

House Bill 604 (AS PASSED HOUSE AND SENATE)

By: Representatives Hanner of the 148th and Greene of the 149th

A BILL TO BE ENTITLED
AN ACT

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

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

16 **SECTION 1.**

17 Short title.

18 This Act shall be known and may be cited as the "Lower Chattahoochee Regional
19 Transportation Authority Act."

20 **SECTION 2.**

21 Lower Chattahoochee Regional Transportation Authority.

22 (a) There is created a body corporate and politic to be known as the Lower Chattahoochee
23 Regional Transportation Authority, which shall be deemed to be a political subdivision of

24 the State of Georgia and a public corporation and instrumentality by that name, style, and
25 title, and said body may contract and be contracted with, sue and be sued, implead and be
26 impleaded, and complain and defend in all courts of law and equity, except that the
27 authority or the trustee acting under a trust indenture shall in no event be liable for any torts
28 committed by any of the officers, agents, and employees of the authority. The authority
29 shall not be a state institution, nor a department or agency of the state, but shall be a
30 political subdivision of the state having a distinct corporate entity and being exempt from
31 the provisions of Article 2 of Chapter 17 of Title 50 of the O.C.G.A., the "Georgia State
32 Financing and Investment Commission Act." The authority is granted the same exemptions
33 and exclusions from taxes as are now granted to cities and counties.

34 (b) The authority shall consist of seven members who shall be appointed as follows: Two
35 members shall be appointed by each of the governing bodies of Stewart, Quitman, and
36 Randolph counties. Each member shall serve for a term of four years, except that one of
37 the two initial members appointed by each of the governing bodies shall serve for two
38 years. Each member shall be a resident of the county making the appointment. The six
39 members so appointed shall appoint the seventh member, who shall be a resident of
40 Stewart, Quitman, or Randolph County, for a term of office of four years. Members of the
41 authority shall serve the terms specified and until their respective successors are appointed
42 and qualified; provided, however, that any member of the authority may be removed at any
43 time by the governing authority which appointed such member, with or without cause.
44 Any member of the authority may be selected and appointed to succeed himself or herself.
45 Any vacancy on the authority shall be filled in the same manner as was the original
46 appointment of the member whose term of membership resulted in such vacancy and the
47 person so selected and appointed shall serve for the remainder of the unexpired term. The
48 members of the authority shall be reimbursed for all actual expenses incurred in the
49 performance of their duties out of funds of the authority. The authority shall make rules
50 and regulations for its own government. The authority shall have perpetual existence.

51 (c) To be eligible for appointment as a member of the authority, a person shall satisfy the
52 requirements of Code Section 45-2-1 of the O.C.G.A.

53 (d) The authority shall elect one of its members as chairperson and another member as vice
54 chairperson. The authority shall elect a secretary and a treasurer, or a secretary-treasurer,
55 who need not be members of the authority.

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

59 (f) The authority shall make rules and regulations for its own government.

96 maintaining, repairing, improving, and extending the project and to pay the principal of
 97 and interest on the revenue bonds or notes which may be issued to finance, in whole or
 98 in part, the cost of such project; provided, however, the authority, in its sole judgment,
 99 shall determine if a project is deemed to be self-liquidating.

