

The House Committee on Transportation offers the following substitute to HB 264:

A BILL TO BE ENTITLED

AN ACT

1 To amend an Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965,"
 2 approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended, so as to extensively revise
 3 such Act; to reconstitute the board of directors; to provide for staggered terms for board
 4 members; to provide for a limit on re-appointment of board members; to provide for a
 5 method for nonparticipating counties to join the Authority; to require Board approval of
 6 certain payments and award of certain contracts; to remove restrictions on the operation of
 7 private enterprises; to remove restrictions on fares, rates, and rental charges for charter,
 8 group, and party bus services; to suspend defined benefit plans for future employees; to
 9 provide for a limit on annual bonded debt service; to revise what entities may exercise
 10 eminent domain on behalf of the Authority; to provide for certain information to be
 11 addressed during board meetings; to provide for the privatization of certain services; to revise
 12 requirements for annual reporting; to provide for budgeting procedures; to revise procedures
 13 for the collective bargaining process and the appointment of an arbitrator; to provide for a
 14 suspension of restrictions on the use of sales and use tax proceeds; to provide for related
 15 matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17 **SECTION 1.**

18 An Act known as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965," approved
 19 March 10, 1965 (Ga. L. 1965, p. 2243), as amended, is amended by revising Section 6 as
 20 follows:

21 "(a) ~~The~~ On and after January 1, 2014, the Board of Directors of the Authority shall be
 22 reconstituted and composed of 18 11 voting members and two nonvoting members. ~~Four~~
 23 Three members shall be residents of the City of Atlanta to be nominated by the Mayor and
 24 elected by the City Council; ~~five~~ four members shall be residents of DeKalb County with
 25 three of the four appointees to be appointed by the ~~local governing body thereof~~ Board of
 26 Commissioners of DeKalb County and at least one of such appointees shall be a resident
 27 of that portion of DeKalb County lying south of the southernmost corporate boundaries of

28 the City of Decatur and at least one of such appointees shall be a resident of that portion
 29 of DeKalb County lying north of the southernmost corporate boundaries of the City of
 30 Decatur and the fourth appointee to be appointed by a majority vote of a caucus of mayors
 31 of the municipalities located wholly in DeKalb County; three members shall be residents
 32 of Fulton County ~~to be appointed by the local governing body thereof, and at least~~ and one
 33 of such ~~appointees~~ members shall be a resident of that portion of Fulton County lying south
 34 of the corporate limits of the City of Atlanta ~~to be appointed by a majority vote of a caucus~~
 35 of mayors of the municipalities of Fulton County lying south of the corporate limits of the
 36 City of Atlanta, the chairperson of the Fulton County Board of Commissioners, and the
 37 members of the Fulton County Board of Commissioners whose districts include any
 38 portion of Fulton County lying south of the corporate limits of the City of Atlanta, and two
 39 of such members shall be residents of that portion of Fulton County lying north of the
 40 corporate limits of the City of Atlanta to be appointed by a majority vote of a caucus of
 41 mayors of the municipalities of Fulton County lying north of the corporate limits of the
 42 City of Atlanta; one member shall be a resident of Fulton or DeKalb County to be
 43 appointed by the Governor; one nonvoting member shall be the Commissioner of the
 44 Department of Transportation; and one nonvoting member shall be the Executive Director
 45 of the Georgia Regional Transportation Authority. Those board members appointed by a
 46 local governing authority, caucus, or the Governor as described in this section in office as
 47 of January 1, 2014, shall serve initial terms of office as follows: two of the three appointees
 48 of the DeKalb County Board of Commissioners, two of the three appointees of the Mayor
 49 and City Council of Atlanta, and one of the two appointees of the caucus of mayors from
 50 municipalities lying north of the corporate limits of the City of Atlanta shall serve a term
 51 of two years, and the remaining appointees shall serve for terms of four years. No later
 52 than November 1, 2013, each local governing authority or caucus shall designate which
 53 board members shall serve an initial term of two years. and that membership position held
 54 by a Fulton County resident, appointed by the local governing body of that county, the term
 55 of which position expires December 31, 1988, shall, beginning on and after January 1,
 56 1989, be filled by the local governing body of Fulton County appointing a person who is
 57 a resident of that portion of Fulton County lying north of the corporate limits of the City
 58 of Atlanta; one member shall be a resident of Clayton County to be appointed by the local
 59 governing body thereof; and one member shall be a resident of Gwinnett County to be
 60 appointed by the local governing body thereof. Four members, representing the State, shall
 61 be as follows: the Commissioner of the Department of Transportation who shall be an ex
 62 officio member; the State Revenue Commissioner who shall be an ex officio member; the
 63 Executive Director of the State Properties Commission who shall be an ex officio member;
 64 and the Executive Director of the Georgia Regional Transportation Authority who shall be

65 ~~an ex officio member. The first member who must be a resident of that portion of Fulton~~
 66 ~~County lying south of the corporate limits of the City of Atlanta shall be appointed by the~~
 67 ~~governing body of Fulton County to take office on July 1, 1985, for an initial term ending~~
 68 ~~December 31, 1986. The two members who are DeKalb County residents and appointed~~
 69 ~~by the governing authority thereof and who are added by this paragraph shall each be~~
 70 ~~appointed by the governing body of DeKalb County to take office on July 1, 1985, for an~~
 71 ~~initial term ending December 31, 1986. After the initial terms of those three members~~
 72 ~~added to the Board in 1985; After the initial two-year terms of those five board members~~
 73 ~~described in this subsection, that governing body or caucus which appointed the member~~
 74 ~~for that initial term to that office shall appoint successors thereto for terms of office of four~~
 75 ~~years in the same manner that such governing body or caucus makes its other appointments~~
 76 ~~to the Board.~~

77 ~~The initial terms of the four members added in 1976 by the above paragraph shall be as~~
 78 ~~follows: the member from DeKalb County to be appointed by the local governing body~~
 79 ~~of DeKalb County shall be appointed no later than sixty days after the effective date of this~~
 80 ~~subsection for a term ending December 31, 1978, and shall take office immediately upon~~
 81 ~~appointment; the Commissioner of the Department of Transportation, the State Revenue~~
 82 ~~Commissioner and the Executive Director of the State Properties Commission shall become~~
 83 ~~members of the Board on the effective date of this subsection and shall serve while holding~~
 84 ~~their State offices.~~

85 Those board members in office on May 31, 2013, shall serve until December 31, 2013.

86 The Executive Director of the Georgia Regional Transportation Authority and the
 87 Commissioner of the Department of Transportation shall become a ~~member~~ nonvoting
 88 members of the Board on the effective date of this sentence and shall serve while holding
 89 ~~his or her~~ their State ~~office~~ offices.

