority employees and members from having certain  
6 interests; to provide for definitions; to provide for revenue bonds and their form, signatures  
7 thereon, negotiability, sale, and use of proceeds from such sales; to provide for interim  
8 documents and for lost or mutilated documents; to provide for condition for issuance; to  
9 prohibit the pledge of credit for the payment of bonds; to provide for trust indentures and  
10 sinking fund; to provide for payment of bond proceeds; to provide for bondholder remedies  
11 and protection; to provide for refunding bonds; to provide for bond validation; to provide for  
12 venue and jurisdiction; to provide for trust funds; to provide for authority purpose; to provide  
13 for charges; to provide for rules and regulations; to provide for tort immunity; to provide for  
14 tax exemptions; to provide for supplemental powers; to provide for effect on other  
15 governments; to provide for liberal construction; to provide for an effective date; to repeal  
16 conflicting laws; and for other purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

18 **SECTION 1.**

19 Short title.

20 This Act shall be known and may be cited as the "Covington Municipal Airport Authority  
21 Act."

**SECTION 2.**

## Legislative findings.

24 The General Assembly determines and finds that there is a present and projected growth in  
25 commercial and private air traffic in the Newton County area. There is the need for adequate  
26 airports safely and efficiently to serve the air transportation needs of this state and Newton  
27 County, the need to eliminate airport hazards, and the need to raise capital for the  
28 establishment, operation, and maintenance of present and future airports. The General  
29 Assembly further determines and finds that the establishment of an authority is necessary and  
30 essential to ensure the welfare, safety, and convenience of citizens of the region and the  
31 entire state and to ensure the proper economic development of the region and the entire state.

**SECTION 3.**

## Covington Municipal Airport Authority.

34 (a) There is created a body corporate and politic, to be known as the "Covington Municipal  
35 Airport Authority," which shall be deemed to be a political subdivision of the State of  
36 Georgia and a public corporation and by that name, style, and title said body may contract  
37 and be contracted with, sue and be sued, implead and be impleaded, and bring and defend  
38 actions in all courts. The authority shall have perpetual existence.

39 (b) The authority shall consist of seven members who shall be residents of Newton County,  
40 at least two of whom shall possess expertise in aviation. Four of the members shall be  
41 appointed by the governing authority of the City of Covington for terms of office of four  
42 years each. Three of the members shall be appointed by the governing authority of the City  
43 of Covington for terms of office of three years each. Members of the authority shall serve  
44 the terms specified and until their respective successors are appointed and qualified. Any  
45 member of the authority may be selected and appointed to succeed himself or herself. After  
46 such appointment, the members of such authority shall enter upon their duties. Any vacancy  
47 on the authority shall be filled in the same manner as was the original appointment of the  
48 member whose term of membership resulted in such vacancy and the person so selected and  
49 appointed shall serve for the remainder of the unexpired term. The members of the authority  
50 shall receive such reasonable and customary compensation for their services as such  
51 members, payable from funds of the authority, as may be established from time to time by  
52 the authority, and shall be reimbursed for all actual expenses incurred in the performance of  
53 their duties out of funds of the authority. The authority shall make rules and regulations for  
54 its own government. It shall have perpetual existence.

55 (c) To be eligible for appointment as a member of the authority, a person shall be at least 21  
 56 years of age and have been a resident of Newton County for at least one year prior to the date  
 57 of such person's appointment and shall not have been convicted of a felony.

58 (d) The members of the authority shall in April of each year elect one of their number as  
 59 chairperson. Also, the members of the authority shall elect one of their number as vice  
 60 chairperson, shall also elect one of their number as secretary, and may also elect one of their  
 61 number as treasurer. The secretary may also serve as treasurer. Each of such officers shall  
 62 serve for a period of one year and until their successors are duly elected and qualified. The  
 63 chairperson of the authority shall be entitled to vote upon any issue, motion, or resolution.

64 (e) A majority of the members of the authority shall constitute a quorum. No vacancy on  
 65 the authority shall impair the right of the quorum to exercise all of the rights and perform all  
 66 of the duties of the authority.