100 **SECTION 4.**

101 Powers.

102 The authority shall have the power:

- 103 (1) To have a seal and alter the same at its pleasure;
- 104 (2) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and
 105 personal property of every kind and character for its corporate purposes;
- 106 (3) To acquire in its own name by purchase, on such terms and conditions and in such
 107 manner as it may deem proper, real property, rights, or easements therein or franchises
 108 necessary or convenient for its corporate purposes; to use the same so long as its
 109 corporate existence shall continue; and to lease or make contracts with respect to the use
 110 of or to dispose of the same in any manner it deems to the best advantage of the authority;
 111 provided, however, no property shall be acquired under the provisions of this Act upon
 112 which any lien or other encumbrance exists, unless at the time such property is so
 113 acquired a sufficient sum of money is deposited in trust to pay and redeem the fair value
 114 of such lien or encumbrance;
- 115 (4) To appoint, select, and employ officers, agents, and employees including
 116 engineering, architectural, and construction experts, fiscal agents, and attorneys and to
 117 fix their respective compensations;
- 118 (5) To make contracts and leases and to execute all instruments necessary or convenient,
 119 including contracts for construction of projects and leases of projects or contracts with
 120 respect to the use of projects which it causes to be erected or acquired; and any and all
 121 persons, firms, and corporations and any and all political subdivisions, departments,
 122 institutions, or agencies of the state are authorized to enter into contracts, leases, or
 123 agreements with the authority upon such terms for such purposes as they deem advisable;
 124 and, without limiting the generality of the above, authority is specifically granted to
 125 municipal corporations, counties, and the authority to enter into contracts, lease
 126 agreements, or other undertakings relative to the furnishing of services and facilities by
 127 the authority to such municipal corporations and counties or relative to the furnishing of
 128 facilities and services by municipal corporations, counties, corporations, or individuals
 129 to the authority for a term of not exceeding 50 years;

130 (6) To plan, design, construct, erect, acquire, own, lease, repair, remodel, maintain, add
 131 to, extend, improve, equip, operate, and manage projects, the cost of any such project to
 132 be paid in whole or in part from the proceeds of revenue bonds, notes, or other funds of
 133 the authority, from the contracting for services, or from such proceeds or other funds and
 134 any grant from the United States or the State of Georgia or any political subdivision,
 135 agency, or instrumentality of either;

136 (7) To accept loans and grants of money or materials or property of any kind from the
 137 United States or any agency or instrumentality thereof, upon such terms and conditions
 138 as the United States or any agency or instrumentality thereof may impose;

139 (8) To accept loans and grants of money or materials or property of any kind from the
 140 State of Georgia or any agency or instrumentality or political subdivision thereof, upon
 141 such terms and conditions as the State of Georgia or any agency or instrumentality or
 142 political subdivision thereof may impose;

143 (9) To borrow money for any of its corporate purposes, to execute notes or other
 144 evidences of such indebtedness, to secure the same, to issue revenue bonds payable solely
 145 from funds pledged for that purpose, and to provide for the payment of the same and for
 146 the rights of holders thereof;

147 (10) To sell, lease, grant, exchange, or otherwise dispose of any surplus property, both
 148 real and personal, or interest therein not required in the normal operation of or not usable
 149 in the furtherance of the purpose for which the authority was created;

150 (11) To borrow money for any of its corporate purposes from any bank, banks, or other
 151 lending institutions; to execute notes or other evidences of such indebtedness; and to
 152 secure the same by assigning all rights and pledging all funds to be received by the
 153 authority from a contract or lease entered into by the authority and any political
 154 subdivision or governmental body;

155 (12) To exercise any power which is usually possessed by private corporations
 156 performing similar functions and which is not in conflict with the Constitution and laws
 157 of this state; and

158 (13) To do all things necessary or convenient to carry out the powers expressly given in
 159 this Act.

160 **SECTION 5.**

161 Revenue bonds.

162 The authority, or any authority or body which has or which may in the future succeed to the
 163 powers, duties, and liabilities vested in the authority created by this Act, is authorized to
 164 provide by resolution for the issuance of negotiable revenue bonds of the authority for the

165 purpose of paying all or any part of the cost, as defined in this Act, of any one or more
166 projects. The principal of and interest on such revenue bonds shall be payable solely from
167 the special fund provided in this Act for such payment. The bonds of each issue shall be
168 dated, shall bear interest at such rate or rates per annum, payable at such time or times, shall
169 mature at such time or times not exceeding 40 years from their date or dates, shall be payable
170 in such medium of payment as to both principal and interest as may be determined by the
171 authority, and may be redeemable before maturity, at the option of the authority, at such price
172 or prices and under such terms and conditions as may be fixed by the authority.