90 Except as provided above, all appointments shall be for terms of four years except that a
 91 vacancy caused otherwise than by expiration shall be filled for the unexpired portion
 92 thereof by the ~~local governing body~~ appointing entity which made the original appointment
 93 to the vacant position, or its successor in office. A member of the Board may be appointed
 94 to succeed himself or herself for one four-year term; provided, however, that board
 95 membership prior to January 1, 2014, shall not be considered in calculating limits on length
 96 of service. Appointments to fill expiring terms shall be made by the ~~local governing body~~
 97 appointing entity prior to the expiration of the term, but such appointments shall not be
 98 made more than thirty days prior to the expiration of the term. Members appointed to the
 99 Board shall serve for the terms of office specified in this section and until their respective
 100 successors are appointed and qualified.

101 ~~(b) Having initially declined membership on the Board and further participation in the~~
 102 ~~Authority, Cobb County may at any time reclaim its membership on the Board and~~
 103 ~~participate further in the Authority as provided in this subsection (b).~~ The local governing
 104 ~~body~~ bodies of Clayton, Cobb, and Gwinnett County counties may, any other provision of
 105 this Act to the contrary notwithstanding, negotiate, enter into, and submit to the qualified
 106 voters of their respective counties ~~Cobb County~~ the question of approval of a rapid transit
 107 contract between ~~Cobb County~~ the county submitting the question and the Authority, all
 108 in accordance with the provisions of Section 24 of this Act. The local governing ~~body~~
 109 bodies of Cobb County these counties shall be authorized to execute such rapid transit
 110 contract prior to the holding of the referendum provided for in said Section 24; provided,
 111 however, that such rapid transit contract shall not become valid and binding unless the
 112 same is approved by a majority of those voting in said referendum, which approval shall
 113 also be deemed approval of further participation in the Authority. Upon approval of such
 114 rapid transit contract, ~~Cobb County~~ the county entering into such contract shall be a
 115 participant in the Authority, and its rights and responsibilities shall, insofar as possible, be
 116 the same as if it had participated in the Authority from its beginning, and the local
 117 governing body of ~~Cobb County~~ the county may then appoint two residents of ~~Cobb~~
 118 ~~County~~ the county to the Board of Directors of the Authority, to serve a term ending on the
 119 31st day of December in the fourth full year after the year in which the referendum
 120 approving said rapid transit contract was held, in which event the Board of Directors of the
 121 Authority shall, subsection (a) of this Section 6 to the contrary notwithstanding, be
 122 composed of ~~16~~ such additional members.

123 (c) Reserved.

124 (d) ~~Except for the ex officio members of the Board, no~~ Except for the Executive Director
 125 of the Georgia Regional Transportation Authority and the Commissioner of the Department
 126 of Transportation, no person shall be appointed as a member of the Board who holds any
 127 other public office or public employment except an office in the reserves of the armed
 128 forces of the United States or the National Guard; any member who accepts or enters upon
 129 any other public office or public employment shall be disqualified thereby to serve as a
 130 member.

131 (e) ~~A local governing body~~ An appointing entity may remove any member of the Board
 132 appointed by it for cause. No member shall be thus removed unless he or she has been
 133 given a copy of the charges against him or her and an opportunity to be publicly heard in
 134 his or her own defense in person or by counsel with at least ten days' written notice to the
 135 member. A member thus removed from office shall have the right to a judicial review of
 136 ~~his~~ the member's removal by an appeal to the superior court of the county ~~of the local~~
 137 ~~governing body which appointed him~~ where the member resides, but only on the ground

138 of error of law or abuse of discretion. In case of abandonment of ~~his~~ the member's office,
 139 conviction of a crime involving moral turpitude or a plea of nolo contendere thereto,
 140 removal from office, or disqualification under subsection (d) hereof, the office of a member
 141 shall be vacant upon the declaration of the Board. A member shall be deemed to have
 142 abandoned ~~his~~ the member's office upon failure to attend any regular or special meeting of
 143 the Board for a period of four months without excuse approved by a resolution of the
 144 Board, or upon removal of ~~his~~ the member's residence from the territory ~~of the local~~
 145 ~~governing body which appointed him~~ qualifying the member to serve on the Board.

146 (f) Each appointed member of the Board, except the ~~Chairman~~ Chairperson, shall be paid
 147 by the Authority a per diem allowance, in an amount equal to that provided by Code
 148 Section 45-7-21 of the Official Code of Georgia Annotated, as now in effect or as it may
 149 hereafter be amended, for each day on which that member attends an official meeting of
 150 the Board, of any committee of the Board, or of the Authority's Pension Committee; or
 151 ~~Board of Ethics, or Arts Council;~~ provided, however, that said per diem allowance shall not
 152 be paid to any such member for more than 130 days in any one calendar year. If the
 153 ~~Chairman~~ Chairperson of the Board is an appointed member of the Board, the ~~Chairman~~
 154 Chairperson shall be paid by the Authority a per diem allowance in the same amount for
 155 each day in which the ~~Chairman~~ Chairperson engages in official business of the Authority,
 156 including but not limited to attendance of any of the aforesaid meetings. A member of the
 157 Board shall also be reimbursed for actual expenses incurred by that member in the
 158 performance of that ~~members~~ member's duties as authorized by the Board. A Board
 159 member shall not be allowed employee benefits authorized under Section 8(b).

160 (g) The Board shall elect one of its members as ~~chairman~~ chairperson and another as
 161 ~~vice-chairman~~ vice-chairperson for terms to expire on December 31 of each year to preside
 162 at meetings and perform such other duties as the Board may prescribe. The presiding
 163 officer of the Board may continue to vote as any other member, notwithstanding ~~his~~ the
 164 member's duties as presiding officer, if he or she so desires. The Board shall also elect from
 165 its membership a secretary and a treasurer who shall serve terms expiring on December 31
 166 of each year. A member of the Board may hold only one office on the Board at any one
 167 time.

168 (h) The Board shall hold at least one meeting each month. The Secretary of the Board
 169 shall give written notice to each member of the Board at least two days prior to any called
 170 meeting that may be scheduled, and said Secretary shall be informed of the call of such
 171 meeting sufficiently in advance so as to provide for ~~his~~ giving notice as above. A majority
 172 of the total voting membership of the Board, as it may exist at the time, shall constitute a
 173 quorum. On any question presented, the number of members present shall be recorded.
 174 By affirmative vote of a majority of the members present, the Board may exercise all the

175 powers and perform all the duties of the Board, except as otherwise hereinafter provided
 176 or as limited by its bylaws, and no vacancy on the original membership of the Board, or
 177 thereafter, shall impair the power of the Board to act. All meetings of the Board, its
 178 Executive Committee, or any committee appointed by the Board shall be subject to all
 179 provisions, ~~except for Section 2(a), of an Act providing that all meetings of certain public~~
 180 ~~bodies shall be open to the public, approved March 28, 1972 (Ga. L. 1972, p. 575), as now~~
 181 ~~or hereafter amended~~ Chapter 14 of Title 50 of the Official Code of Georgia Annotated.