67 (f) A vacancy on the authority shall exist in the office of any member of the authority who  
 68 is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted of  
 69 a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who  
 70 moves such person's residence from Newton County, who is convicted of any act of  
 71 misfeasance, malfeasance, or nonfeasance of such person's duties as a member of the  
 72 authority; or who fails to attend any regular or special meeting of the authority for a period  
 73 of three months without an excuse approved by a resolution of the authority.

74 (g) All meetings of the authority, regular or special, shall be open to the public. The  
 75 authority may hold public hearings on its own initiative or at the request of residents of  
 76 Newton County or residents of any area affected by the actions of the authority.

77 (h) No member or employee of the authority shall have, directly or indirectly, any financial  
 78 interest, profit, or benefit in any contract, work, or business of the authority nor in the sale,  
 79 lease, or purchase of any property to or from the authority except by approval of the majority  
 80 of the mayor and council of the City of Covington.

#### 81 **SECTION 4.**

#### 82 Definitions.

83 (a) As used in this Act, the term:

84 (1) "Airport" means any area of land or structure which is or has been used or which the  
 85 authority may plan to use for the landing and taking off of commercial, private, and  
 86 military aircraft, including helicopters; all buildings, equipment, facilities, or other  
 87 property and improvements of any kind or nature located within the bounds of any such  
 88 land area or structure which are or have been used or which the authority may plan to use  
 89 for terminal facilities; all facilities of any type for the accommodation of passengers,

90 maintenance, servicing, and operation of aircraft, business offices and facilities of private  
91 businesses and governmental agencies, and the parking of automobiles; and all other  
92 activities which are or have been carried on or which may be necessary or convenient in  
93 conjunction with the landing, storage, and taking off of commercial, private, and military  
94 aircraft including all lands currently owned or may be acquired in the future by the City  
95 of Covington for airport purposes.

96 (2) "Authority" means the Covington Municipal Airport Authority created by this Act.

97 (3) "Cost of the project" means and embraces the cost of construction; the cost of all  
98 lands, properties, rights, easements, and franchises acquired; the cost of all machinery and  
99 equipment, financing charges, interest prior to and during construction and for one year  
100 after completion of construction; the cost of engineering, architectural, fiscal agents' and  
101 legal services, and other expenses necessary or incident to determining the feasibility or  
102 practicability of the project, administrative expenses, and such other expenses as may be  
103 necessary or incident to the financing authorized in this Act; the cost of the acquisition  
104 or construction of any project; the cost of placing any project in operation; and the cost  
105 of condemnation of property necessary for such construction and operation. Any  
106 obligation or expense incurred for any of the foregoing purposes shall be regarded as a  
107 part of the cost of the project and may be paid or reimbursed as such out of the proceeds  
108 of revenue bonds issued under the provisions of this Act for such project.

109 (4) "Project" shall be deemed to mean and include the acquisition, construction,  
110 equipping, maintenance, and operation of an airport and the usual facilities necessary or  
111 convenient thereto.

112 (5) "Revenue bonds" and "bonds" mean revenue bonds as defined and provided for in  
113 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," and such  
114 type of obligations as may be issued by the authority as authorized under said Revenue  
115 Bond Law and any amendments thereto and, in addition, shall also mean obligations of  
116 the authority, the issuance of which are hereinafter specifically provided for in this Act.

117 (b) Any project shall be deemed "self-liquidating" if, in the judgment of the authority, the  
118 revenues and earnings to be derived by the authority therefrom and all facilities used in  
119 connection therewith will be sufficient to pay the costs of operating, maintaining, repairing,  
120 improving, and extending the project and to pay the principal of and interest on the revenue  
121 bonds which may be issued to finance, in whole or in part, the cost of such project or  
122 projects.