173 **SECTION 6.**

174 Revenue bonds; form; denomination; registration; place of payment.

175 The authority shall determine the form of the bonds, including any interest coupons to be
176 attached thereto, and shall fix the denomination or denominations of the bonds and the place
177 or places of payment of principal and interest thereon, which may be at any bank or trust
178 company inside or outside the state. The bonds may be issued in coupon or registered form,
179 or both, as the authority may determine, and provision may be made for the registration of
180 any coupon bond as to principal alone and also to both principal and interest.

181 **SECTION 7.**

182 Revenue bonds; signatures; seal.

183 In case any officer whose signature shall appear on any bonds or whose facsimile signature
184 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,
185 such signature shall nevertheless be valid and sufficient for all purposes the same as if such
186 officer had remained in office until such delivery. All such bonds shall be signed by the
187 chairperson of the authority and the official seal of the authority shall be affixed thereto and
188 attested by the secretary of the authority and any coupons attached thereto shall bear the
189 facsimile signatures of the chairperson and the secretary of the authority. Any coupon may
190 bear the facsimile signatures of such persons and any bond may be signed, sealed, and
191 attested on behalf of the authority by such persons as at the actual time of execution of such
192 bonds shall be duly authorized or hold the proper office, although at the date of such bonds
193 such person may not have been so authorized or shall not have held such office.

194 **SECTION 8.**

195 Revenue bonds; negotiability; exemption from taxation.

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

199 **SECTION 9.**

200 Revenue bonds; sale; price; proceeds.

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

205 **SECTION 10.**

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

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

210 **SECTION 11.**

211 Revenue bonds; replacement of lost or mutilated bonds.

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

214 **SECTION 12.**

215 Revenue bonds; conditions precedent to issuance.

216 Such revenue bonds may be issued without any other proceedings or the happening of any
217 other conditions or things other than those proceedings, conditions, and things which are
218 specified or required by this Act or Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the
219 "Revenue Bond Law." In the discretion of the authority, revenue bonds of a single issue may
220 be issued for the purpose of any particular project. Any resolution providing for the issuance
221 of revenue bonds under the provisions of this Act shall become effective immediately upon

222 its passage and need not be published or posted, and any such resolution may be passed at
223 any regular or special meeting of the authority by a majority of its members.

224 **SECTION 13.**

225 Credit not pledged.

226 Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a
227 debt of Stewart, Quitman, or Randolph County nor a pledge of the faith and credit of any of
228 said counties; but such bonds shall be payable solely from the fund provided for in this Act
229 and the issuance of such revenue bonds shall not directly, indirectly, or contingently obligate
230 said counties to levy or to pledge any form of taxation whatever therefor or to make any
231 appropriation for their payment. All such bonds shall contain recitals on their face covering
232 substantially the foregoing provisions of this section.

233 **SECTION 14.**

234 Trust indenture as security.

235 In the discretion of the authority, any issuance of such revenue bonds may be secured by a
236 trust indenture by and between the authority and a corporate trustee, which may be any trust
237 company or bank having the powers of a trust company inside or outside the state. Such trust
238 indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the
239 authority. Either the resolution providing for the issuance of revenue bonds or such trust
240 indenture may contain such provisions for protecting and enforcing the rights and remedies
241 of the bondholders as may be reasonable and proper and not in violation of law, including
242 covenants setting forth the duties of the authority in relation to the acquisition of property,
243 the construction of the project, the maintenance, operation, repair, and insuring of the project,
244 and the custody, safekeeping, and application of all moneys, and may also provide that any
245 project shall be constructed and paid for under the supervision and approval of consulting
246 engineers or architects employed or designated by the authority, and satisfactory to the
247 original purchasers of the bonds issued therefor, and may also require that the security given
248 by contractors and by any depository of the proceeds of the bonds or revenues or other
249 moneys be satisfactory to such purchasers, and may also contain provisions concerning the
250 conditions, if any, upon which additional revenue bonds may be issued. It shall be lawful
251 for any bank or trust company incorporated under the laws of this state to act as such
252 depository and to furnish such indemnifying bonds or pledge such securities as may be
253 required by the authority. Such indenture may set forth the rights and remedies of the
254 bondholders and of the trustee and may restrict the individual right of action of bondholders