182 (I) Notwithstanding any other provisions of this Act, the following actions by the Board
 183 shall require the affirmative vote of one more than a majority of the total voting
 184 membership of the Board as it may exist at the time:

185 (1) The issuance and sale of revenue bonds as contemplated in Section 10 or equipment
 186 trust certificates as contemplated in Section 11.

187 (2) The purchase or lease of any privately owned system of transportation of passengers
 188 for hire in its entirety, or any substantial part thereof, as contemplated in Section 8(c) or
 189 8(d). Prior to the purchase or lease of any such privately owned system a public hearing
 190 pertaining thereto shall have been held and notice of such public hearing shall have been
 191 advertised as provided in Section 9(c) hereof. Provided that no sum shall be paid for such
 192 privately owned system of transportation in excess of the fair market value thereof
 193 determined by a minimum of two appraisers and approved by a majority of the local
 194 governments participating in the financing of such purchase.

195 (3) The award of any contract involving ~~\$100,000.00~~ \$200,000.00 or more for
 196 construction, alterations, supplies, equipment, repairs, maintenance or services ~~other than~~
 197 ~~professional services, or for the purchase, sale or lease of any property.~~ Any contract
 198 involving \$200,000.00 or more shall be awarded through a competitive bidding process
 199 as described in Section 14 of this Act. The Board by appropriate resolution may delegate
 200 to the general manager the general or specific authority to enter into contracts involving
 201 less than ~~\$100,000.00~~ \$200,000.00 if such contracts are entered into in accordance with
 202 Section 14 of this Act.

203 (4) The grant of any concession as contemplated in Section 14(f).

204 (5) The award of any contract for the management of any Authority-owned property or
 205 facility as contemplated in Section 14(h).

206 (j) The Board shall appoint and employ, as needed, a general manager, and a general
 207 counsel, none of whom may be members of the Board or a relative of a member of the
 208 Board, and delegate to them such authority as it may deem appropriate. It may make such
 209 by-laws or rules and regulations as it may deem appropriate for its own government, not
 210 inconsistent with this Act, including the establishment of an Executive Committee to
 211 exercise such authority as its by-laws may prescribe.

212 (k) The treasurer of the Authority and such other members of the Board and such other
 213 officers and employees of the Authority as the Board may determine shall execute
 214 corporate surety bonds, conditioned upon the faithful performance of their respective
 215 duties. A blanket form of surety bond may be used for this purpose. Neither the obligation
 216 of the principal or the surety shall extend to any loss sustained by the insolvency, failure
 217 or closing of any depository which has been approved as a depository for public funds.

218 (1)(+) In addition to the requirements of subsection (h) of this section, each member of
 219 the Board shall hold a meeting once each 12 months with the local governing body which
 220 appointed such member. The Secretary of the Board shall give written notice to each
 221 member of the Board, to each local governing body, and to the governing authority of
 222 each municipality in the county in which there is an existing or proposed rail line at least
 223 two days prior to any meeting that may be scheduled, and said Secretary shall be
 224 informed of the call of such meeting sufficiently in advance so as to provide for his
 225 giving such notice. These meetings shall be for the purpose of reporting to the local
 226 governing bodies on the operations of the Authority and on the activities of the Board and
 227 making such information available to the general public. No activity which requires
 228 action by the Board shall be initiated or undertaken at any meeting conducted under this
 229 subsection.

230 ~~(2) The Board shall submit once each three months a written report on the operations of~~
 231 ~~the Authority and on the activities of the Board to each local governing body which~~
 232 ~~appoints a member of the Board."~~

233 **SECTION 2.**

234 Said Act is further amended by revising subsections (p) and (s) of Section 8 as follows:

235 ~~"(p) The Authority shall have no power to operate taxicabs, or facilities designed~~
 236 ~~exclusively for the transportation of property for hire, nor shall it engage in other activities~~
 237 ~~commonly regarded as private enterprise, except to develop a rapid transit system, provide~~
 238 ~~concessions, off-street parking and other facilities for the comfort, safety and convenience~~
 239 ~~of transit passengers, and otherwise accomplish the purposes and policies expressed and~~
 240 ~~contemplated in this Act. Reserved."~~

241 "(s) With respect to the establishment of deferred compensation plans for the benefit of its
 242 employees, all of the powers enjoyed by the state or any county, municipality, or other
 243 political subdivision pursuant to Article 2 of Chapter 18 of Title 45 of the O.C.G.A. In
 244 exercising the powers conferred by this subsection, the Authority shall not be subject to the
 245 restrictions on investments imposed by subsections 10(r) and 10(u) of this Act. No defined
 246 benefit plan shall be issued on behalf of any employee who commences employment on
 247 or after January 1, 2014, unless such restriction precludes the Authority from receiving

248 certification under Section 13(c) of the Federal Transit Act, 49 U.S.C. Section 5333(b), and
 249 renders the Authority ineligible for federal financial assistance."

250 **SECTION 3.**

251 Said Act is further amended by revising subsections (c), (e), (f), and (h) of Section 9 as
 252 follows:

253 "(c) The Board shall determine by ~~itself exclusively~~ majority vote after public hearings as
 254 hereinafter provided, the routes, types of construction, equipment, and facilities to be
 255 operated by the Authority, the scheduled services to be made available to the public and;
 256 ~~except for the rates, fares, rentals, and charges for charter, group, and party bus services as~~
 257 ~~provided in subsection (f) of this Section,~~ the amounts to be charged therefor. Before
 258 making any determinations as to scheduled services or amounts to be charged for such
 259 services, ~~other than amounts charged for charter, group, and party bus services,~~ the Board
 260 shall first hold at least one public hearing after giving notice of the time and place by twice
 261 advertising on different days in the newspaper having the largest circulation in the
 262 metropolitan area not more than ten days nor less than five days prior to the hearing. As
 263 to all other matters, the Board may hold such public hearings as it may deem appropriate,
 264 and as to all public hearings, it may prescribe reasonable rules and regulations to govern
 265 such hearings not inconsistent with this Act."

266 "(e) ~~Except for determining the rates, fares, rentals, and charges for charter, group, and~~
 267 ~~party bus services as set forth in subsection (f) of this Section, the function of the Board~~
 268 ~~under subsections (c) and (d) shall not be delegated or exercised by any other person or~~
 269 ~~body under any circumstances. Reserved.~~

270 (f) ~~Notwithstanding any other provisions of this Act to the contrary, the per-hour rates,~~
 271 ~~fares, rentals, and charges for charter, group, and party bus services rendered by the~~
 272 ~~Authority shall be no less than the lowest per-hour rates, fares, rentals, and charges actually~~
 273 ~~charged for charter, group, and party bus services provided by motor common carriers and~~
 274 ~~motor contract carriers in the metropolitan area. Any person aggrieved by any~~
 275 ~~determination of the Board as to any rates, fares, rentals, and charges for charter, group,~~
 276 ~~and party bus services may challenge same by a petition filed, within thirty days of the~~
 277 ~~occurrence of the event or determination complained of, with the Public Service~~
 278 ~~Commission of this State. A hearing, and such other proceedings as may be ordered, upon~~
 279 ~~the aggrieved party's complaint shall be conducted by the Public Service Commission~~
 280 ~~within thirty days after the filing of the complaint in order to determine the lawfulness of~~
 281 ~~the challenged conduct or rates, fares, rentals, and charges for charter, group, and party bus~~
 282 ~~services. The rulings of the Public Service Commission shall be subject to judicial review~~
 283 ~~in any superior court of any county of the metropolitan area in which the charge may be~~