**SECTION 5.**

## Powers.

125 The authority shall have the power:

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

127 (2) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and  
128 personal property of every kind and character for its corporate purposes and to plan,  
129 acquire, establish, develop, construct, enlarge, improve, maintain, equip, and lease all  
130 airports which shall come under the control of the authority under the provisions of this  
131 Act or which it may acquire or plan to acquire; to regulate, protect, and police such  
132 airports and all related activities and facilities; to enter into any contracts, leases, or other  
133 agreements, promulgate any orders, set any tolls, fees, or other charges for the use of  
134 property or services of the authority and collect and use same as necessary to operate the  
135 airports under control of the authority; and to accomplish any purposes of this Act and  
136 make any purchases or sales necessary for such purposes; except that the authority may  
137 not acquire any airport of any county, municipality, or combination thereof unless such  
138 county or municipality agrees to pay to the authority, so long as it operates such airport,  
139 at least the amount of airport operating expenses funded by taxes, fees, and assessments  
140 of such county or municipality immediately prior to such acquisition.

141 (3) To acquire in its own name by purchase, gift, or lease on such terms and conditions  
142 and in such manner as it may deem proper, or by condemnation in accordance with the  
143 provisions of any and all existing laws applicable to the condemnation of property for  
144 public use, real property, or rights or easements therein, or franchises necessary or  
145 convenient for its corporate purposes, and to use the same so long as its corporate  
146 existence shall continue, and to lease or make contracts with respect to the use of, or  
147 dispose of the same in any manner it deems to be to the best advantage of the authority,  
148 the authority being under no obligation to accept and pay for any property condemned  
149 under this Act except from the funds provided under the authority of this Act, and, in any  
150 proceedings to condemn, such orders may be made by the court having jurisdiction of the  
151 suit, action, or proceedings as may be just to the authority and to the owners of the  
152 property to be condemned, and no property shall be acquired under the provisions of this  
153 Act upon which any lien or other encumbrance exists unless at the time such property is  
154 so acquired a sufficient sum of money be deposited in trust to pay and redeem the fair  
155 value of such lien or encumbrance;

156 (4) To appoint, select, and employ officers, agents, and employees, including  
157 engineering, architectural, and construction experts, fiscal agents, and attorneys, and to  
158 fix their respective compensations;

159 (5) To make contracts and leases and to execute all instruments necessary or convenient,  
160 including contracts for construction of projects and leases of projects or contracts with  
161 respect to the use of projects which it causes to be constructed, erected, or acquired. Any  
162 and all persons, firms, and corporations and any and all political subdivisions,  
163 departments, institutions, or agencies of the State of Georgia are authorized to enter into  
164 contracts, leases, or agreements with the authority upon such terms and for such purposes  
165 as they deem advisable; and, without limiting the generality of the foregoing, authority  
166 is specifically granted to municipal corporations, counties, and other political  
167 subdivisions and to the authority to enter into contracts, lease agreements, or other  
168 undertakings with each other relating to projects of the authority for a term not exceeding  
169 50 years. Likewise, without limiting the generality of the above and foregoing, the same  
170 authority above granted to municipal corporations, counties, political subdivisions, and  
171 to the authority relative to entering into contracts, lease agreements, or other undertakings  
172 is authorized between the authority and private corporations, both inside and outside the  
173 State of Georgia, and between the authority and public bodies, including counties and  
174 cities outside the State of Georgia.

175 (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,  
176 equip, operate, and manage projects, as defined in this Act, the cost of any such project  
177 to be paid in whole or in part from the proceeds of revenue bonds of the authority or from  
178 such proceeds and any grant or contribution from the United States of America or any  
179 agency or instrumentality thereof or from the State of Georgia or any agency or  
180 instrumentality thereof;

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

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

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

191 (10) To exercise any power usually possessed by private corporations performing similar  
192 functions, including the power to make long or short-term loans, to give deeds to secure  
193 debt on real property, security agreements on personal property or any other security  
194 instruments and approve, execute, and deliver appropriate evidence of such indebtedness,

195 provided no such power is in conflict with the Constitution or general laws of the State  
196 of Georgia; and  
197 (11) To do all other things necessary or convenient to carry out the powers expressly  
198 given in this Act.