255 as is customary in trust indentures securing bonds and debentures of corporations. In
 256 addition to the foregoing, such trust indenture may contain such other provisions as the
 257 authority may deem reasonable and proper for the security of bondholders. All expenses
 258 incurred in carrying out such trust indenture may be treated as part of the cost of
 259 maintenance, operation, and repair of the project affected by such indenture.

260 **SECTION 15.**

261 To whom proceeds of bond shall be paid.

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

267 **SECTION 16.**

268 Sinking fund.

269 (a) The revenues, fees, tolls, and earnings derived from any particular project or projects,
 270 regardless of whether or not such fees, earnings, and revenues were produced by a
 271 particular project for which bonds have been issued, unless otherwise pledged and
 272 allocated, may be pledged and allocated by the authority to the payment of the principal
 273 and interest on revenue bonds of the authority as the resolution authorizing the issuance of
 274 the bonds or the trust instrument may provide. Such funds so pledged from whatever
 275 source received, including funds received from one or more or all sources, shall be set aside
 276 at regular intervals as may be provided in the resolution or trust indenture into a sinking
 277 fund which shall be pledged to and charged with the payment of:

- 278 (1) The interest upon such revenue bonds as such interest shall fall due;
 279 (2) The principal of the bonds as the same shall fall due;
 280 (3) The necessary charges of paying agents for paying principal and interest and other
 281 investment charges;
 282 (4) Any premium upon bonds retired by call or purchase as provided in this Act; and
 283 (5) Any investment fees or charges.

284 (b) The use and disposition of such sinking fund shall be subject to such regulations as
 285 may be provided in the resolution authorizing the issuance of the revenue bonds or in the
 286 trust indenture but, except as may otherwise be provided in such resolution or trust
 287 indenture, such sinking fund shall be maintained as a trust account for the benefit of all

288 revenue bonds without distinction or priority of one over another. Subject to the provisions
289 of the resolution authorizing the issuance of the bonds or the trust indenture, any surplus
290 moneys in the sinking fund may be applied to the purchase or redemption of bonds, and
291 any such bonds so purchased or redeemed shall forthwith be canceled and shall not again
292 be issued.

293 **SECTION 17.**

294 Remedies of bondholders.

295 Any holder of revenue bonds issued under the provisions of this Act or any of the coupons
296 appertaining thereto and the trustee under the trust indenture, if any, except to the extent the
297 rights given in this Act may be restricted by resolution passed before the issuance of the
298 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
299 or other proceedings, protect and enforce any and all rights under the laws of this state or
300 granted under this Act or under such resolution or trust indenture and may enforce and
301 compel performance of all duties required by this Act or by such resolution or trust indenture
302 to be performed by the authority or any officer thereof, including the fixing, charging, and
303 collecting of revenues, fees, tolls, and other charges for the use of the facilities and services
304 furnished.