284 ~~applicable; however, whenever two or more legal actions are brought against the~~
 285 ~~determination of the Public Service Commission in different superior courts, exclusive~~
 286 ~~jurisdiction thereof shall be vested in the first such court to docket such a petition and all~~
 287 ~~other petitions may be refiled in the superior court having exclusive jurisdiction. Reserved."~~

288 "(h)(1) Notwithstanding any other provisions of this Act to the contrary, not later than
 289 120 days after the end of each fiscal year of the Authority, the Board shall adjust the
 290 amounts to be charged for transportation services to the public so that the total funds to
 291 be received from transit operating revenue during the fiscal year of the Authority ending
 292 June 30, 1980, shall be no less than thirty percent of the operating costs of the system for
 293 the immediately preceding fiscal year, and so that the total funds to be received from
 294 transit operating revenue during the fiscal year ending June 30, 1981, and for each fiscal
 295 year thereafter shall be no less than thirty-five percent of the operating costs of the system
 296 for the immediately preceding fiscal year. In making such adjustments, the Board shall
 297 be authorized to rely upon estimates of all revenue, patronage, and other factors which
 298 may affect the amounts to be charged for transportation services to the public; provided,
 299 if such amounts actually charged during one fiscal year resulted in transit operating
 300 revenue less than that required under this subsection, the amounts to be charged the
 301 immediately succeeding fiscal year shall be sufficient, along with all other transit
 302 operating revenue, to make up such deficit as well as meet the other requirements of this
 303 subsection.

304 ~~(2) Any differences between amounts charged for various transportation services to the~~
 305 ~~public including, but not limited to, amounts charged for weekend or off-peak hours'~~
 306 ~~service, or amounts charged special groups of persons, shall be approved by at least a~~
 307 ~~two-thirds' vote of the total membership of the Board as it may exist at the time.~~
 308 Reserved.

309 (3) Nothing in this subsection (h) shall be construed to change any limitation relating to
 310 the subsidy of operating costs of the system under subsection (I) of Section 25 of this Act
 311 if such limitation would require increasing transit operating revenue above the amount
 312 provided in this subsection.

313 (4) For purposes of this subsection, 'transit operating revenue' shall include all revenue
 314 from fares, rates, and charges for transportation services and revenues from all other
 315 sources except the sales and use taxes levied pursuant to Section 25 of this Act; and
 316 'operating costs' means 'operating costs of the system,' as defined in subsection (I) of
 317 Section 25 of this Act, and exclusive of depreciation and amortization and other costs and
 318 charges as provided in the said definition."

319 **SECTION 4.**

320 Said Act is further amended by revising subsection (d) of Section 10 and adding a new
321 subsection to read as follows:

322 "(d) The bonds of each issue shall be dated, shall bear interest payable at such times and
323 at such rate or rates within such limits as now or hereafter may be established in the
324 Revenue Bond Law of the State of Georgia (Ga. L. 1937, p. 761, et seq.) as now or
325 hereafter amended, and shall mature in such amounts and at such times not exceeding ~~forty~~
326 thirty (30) years from the date thereof, as the Board may determine. The bonds may
327 be in coupon or registered form, or both, as the Board may determine, and the Board may
328 make provision for the registration of any coupon bond as to principal alone or as to both
329 principal and interest."

330 "(x) The total principal and interest of the Authority's annual bonded debt service shall not
331 exceed forty percent (40%) of the sales tax revenues collected in the previous fiscal year
332 beginning in the fiscal year commencing on July 1, 2016, and for each fiscal year
333 commencing on or after July 1, 2019, the total principal and interest of the Authority's
334 annual bonded debt service shall not exceed thirty-five percent (35%) of the sales tax
335 revenues collected in the previous fiscal year."

336 **SECTION 5.**

337 Said Act is further amended by revising Section 12 as follows:

338 "The Authority shall have no power of eminent domain, but ~~the City of Atlanta and the~~
339 ~~counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett may, for purposes of the~~
340 ~~Authority, exercise the broadest power of eminent domain~~ shall be available to them any
341 city or county government within the territorial jurisdiction of the Authority or any agency
342 or joint agency thereof, under any statute, ~~and to~~ convey to the Authority any property so
343 ~~acquired~~ upon payment or credit for the total cost of any acquisition hereunder. For
344 purposes of this section, the power of eminent domain shall lie in a city governing body if
345 the property is located within that city's territorial limits and the power of eminent domain
346 shall lie in a county governing body if the property is located in an unincorporated location
347 within the county. However, no local governing body shall exercise any power of eminent
348 domain hereunder with respect to property located beyond its territorial limits."

349 **SECTION 6.**

350 Said Act is further amended by revising subsections (a) through (d) and adding new
351 subsections to Section 14 to read as follows:

352 "(a) Except in the acquisition of unique property which for any reason is unobtainable in
353 the open market, and except as hereinafter otherwise provided, competitive bids shall be

354 secured before any acquisition or disposition of properties by contract or otherwise is made
355 by the Authority, or before any contract is awarded for construction, alterations, supplies,
356 equipment, repairs or maintenance, or for rendering any services to the Authority,
357 acquisitions shall be made from, and contracts awarded to, the lowest responsible bidder,
358 and dispositions of property shall be made to the highest responsible bidder. No
359 acquisition of any unique property unobtainable in the open market shall be made without
360 the express approval by majority vote of the Board where the amount involved is
361 \$25,000.00 or more. ~~Nothing in this Section shall apply to contracts for professional~~
362 ~~services or the personal services of employees, or to contracts for services of individuals~~
363 ~~or organizations not employed full time by the Authority but who are engaged primarily~~
364 ~~in the rendition of personal services and not the sale of goods and merchandise, such as but~~
365 ~~not limited to the services of attorneys, accountants, engineers, architects, consultants and~~
366 ~~advisors.~~

367 (b) All such acquisitions, dispositions and contracts involving ~~\$100,000.00~~ \$200,000.00
368 or more shall be awarded only after advertising in the local newspaper of the largest
369 circulation in the metropolitan area at least once a week in the two weeks prior to the bid
370 opening. Bids shall be publicly opened and read aloud at a date, time and place designated
371 in the invitation to bid. Invitations to bid shall be sent at least one week prior to the bid
372 opening to at least three potential bidders who are qualified technically and financially to
373 submit bids, or, in lieu thereof, a memorandum shall be kept on file showing that less than
374 three potential bidders so qualified exist in the market area within which it is practicable
375 to obtain bids. Prior to the award of a contract which will call for an anticipated aggregate
376 payment of ~~\$150,000.00~~ \$200,000.00 or more to the successful bidder, the Authority shall
377 make an accurate and brief summary thereof available to the public in its principal office
378 and shall publish notice of its intention to award such contract to the successful bidder at
379 least five days prior to such award in the local newspaper of the largest circulation in the
380 metropolitan area. Such advertisement shall state the name of the successful bidder, the
381 amount of the contract and its subject matter. This provision shall apply to contracts
382 entered into thirty days or more after the effective date of this Act.