199 **SECTION 6.**

200 Revenue bonds.

201 The authority or any authority or body which has or which may in the future succeed to the  
202 powers, duties, and liabilities vested in the authority created by this Act is authorized to  
203 provide by resolution for the issuance of negotiable revenue bonds of the authority for the  
204 purpose of paying all or any part of the cost as herein defined of any one or more projects.  
205 The principal of and interest on such revenue bonds shall be payable solely from the special  
206 fund provided in this Act for such payment. The bonds of each issue shall be dated, shall  
207 bear interest at such rate or rates per annum, payable at such time or times, shall mature at  
208 such time or times not exceeding 40 years from their date or dates, shall be payable in such  
209 medium of payment as to both principal and interest as may be determined by the authority,  
210 and may be redeemable before maturity, at the option of the authority, at such price or prices  
211 and under such terms and conditions as may be fixed by the authority in the resolution for  
212 the issuance of bonds.

213 **SECTION 7.**

214 Revenue bonds; form, denomination; registration; place of payment

215 The authority shall determine the form of the bonds, including any interest coupons to be  
216 attached thereto, and shall fix the denomination or denominations of the bonds and the place  
217 or places of payment of principal and interest thereon, which may be at any bank or trust  
218 company inside or outside the State of Georgia. The bonds may be issued in coupon or  
219 registered form, or both, as the authority may determine, and provision may be made for the  
220 registration of any coupon bond as to principal alone and also as to both principal and  
221 interest.

222 **SECTION 8.**

223 Revenue bonds; signatures; seal.

224 In case any officer whose signature shall appear on any bonds or whose facsimile signature  
225 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,

226 such signature shall nevertheless be valid and sufficient for all purposes the same as if such  
227 officer had remained in office until such delivery. All such bonds shall be signed by the  
228 chairperson of the authority and the official seal of the authority shall be affixed thereto and  
229 attested by the secretary of the authority and any coupons attached thereto shall bear the  
230 facsimile signatures of the chairperson and the secretary of the authority. Any coupon may  
231 bear the facsimile signatures of such persons and any bond may be signed, sealed, and  
232 attested on behalf of the authority by such persons as at the actual time of the execution of  
233 such bonds shall be duly authorized or hold the proper office, although at the date of such  
234 bonds such person may not have been so authorized or shall not have held such office.

235 **SECTION 9.**

236 Revenue bonds; negotiability; exemption from taxation.

237 All revenue bonds issued under the provisions of this Act shall have and are declared to have  
238 all the qualities and incidents of negotiable instruments under the laws of this state. Such  
239 bonds, their transfer, and the income therefrom shall be exempt from all taxation within this  
240 state.

241 **SECTION 10.**

242 Revenue bonds; sale; price; proceeds.

243 The authority may sell such bonds in such manner and for such price as it may determine to  
244 be for the best interest of the authority. The proceeds derived from the sale of such bonds  
245 shall be used solely for the purpose or purposes provided in the resolutions and proceedings  
246 authorizing the issuance of such bonds.

247 **SECTION 11.**

248 Revenue bonds; interim receipts and certificates or temporary bonds.

249 Prior to the preparation of any definitive bonds, the authority may, under like restrictions,  
250 issue interim receipts, interim certificates, or temporary bonds, with or without coupons,  
251 exchangeable for definitive bonds upon the issuance of the latter.



252 **SECTION 12.**

253 Revenue bonds; replacement of lost or mutilated bonds.

254 The authority may provide for the replacement of any bonds or coupons which shall become  
255 mutilated or be destroyed or lost.

256 **SECTION 13.**

257 Revenue bonds; conditions precedent to issuance.

258 Such revenue bonds may be issued without any other proceedings or the happening of any  
259 other conditions or things other than those proceedings, conditions, and things which are  
260 specified or required by this Act. In the discretion of the authority, revenue bonds of a single  
261 issue may be issued for the purpose of any particular project. Any resolution providing for  
262 the issuance of revenue bonds under the provisions of this Act shall become effective  
263 immediately upon its passage and need not be published or posted, and any such resolution  
264 may be passed at any regular or special meeting of the authority by a majority of its  
265 members.