305 **SECTION 18.**

306 Refunding bonds.

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

313 **SECTION 19.**

314 Validation.

315 Bonds of the authority shall be confirmed and validated in accordance with the procedure of
316 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., known as the "Revenue Bond Law." The
317 petition for validation shall also make party defendant to such action the State of Georgia and
318 any municipality, county, authority, political subdivision, or instrumentality of the State of

319 Georgia which has contracted with the authority for the services and facilities of the project
320 for which bonds are to be issued and sought to be validated, and the state and such
321 municipality, county, authority, political subdivision, or instrumentality shall be required to
322 show cause, if any exists, why such contract or contracts and the terms and conditions thereof
323 should not be inquired into by the court and the contract or contracts adjudicated as a part of
324 the basis for the security for the payment of any such bonds of the authority. The bonds,
325 when validated, and the judgment of validation shall be final and conclusive with respect to
326 such bonds, and the security for the payment thereof and interest thereon and against the
327 authority issuing the same and the state and any municipality, county, authority, political
328 subdivision, or instrumentality, if a party to the validation proceedings, contracting with the
329 authority.

330 **SECTION 20.**

331 Venue and jurisdiction.

332 Any action to protect or enforce any rights under the provisions of this Act or any suit or
333 action against such authority shall be brought in the Superior Court of Randolph County,
334 Georgia; and any action pertaining to validation of any bonds issued under the provisions of
335 this Act shall likewise be brought in said court which shall have exclusive, original
336 jurisdiction of such actions.

337 **SECTION 21.**

338 Interest of bondholders protected.

339 While any of the bonds issued by the authority remain outstanding, the power, duties, or
340 existence of said authority or its officers, employees, or agents shall not be diminished or
341 impaired in any manner that will affect adversely the interest and rights of the holders of such
342 bonds. No other entity, department, agency, or authority will be created which will compete
343 with the authority to such an extent as to affect adversely the interest and rights of the holders
344 of such bonds, nor will the state itself so compete with the authority. The provisions of this
345 Act shall be for the benefit of the authority and the holders of any such bonds, and, upon the
346 issuance of bonds under the provisions hereof, shall constitute a contract with the holders of
347 such bonds.

348 **SECTION 22.**

349 Moneys received considered trust funds.

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

353 **SECTION 23.**

354 Rates, charges, and revenues; use.

355 The authority is authorized to prescribe and fix rates and to revise the same from time to time
356 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished
357 and, in anticipation of the collection of revenues of such undertaking or project, to issue
358 revenue bonds as provided in this Act to finance, in whole or in part, the cost of the
359 acquisition, construction, reconstruction, improvement, betterment, or extension of any
360 project and to pledge to the punctual payment of said bonds and interest thereon, all or any
361 part of the revenues of such undertaking or project, including the revenues of improvements,
362 betterments, or extensions thereto thereafter made.

363 **SECTION 24.**

364 Rules and regulations for operation of projects.

365 It shall be the duty of the authority to prescribe rules and regulations for the operation of the
366 project or projects constructed or acquired under the provisions of this Act.

367 **SECTION 25.**

368 Tort immunity.

369 The authority shall have the same immunity and exemption from liability for torts and
370 negligence as Stewart, Quitman, or Randolph County and the officers, agents, and employees
371 of the authority, when in the performance of the work of the authority, shall have the same
372 immunity and exemption from liability for torts and negligence as the officers, agents, and
373 employees of Stewart, Quitman, or Randolph County as when in the performance of their
374 public duties or work of such county.

375 **SECTION 26.**

376 Powers declared supplemental and additional.

377 The foregoing sections of this Act shall be deemed to provide an additional and alternative
378 method for the doing of the things authorized by this Act, shall be regarded as supplemental
379 and additional to powers conferred by other laws, and shall not be regarded as in derogation
380 of any powers now existing.

381 **SECTION 27.**

382 Effect on other governments.

383 This Act shall not and does not in any way take from Stewart, Quitman, or Randolph County
384 or any municipality located in any such county or any adjoining county the authority to own,
385 operate, and maintain projects or to issue revenue bonds as is provided in Article 3 of
386 Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law."

387 **SECTION 28.**

388 Liberal construction of Act.

389 This Act being for the welfare of various political subdivisions of the state and its inhabitants
390 shall be liberally construed to affect the purposes of this Act.

391 **SECTION 29.**

392 Effective date.

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

395 **SECTION 30.**

396 General repealer.

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