383 (c) Except as otherwise provided in this Section, written price quotations from at least
384 three qualified and responsible vendors, or vendees as the case may be, shall be obtained
385 for all acquisitions, dispositions and contracts involving ~~less than \$100,000.00 and over~~
386 ~~\$10,000.00~~ \$200,000.00 or more, or, in lieu thereof, a memorandum approved by the Board
387 shall be kept on file showing that less than three vendors or vendees, as the case may be,
388 so qualified exist in the market area within which it is practicable to obtain quotations.
389 Acquisitions shall be made from, and contracts awarded to, the lowest responsible
390 quotation, and dispositions of property shall be made to the highest responsible quotation.

391 (d) Acquisitions, dispositions and contracts involving ~~\$10,000.00 or less~~ less than
 392 \$200,000.00 may be negotiated with or without competitive bidding under sound
 393 procurement procedures as promulgated and established by the Board."

394 "(n) For any expenditure to a vendor who has received \$5,000.00 or more within a 12
 395 month period, such expenditure shall be listed by date, payee, amount, and purpose and
 396 shall be listed on a schedule that is included as an appendix to the agenda for the next
 397 regular meeting of the board. The schedule shall include all such expenditures for the
 398 calendar month of the last regular meeting of the full board and any subsequent calendar
 399 month where a full meeting of the board was not held. The agenda for each regular
 400 meeting of the full board shall include an opportunity for the board to ask questions or
 401 make comments about the expenditures listed in the appendix. The appendix required by
 402 this subsection shall be posted on the Authority's website no later than 24 hours prior to the
 403 meeting.

404 (o) By July 1, 2018, the Authority shall enter into binding contracts with private
 405 contractors for the provision of the following services in their entirety: accounts payable,
 406 payroll processing, human resource benefits administration, employee recruiting and
 407 staffing, employee data and records management, telephone maintenance and support,
 408 information technology service desk, end-user computer support, workers' compensation
 409 claims administration, customer care telephone hotline, paratransit bus service, and the
 410 interior cleaning of buses and trains. The Authority and its employees may serve in a
 411 supervisory role for contracts involving the services listed in this subsection to ensure
 412 proper, efficient, and cost-effective delivery thereof."

413 **SECTION 7.**

414 Said Act is further amended by revising Section 14A as follows:

415 "The Authority shall have available at its principal office for public inspection at all times
 416 during regular business hours of the Authority an accurate and brief summary disclosing
 417 all material terms of each contract which the Authority has entered into and the terms of
 418 which call for expenditures by the Authority of more than \$150,000. The Authority shall
 419 prepare an annual report for the period ending June 30 of each year. Each annual report
 420 shall include a statement of the tax revenue and operating revenue received during the
 421 period, a statement of the total expenditures made during the period and a list of all written
 422 contracts entered into by the Authority during the period which call for the Authority to
 423 expend at any time in the aggregate more than ~~\$50,000~~ \$20,000. Such list shall also
 424 include any employment or consultant contracts (whether or not written) under which the
 425 employee or consultant is to be compensated at an annual rate of more than \$20,000,
 426 including direct and indirect or deferred benefits. When a person or firm, whose salary or

427 fee is reportable hereunder, shall have his compensation increased at any time, the amount
 428 of such increase and the total new rate shall be reported for the period in which the increase
 429 takes effect. The list of contracts shall state the anticipated amount of funds to be paid
 430 thereunder, or the formula for determining such amount. The Authority shall also prepare
 431 a list of the names of each person, firm or corporation which has received from the
 432 Authority during such period in excess of \$20,000, as well as the amount paid to such
 433 person, firm or corporation during such period. The annual report, together with the
 434 Comprehensive Annual Financial Report for the preceding calendar year, and lists required
 435 by this Section shall be filed as a statement, verified by the Chairman of the Board of the
 436 Authority and its General Manager, with members of the Metropolitan Atlanta Rapid
 437 Transit Authority Overview Committee, the Governor, the presiding officers of the House
 438 of Representatives and the Senate, the State Auditor and with governing authorities of each
 439 county and the largest municipality in the area of the Authority's operation. The annual
 440 report and lists required by this Section shall be ~~prepared and filed within forty-five days~~
 441 ~~of the end of the reporting period~~ submitted by August 31 of each year, shall be made
 442 available at the Authority's principal office for public inspection at all times during regular
 443 business hours of the Authority following such filing, and ~~notice of such availability shall~~
 444 ~~be published in a daily newspaper of general circulation within the entire geographic area~~
 445 ~~of the Authority's operation within fifteen days after filing.~~ Such notice shall occupy at
 446 ~~least one quarter of a full page in such newspaper~~ shall be posted in a prominent location
 447 on the Authority's website within two weeks of submittal of the report to the parties
 448 enumerated in this Section."

449 **SECTION 8.**

450 Said Act is further amended by revising subsection (a) of Section 16 as follows:

451 "(a) The Board shall make provision for a system of financial accounting and controls,
 452 audits and reports. All accounting systems and records, auditing procedures and standards,
 453 and financial reporting shall conform to generally accepted principles of governmental
 454 accounting. Copies of each financial report required under this Section shall be ~~furnished~~
 455 delivered to the members of the Metropolitan Atlanta Rapid Transit Authority Overview
 456 Committee and posted on the website of the Authority. Notice of such publication shall
 457 be delivered in electronic format to each local governing body of each participating local
 458 government in the metropolitan area as described in Section 6 of this Act. All financial
 459 records, reports and documents of the Authority shall be public records and open to public
 460 inspection under reasonable regulations prescribed by the Board."

461 **SECTION 9.**

462 Said Act is further amended by revising subsections (c), (d), (e), and (g) of Section 17 as
 463 follows:

464 "(c) At the time and in the manner prescribed in subsection (b), insofar as applicable, the
 465 Board shall propose and adopt an annual capital improvements budget. The proposed
 466 capital improvements budget shall show all capital improvement projects in process of
 467 completion, those to be undertaken during the ensuing fiscal year and those anticipated to
 468 be undertaken during the ensuing ten years. The proposed capital improvements budget
 469 shall show all capital improvement projects completed during the preceding ten years as
 470 compared to those capital improvement projects that were planned and budgeted for in the
 471 capital improvement budgets from the preceding ten years. The proposed budget shall also
 472 show the proposed method of financing each proposed project and the effect thereof on the
 473 debt structure of the Authority. After a public hearing the Board shall review its proposed
 474 budget and on or before the last day of the fiscal year it shall adopt an annual capital
 475 improvements budget for the ensuing fiscal year. No contract for the purchase or
 476 construction of any capital improvement project shall be authorized, except to meet a
 477 public emergency certified as such by the Board, unless it is included in the annual capital
 478 improvements budget; however, the Board may propose and adopt an amendment to the
 479 annual capital improvements budget by following the procedure herein prescribed for
 480 adopting the original budget.