266 **SECTION 14.**

267 Credit not pledged.

268 Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a  
269 debt of the City of Covington or Newton County nor a pledge of the faith and credit of said  
270 city or county; but such bonds shall be payable solely from the fund hereinafter provided for  
271 and the issuance of such revenue bonds shall not directly, indirectly, or contingently obligate  
272 said city or county to levy or to pledge any form of taxation whatever therefor or to make any  
273 appropriation for their payment. All such bonds shall contain recitals on their face covering  
274 substantially the foregoing provisions of this section.

275 **SECTION 15.**

276 Trust indenture as security.

277 In the discretion of the authority, issuance of such revenue bonds may be secured by a trust  
278 indenture by and between the authority and a corporate trustee, which may be any trust  
279 company or bank having the powers of a trust company inside or outside the State of  
280 Georgia. Such trust indenture may pledge or assign fees, tolls, revenues, and earnings to be  
281 received by the authority. Either the resolution providing for the issuance of revenue bonds

282 or such trust indenture may contain such provisions for protecting and enforcing the rights  
283 and remedies of the bondholders as may be reasonable and proper and not in violation of law,  
284 including covenants setting forth the duties of the authority in relation to the acquisition of  
285 property, the construction of the project, the maintenance, operation, repair, and insuring of  
286 the project, and the custody, safeguarding, and application of all moneys, and may also  
287 provide that any project shall be constructed and paid for under the supervision and approval  
288 of consulting engineers or architects employed or designated by the authority, and  
289 satisfactory to the original purchasers of the bonds issued therefor, and may also require that  
290 the security given by contractors and by any depository of the proceeds of the bonds or  
291 revenues or other moneys be satisfactory to such purchasers, and may also contain provisions  
292 concerning the conditions, if any, upon which additional revenue bonds may be issued. It  
293 shall be lawful for any bank or trust company incorporated under the laws of the State of  
294 Georgia to act as such depository and to furnish such indemnifying bonds or pledge such  
295 securities as may be required by the authority or the laws of the State of Georgia. Such  
296 indenture may set forth the rights and remedies of the bondholders and of the trustee and may  
297 restrict the individual right of action of bondholders as is customary in trust indentures  
298 securing bonds and debentures of corporations. In addition to the foregoing, such trust  
299 indenture may contain such other provisions as the authority may deem reasonable and  
300 proper for the security of the bondholders. All expenses incurred in carrying out such trust  
301 indenture may be treated as a part of the cost of maintenance, operation, and repair of the  
302 project affected by such indenture.

303 **SECTION 16.**

304 To whom proceeds of bonds shall be paid.

305 In the resolution providing for the issuance of revenue bonds or in the trust indenture, the  
306 authority shall provide for the payment of the proceeds of the sale of the bonds to any officer  
307 or person who, or any agency, bank, or trust company which, shall act as trustee of such  
308 funds and shall hold and apply the same to the purposes of this Act, subject to such  
309 regulations as this Act and such resolution or trust indenture may provide.

310 **SECTION 17.**

311 Sinking fund.

312 The revenues, fees, tolls, and earnings derived from any particular project or projects,  
313 regardless of whether or not such fees, earnings, and revenues were produced by a particular  
314 project or projects, and regardless of whether or not such fees, earnings, and revenues were

315 produced by a particular project for which bonds have been issued, unless otherwise pledged  
 316 and allocated, may be pledged and allocated by the authority to the payment of the principal  
 317 and interest on revenue bonds of the authority as the resolution authorizing the issuance of  
 318 the bonds or the trust instrument may provide. Such funds so pledged from whatever source  
 319 received, including funds received from one or more or all sources, shall be set aside at  
 320 regular intervals as may be provided in the resolution or trust indenture into a sinking fund  
 321 which shall be pledged to and charged with the payment of:

- 322 (1) The interest upon such revenue bonds as such interest shall fall due;
- 323 (2) The principal of the bonds as the same shall fall due;
- 324 (3) The necessary charges of paying agents for paying principal and interest and other  
 325 investment charges;
- 326 (4) Any premium upon bonds retired by call or purchase as provided in this Act; and
- 327 (5) Any investment fees or charges.

328 The use and disposition of such sinking fund shall be subject to such regulations as may be  
 329 provided in the resolution authorizing the issuance of the revenue bonds or in the trust  
 330 indenture but, except as may otherwise be provided in such resolution or trust indenture, such  
 331 sinking fund shall be maintained as a trust account for the benefit of all revenue bonds  
 332 without distinction or priority of one over another. Subject to the provisions of the resolution  
 333 authorizing the issuance of the bonds or the trust indenture, any surplus moneys in the  
 334 sinking fund may be applied to the purchase or redemption of bonds, and any such bonds so  
 335 purchased or redeemed shall forthwith be canceled and shall not again be issued.

### 336 **SECTION 18.**

#### 337 Remedies of bondholders.

338 Any holder of revenue bonds issued under the provisions of this Act or any of the coupons  
 339 appertaining thereto and the trustee under the trust indenture, if any, except to the extent the  
 340 rights given in this Act may be restricted by resolution passed before the issuance of the  
 341 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,  
 342 or other proceedings, protect and enforce any and all rights under the laws of the State of  
 343 Georgia or granted under this Act or under such resolution or trust indenture and may enforce  
 344 and compel performance of all duties required by this Act or by such resolution or trust  
 345 indenture to be performed by the authority or any officer thereof, including the fixing,  
 346 charging, and collecting of revenues, fees, tolls, and other charges for the use of the facilities  
 347 and services furnished.

348 **SECTION 19.**

349 Refunding bonds.

350 The authority is authorized to provide by resolution for the issuance of bonds of the authority  
351 for the purpose of funding or refunding any revenue bonds issued under the provisions of this  
352 Act and then outstanding, together with accrued interest thereon and premium, if any. The  
353 issuance of such funding or refunding bonds, the maturities and all other details thereof, the  
354 rights of the holders thereof, and the duties of the authority in respect to the same shall be  
355 governed by the foregoing provisions of this Act insofar as the same may be applicable.

356 **SECTION 20.**

357 Validation.

358 Bonds of the authority shall be confirmed and validated in accordance with the procedure of  
359 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., known as the "Revenue Bond Law." The  
360 petition for validation shall also make party defendant to such action the State of Georgia or  
361 any municipality, county, authority, political subdivision, or instrumentality of the State of  
362 Georgia which has contracted with the authority for the services and facilities of the project  
363 for which bonds are to be issued and sought to be validated, and the state or such  
364 municipality, county, authority, political subdivision, or instrumentality shall be required to  
365 show cause, if any exists, why such contract or contracts and the terms and conditions thereof  
366 should not be inquired into by the court and the contract or contracts adjudicated as a part of  
367 the basis for the security for the payment of any such bonds of the authority. The bonds,  
368 when validated, and the judgment of validation shall be final and conclusive with respect to  
369 such bonds, and the security for the payment thereof and interest thereon and against the  
370 authority issuing the same and the state and any municipality, county, authority, political  
371 subdivision, or instrumentality, if a party to the validation proceedings, contracting with the  
372 Covington Municipal Airport Authority.

373 **SECTION 21.**

374 Venue and jurisdiction.

375 Any action to protect or enforce any rights under the provisions of this Act or any suit or  
376 action against such authority shall be brought in the Superior Court of Newton County,  
377 Georgia; and any action pertaining to validation of any bonds issued under the provisions of  
378 this Act shall likewise be brought in said court, which shall have exclusive, original  
379 jurisdiction of such actions.

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**SECTION 22.**

Interest of bondholders protected.

382 While any of the bonds issued by the authority remain outstanding, the powers, duties, or  
383 existence of said authority or its officers, employees, or agents shall not be diminished or  
384 impaired in any manner that will affect adversely the interests and rights of the holders of  
385 such bonds. No other entity, department, agency, or authority will be created which will  
386 compete with the authority to such an extent as to affect adversely the interest and rights of  
387 the holders of such bonds, nor will the State of Georgia itself so compete with the authority.  
388 The provisions of this Act shall be for the benefit of the authority and the holders of any such  
389 bonds, and, upon the issuance of bonds under the provisions hereof, shall constitute a  
390 contract with the holders of such bonds.