481 (d) The Authority shall fund and maintain an operating budget reserve of ten percent
 482 (10%) of the ~~Authority's prior year operating budget prior fiscal year's total revenues from~~
 483 ~~the sales and use tax provided in Section 25 of this Act.~~ For purposes of this section, the
 484 ~~term 'operating budget revenues' shall mean all funds received from federal, state, or local~~
 485 ~~sources, including but not limited to grants, distributions from federal and state formula~~
 486 ~~funds, or direct federal and state appropriations for projects or programs of the Authority,~~
 487 ~~as well as farebox revenues and revenues received from rentals on property owned or~~
 488 ~~operated by the Authority.~~ Said operating budget reserve shall be utilized for ongoing
 489 operating expenses only in those circumstances requiring its use due to worsened economic
 490 conditions in the Atlanta region, or catastrophic loss such as an act of God or terrorism,
 491 which conditions cause a temporary shortfall in the Authority's anticipated revenues. The
 492 temporary operating revenue shortfall so noted shall be for a period of not less than six
 493 consecutive months during which total anticipated revenues are not less than two and
 494 one-half percent (2.5%) below the revenues received during the preceding fiscal year for
 495 the same six-month period. The first three percent (3%) of the reserve shall not be used in
 496 any six-month period. The purpose of said reserve shall be exclusively to pay the ongoing
 497 operating expenses during times of economic downturn and shall not be considered to be

498 an available recurring revenue for operating budget purposes and under no circumstances
 499 shall the operating budget reserve be used to permanently replace the revenues which are
 500 reduced due to the economic conditions set forth above. Upon cessation of such economic
 501 downturn, as evidenced by cessation of the revenue shortfall required for the use of the
 502 reserve for Authority operating expenses, the operating budget reserve shall be replenished.

503 (e) ~~Not later than December 31, 2016, and every four years thereafter, the~~ The Authority
 504 shall cause to be performed an independent ~~annual~~ management audit on the condition of
 505 management of the Authority ~~at the expense of the Authority~~, to be supervised and
 506 approved by the Metropolitan Atlanta Rapid Transit Overview Committee, ~~and which~~ The
 507 management audit shall be submitted to the Board of the Authority, the Governor, the State
 508 Auditor, and the Metropolitan Atlanta Rapid Transit Overview Committee before
 509 December 31 of each year in which it is required. The management audit shall be
 510 performed at the expense of the Authority."

511 "(g) The Authority shall submit to the Metropolitan Atlanta Rapid Transit Overview
 512 Committee, the presiding officers of the House and Senate, and the Governor an annual
 513 report which report shall indicate consultant expenses, other professional services, salaries
 514 and expenses of full-time and part-time employees and Board members, and payments
 515 rendered ~~by~~ to outside companies, ~~or agencies, or entities by~~ to the Authority for any and
 516 all goods, services, and projects. Said report shall be submitted by August 31 of each year
 517 and shall include, along with the requirements specified in Section 14A of this Act, the
 518 name of the payee, the date of payment, the payment amount, and the purpose of each
 519 payment. If such payment was made pursuant to a contract, the date on which the contract
 520 was awarded, the length of the contract term, the award amount of the contract, the
 521 cumulative payments that have been made toward the contract, including the listed
 522 payment, and any related contract or project identification number shall be included in the
 523 report alongside the name of the payee, the date of payment, the payment amount, and the
 524 purpose of each payment. In addition to a printed copy to be provided to the parties
 525 enumerated in this subsection, said report shall be posted in a prominent location on the
 526 Authority's website within two weeks of submittal of the report to the parties enumerated
 527 in this subsection. The report posted on the Authority's website shall show employee
 528 identification numbers and job titles instead of the names of the employees. The
 529 employee's social security number shall not be used as the employee's identification
 530 number."

531 **SECTION 10.**

532 Said Act is further amended by revising subsection (b) of Section 20 as follows:

533 "(b)(1) The Board may provide for the recognition of authorized representatives of the
534 employees of the Authority and for collective bargaining, in accordance with this
535 subsection, with such authorized representatives.

536 (2) As used in this subsection, the following terms shall have the following meanings:

537 (A) 'Authorized representative' means the collective bargaining agent for a class of
538 employees, recognized for such purposes by the Board.539 (B) 'Collective bargaining' or 'collectively bargain' means performing the mutual
540 obligation of the Authority and the authorized representatives of represented employees
541 to negotiate, in good faith and to impasse, if necessary, over wages, hours, and other
542 terms and conditions of employment with the bona fide intention of reaching a
543 negotiated agreement.544 (C) 'Grievance arbitration' means arbitration of a dispute between the Authority and the
545 authorized representative, acting on behalf of a represented employee, which involves
546 the interpretation of an existing labor agreement and the application of the terms and
547 conditions of that labor agreement to the claims of one or more employees.548 (D) 'Labor agreement' means an agreement, including any agreement respecting
549 pension or retirement benefits for represented employees, between the Authority and
550 the authorized representative, entered into in accordance with this subsection, which
551 establishes the wages, hours, and other terms and condition of employment for
552 represented employees of the Authority.553 (E) 'Represented employee' means an employee of the Authority who is a member of
554 a class of employees for which the Board has recognized an authorized representative.555 (3) Every labor agreement entered into by the Authority shall provide for grievance
556 arbitration and shall specify the procedure therefor. In any grievance arbitration, the
557 arbitrators must base their decision upon the express terms and conditions of an existing
558 labor agreement.559 (4) Upon or prior to the expiration of an existing labor agreement, the Authority and the
560 authorized representative shall collectively bargain in an effort to reach a successor or
561 replacement labor agreement. If, after expiration of an existing labor agreement, the
562 Authority and the authorized representative are then unable to agree upon the terms and
563 conditions of a new labor agreement, including but not limited to the issue of wages, ~~they~~
564 ~~shall jointly select or, failing their agreement,~~ upon the written petition for binding
565 interest arbitration of either or both parties, the Governor shall appoint an arbitrator
566 within 30 days after the receipt of said petition, ~~a neutral fact finder to investigate and~~
567 ~~explore all unresolved collective bargaining issues and to render a report to the Authority,~~