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**SECTION 23.**

Moneys received considered trust funds.

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

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**SECTION 24.**

Purpose of the authority.

398 Without limiting the generality of any provision of this Act, the general purpose of the  
399 authority is declared to be that of acquiring, constructing, equipping, maintaining, and  
400 operating an airport and the usual facilities related thereto, and improving of such facilities,  
401 acquiring parking facilities and parking areas in connection therewith, acquiring the  
402 necessary property therefor, both real and personal, and leasing or selling any or all of such  
403 facilities, including real property, and doing any and all things deemed by the authority to  
404 be necessary, convenient, or desirable for and incident to the efficient and proper  
405 development and operation of such types of undertaking.

406

**SECTION 25.**

407

Rates, charges, and revenues; use.

408 The authority is authorized to prescribe and fix rates and to revise the same from time to time

409 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished

410 and, in anticipation of the collection of the revenues of such undertaking or project, to issue

411 revenue bonds as herein provided to finance, in whole or in part, the cost of the acquisition,

412 construction, reconstruction, improvement, betterment, or extension of any project and to

413 pledge to the punctual payment of said bonds and interest thereon, all or any part of the

414 revenues of such undertaking or project, including the revenues of improvements,

415 betterments, or extensions thereto thereafter made.

416

**SECTION 26.**

417

Rules and regulations for operation of projects.

418 It shall be the duty of the authority to prescribe rules and regulations for the operation of the

419 project or projects constructed or acquired under the provisions of this Act.

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**SECTION 27.**

421

Tort immunity.

422 The authority shall have the same immunity and exemption from liability for torts and

423 negligence as the City of Covington; and the officers, agents, and employees of the authority,

424 when in the performance of the work of the authority, shall have the same immunity and

425 exemption from liability for torts and negligence as the officers, agents, and employees of

426 the City of Covington when in the performance of their public duties or work of the city.

427

**SECTION 28.**

428

Tax exemption.

429 It is found, determined, and declared that the creation of the authority and the carrying out

430 of its corporate purpose is in all respects for the benefit of the people of the State of Georgia

431 and that the authority is an institution of purely public charity and will be performing an

432 essential governmental function in the exercise of the power conferred upon it by this Act,

433 and the State of Georgia covenants with the holders of the bonds that the authority shall not

434 be required to pay any taxes or assessments upon any of the property acquired or leased by

435 it or under its jurisdiction, control, possession, or supervision or upon its activities in the

436 operation or maintenance of the projects erected by it or any rates, fees, tolls, or other  
437 charges for the use of such projects or other income received by the authority, and that the  
438 bonds of the authority, their transfer, and the income therefrom shall at all times be exempt  
439 from taxation within this state. The exemption from taxation provided for in this section  
440 shall not extend to tenants or lessees of the authority and shall not include exemptions from  
441 sales and use taxes on property purchased by the authority or for use by the authority.

442 **SECTION 29.**

443 Powers declared supplemental and additional.

444 The foregoing sections of this Act shall be deemed to provide an additional and alternative  
445 method for the doing of the things authorized by this Act, shall be regarded as supplemental  
446 and additional to powers conferred by other laws, and shall not be regarded as in derogation  
447 or substitution of any powers now existing.

448 **SECTION 30.**

449 Effect on other governments.

450 This Act shall not and does not in any way take from Newton County or any municipality  
451 located therein or any adjoining county the authority to own, operate, and maintain projects  
452 or to issue revenue bonds as is provided by Article 3 of Chapter 82 of Title 36 of the  
453 O.C.G.A., the "Revenue Bond Law."

454 **SECTION 31.**

455 Liberal construction of Act.

456 This Act being for the welfare of various political subdivisions of the state and its inhabitants  
457 shall be liberally construed to effect the purposes of this Act.

458 **SECTION 32.**

459 Effective date.

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

462

**SECTION 33.**

463

Repealer.

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