568 ~~the authorized representative, and the public. The neutral fact finder shall conduct such~~
569 ~~hearings as may be necessary to provide for the full and fair presentation of all~~
570 ~~unresolved collective bargaining issues by both parties. That fact finder shall be~~
571 ~~authorized to sign and issue subpoenas for witnesses or documents, to administer oaths,~~
572 ~~to take oral or written testimony and to take such other actions as may be needed to make~~
573 ~~comprehensive findings of fact and recommendations. When a subpoena is disobeyed,~~
574 ~~any party may apply to the Superior Court of Fulton County for an order requiring~~
575 ~~obedience. Failure to comply with that order shall be cause for punishment as for~~
576 ~~contempt of court. The costs of securing the attendance of witnesses, including fees and~~
577 ~~mileage, shall be computed in the same manner as prescribed by law in civil cases in the~~
578 ~~superior court.~~

579 ~~(5) The fact finder's report shall recommend as to all unresolved collective bargaining~~
580 ~~issues, including appropriate wages, hours and other terms and conditions of employment~~
581 ~~for represented employees, and shall set forth supporting factual findings, determined~~
582 ~~after due consideration of the factors set forth in subparagraphs (A) through (E) of~~
583 ~~paragraph (8) of this subsection, and shall contain a summary of the findings. The report~~
584 ~~of the fact finder shall be issued within 30 days after the fact finder is selected or~~
585 ~~appointed. Upon issuance, the report shall be distributed by the Authority to the~~
586 ~~Governor, the Metropolitan Atlanta Rapid Transit Overview Committee of the Georgia~~
587 ~~General Assembly, and each local governing body in the metropolitan area. The fact~~
588 ~~finder shall cause the summary of findings to be published once in the newspaper having~~
589 ~~the largest circulation in the metropolitan area. The fact finder shall be compensated in~~
590 ~~the same manner as a special master pursuant to Code Section 22-2-106 of the O.C.G.A.,~~
591 ~~and the costs thereof and any other costs of the proceeding shall be borne equally by the~~
592 ~~parties. After selection or appointment of a fact finder pursuant to this paragraph, the~~
593 ~~parties may continue to collectively bargain on any issues.~~

594 ~~(6) Upon issuance of the fact finder's report, the Authority and the authorized~~
595 ~~representative shall continue to collectively bargain in light of the recommendations set~~
596 ~~forth in such report. If either party rejects any or all of the fact finder's recommendations~~
597 ~~and the parties are otherwise unable, through collective bargaining, to reach agreement~~
598 ~~on such issue or issues, then each party rejecting any of the fact finder's recommendations~~
599 ~~shall prepare a written statement setting forth the specific recommendations which such~~
600 ~~party has rejected, the party's counterproposal on the issue or issues, and the reasons for~~
601 ~~rejecting the fact finder's recommendations. Prior to commencement of any proceeding~~
602 ~~for interest arbitration, as provided in paragraph (7) of this subsection, each party~~
603 ~~required under this paragraph to prepare that statement shall cause it to be published in~~
604 ~~the local newspaper having the largest circulation in the metropolitan area and shall~~

605 ~~concurrently distribute that statement to the Governor, the Metropolitan Atlanta Rapid~~
 606 ~~Transit Overview Committee of the Georgia General Assembly, and each local governing~~
 607 ~~body in the metropolitan area.~~

608 ~~(7) If, within the 30 days following issuance of the fact finder's report, the Authority and~~
 609 ~~the authorized representative are unable to conclude a new labor agreement, either party~~
 610 ~~may then seek binding interest arbitration of all unresolved issues between the parties.~~
 611 ~~Such an action may be instituted by the filing of a petition with the Governor for binding~~
 612 ~~interest arbitration and for the appointment of an arbitrator. The Governor shall appoint~~
 613 ~~an arbitrator who is a member of the National Academy of Arbitrators or is approved by~~
 614 ~~the American Arbitration Association within 30 days of the petition. The Governor's~~
 615 ~~appointed arbitrator shall be a retired superior court judge, a retired Judge of the Court~~
 616 ~~of Appeals of Georgia, or a retired Justice of the Supreme Court of Georgia. That Such~~
 617 ~~arbitrator shall decide the any issues remaining unresolved between the Authority and the~~
 618 ~~authorized representative within 90 days after said the petition ~~shall be~~ is filed with the~~
 619 ~~Governor. That The arbitrator's decision on ~~those~~ such issues shall bind both the~~
 620 ~~Authority and the authorized representative. That The arbitrator may require the~~
 621 ~~Authority and the authorized representative to provide ~~that arbitrator with~~ such~~
 622 ~~information as the arbitrator determines to be necessary in resolving the issues.~~

623 ~~(8)~~(5) In any interest arbitration under this subsection, the arbitrator shall be bound by
 624 any written stipulation or submission agreement between the Authority and the
 625 authorized representative concerning such determination. In determining any issue, the
 626 arbitrator shall also give weight ~~both to the report of the neutral fact finder and to the~~
 627 following factors:

628 (A) The financial ability of the Authority to pay wages and provide benefits, whether
 629 or not increased, while adhering to all legal requirements governing the Authority's
 630 expenditure of public funds and revenues and maintaining levels of transit service
 631 sufficient to serve the metropolitan area;

632 (B) The amount, if any, of any fare increase which would be necessary to afford a
 633 wage or salary increase or improvement in fringe benefits or extension of vacation,
 634 holiday, or excused time and the ability of the public to bear a fare increase, with
 635 consideration of the per capita income of those persons in the service area;

636 (C) A comparison between the overall wage and salary levels and fringe benefit levels
 637 and vacation, holiday and excused time allowances of the Authority's represented
 638 employees and other workers in the public and private sectors of the metropolitan area
 639 who perform work requiring similar skills in other major ground transportation
 640 services;

641 (D) A comparison of the hours and working conditions of the Authority's represented
 642 employees and other workers in the public and private sectors of the metropolitan area
 643 who perform work requiring similar skills in other major ground transportation
 644 services; and

645 (E) The cost of consumer goods and services within the metropolitan area.

646 ~~(9)~~(6) In the event that either party wishes to enforce the decision of the arbitrator, a
 647 petition for such enforcement must be filed within ninety (90) days of such decision. In
 648 odd numbered years, the petition must be filed in the Superior Court of Fulton County
 649 and directed to the ~~senior judge in-time~~ with the greatest length of service in that court.
 650 In even numbered years, the petition must be filed in the Superior Court of DeKalb
 651 County and directed to the ~~senior judge in-time~~ with the greatest length of service in that
 652 court. The court shall confirm the decision unless the decision is vacated by the court
 653 because the court finds that the rights of a party were prejudiced by:

654 (A) Corruption, fraud, or misconduct in procuring the decision;

655 (B) Partiality of an arbitrator appointed as a neutral;

656 (C) An overstepping by the ~~arbitrators of their~~ arbitrator of his or her authority or such
 657 imperfect execution of it that a final and definite decision upon the subject of such
 658 matter submitted was not made; or

659 (D) The arbitrator's manifest disregard for the law.

660 The judge's ruling in this enforcement proceeding shall bind the Authority and the
 661 authorized representative and there shall be no appeal from this decision.

662 ~~(10)~~(7) Upon vacating a decision, the court may order a rehearing and determination of
 663 all or any of the issues either before the same arbitrator or before a new arbitrator
 664 appointed as provided by this part. In any provision of an agreement limiting the time
 665 for a hearing or decision, time shall be measured from the date of such order or rehearing,
 666 whichever is appropriate, or a time may be specified by the court.

667 ~~(11)~~(8) No employee of the Authority shall engage in any strike, sit-down, slow-down,
 668 walkout, or other concerted cessation or curtailment of work, and no authorized
 669 representative of employees of the Authority shall cause, instigate, encourage, promote
 670 or condone any strike, sit-down, slow-down, walkout, or other concerted cessation or
 671 curtailment of work by any employee of the Authority. The Authority shall not
 672 unilaterally increase, decrease, or otherwise change the wages or fringe benefits of
 673 represented employees as of the last day of an expired contract pending the establishment
 674 of new wages and fringe benefits by negotiation or interest arbitration.

675 ~~(12)~~(9) Subject to any requirement imposed pursuant to Section 13 (c) of the Urban Mass
 676 Transportation Act of 1964, as amended, the Authority at all times shall have the right

677 to determine the method, means, and personnel by which its operations are to be carried
678 on, including the right to hire part-time employees."

679 **SECTION 11.**

680 Said Act is further amended by revising subsection (b) of Section 21 as follows:

681 "(b) The Authority shall also be exempt from any regulation by the Public Service
682 Commission of this State, ~~except as provided in Section 9(f) of this Act, and except that~~
683 when any proposed action of the Authority, or any local government on behalf of the
684 Authority, may place a public utility, railroad or public service corporation in violation of
685 the requirements of the Commission, or create the need for collaboration with respect to
686 compliance with the requirements of the Commission, the Authority shall obtain the
687 Commission's cooperation and approval of the proposed action. In such matters and
688 particularly with respect to the matters contemplated in Section 8(j), the Commission shall
689 cooperate with the Authority to accomplish the purposes and policies of this Act."

690 **SECTION 12.**

691 Said Act is further amended by revising subsection (I) of Section 25 as follows:

692 "(I) Use of Proceeds. The proceeds of the tax levied pursuant to this Act shall be used
693 solely by each local government to fulfill the obligations incurred in the contracts entered
694 into with the Metropolitan Atlanta Rapid Transit Authority as contemplated in the
695 Metropolitan Atlanta Rapid Transit Authority Act of 1965, as amended; provided,
696 however, that no more than fifty percent (50%) of the annual proceeds of the tax shall be
697 used to subsidize the operating costs of the system, exclusive of depreciation, amortization,
698 and other costs and charges as provided in this subsection, until January 1, 2002. For the
699 period beginning January 1, 2002, and ending June 30, 2002; and for each fiscal year
700 commencing thereafter until December 31, 2008, no more than fifty-five percent (55%)
701 of the proceeds of the tax shall be used to subsidize the operating costs of the system,
702 exclusive of depreciation, amortization, and other costs and charges as provided in this
703 subsection; and for the period beginning January 1, 2009, and ending June 30, 2009, and
704 each fiscal year commencing thereafter until July 1, 2032, no more than fifty percent (50%)
705 of the proceeds of the tax shall be used to subsidize the operating costs of the system,
706 exclusive of depreciation, amortization, and other costs and charges as provided in this
707 subsection; Such restrictions on the use of annual proceeds from local sales and use taxes
708 shall be suspended through June 30, 2016. Newly unrestricted funds shall be utilized,
709 subject to total funding, to maintain the level of service for the transit system as it existed
710 on January 1, 2010. Furthermore, except as had been previously contracted to by the
711 Authority prior to January 1, 2010, no funds newly unrestricted during this suspended

712 period shall be used by the Authority to benefit any person or other entity for any of the
 713 following: annual cost-of-living or merit based salary raises or increases in hourly wages;
 714 increased overtime due to such wage increases; payment of bonuses; or to increase the
 715 level of benefits of any kind. ~~except that if~~ If the Board of the Metropolitan Atlanta Rapid
 716 Transit Authority shall fail to file with the Metropolitan Atlanta Rapid Transit Overview
 717 Committee annually; the original and 14 copies of a report of the findings of a completed
 718 management performance audit of the Authority's current operations, ~~which audit that~~ that was
 719 performed under contract with and at the expense of the Authority, along with any auditor's
 720 recommendations based thereon and the auditor's signed written verification that the
 721 Metropolitan Atlanta Rapid Transit Authority fully cooperated with such audit and allowed
 722 access to all its books, records, and documents to the extent the auditor deemed necessary,
 723 then for the period beginning January 1, 2003, and ending June 30, 2003, and each fiscal
 724 year commencing thereafter until July 1, 2032, no more than fifty percent (50%) of the
 725 proceeds of the tax shall be used to subsidize the operating costs of the system, exclusive
 726 of depreciation, amortization, and other costs and charges as provided in this subsection.
 727 For each fiscal year commencing on or after July 1, 2032, no more than sixty percent
 728 (60%) of the annual proceeds of the tax shall be used to subsidize the operating costs of the
 729 system, exclusive of depreciation, amortization, and other costs and charges as provided
 730 in this subsection; and commencing with July 1, 2032, and for every year thereafter, the
 731 proceeds of the tax shall not be used to subsidize operations of the transportation system
 732 to an extent greater than fifty percent (50%) of the operating costs of the system, exclusive
 733 of depreciation, amortization, and other costs and charges as provided in this subsection.
 734 In adopting its annual budget, the Board of the Metropolitan Atlanta Rapid Transit
 735 Authority shall be authorized to rely upon estimates of all revenues, operating costs,
 736 patronage, and other factors which may affect the amount of the fare required to limit the
 737 operating subsidy herein provided for. If the results of any year's operations reflect that the
 738 proceeds of the tax were used to subsidize operations to an extent greater than herein
 739 provided, the Board shall adjust fares in order to make up the deficit in operations during
 740 a period of not to exceed three (3) succeeding years. If the results of operations in the
 741 Authority's fiscal year commencing July 1, 1980, or in any subsequent fiscal year reflect
 742 that the proceeds of the tax were not used to subsidize operations to the maximum extent
 743 herein provided, the Board shall reserve any amounts that could have been used to
 744 subsidize operations in that fiscal year and later use said reserved amounts and any interest
 745 earned on said reserved amounts to provide an additional subsidy for operations in any
 746 future fiscal year or years. The words 'operating costs of the system' for purposes of this
 747 subsection 25(I) are defined to include all of the costs of that division of the Authority
 748 directly involved and that portion of the nonoperating administrative costs of those

749 divisions of the Authority indirectly involved, through the provision of support services,
 750 in providing mass transportation services for the metropolitan area, but exclusive of the
 751 costs of the division or divisions directly involved and that portion of the nonoperating
 752 administrative costs of those divisions indirectly involved, in the planning, design,
 753 acquisition, construction, and improvement of the rapid transit system, according to
 754 accepted principles of accounting, and also exclusive of the following costs:

755 (1) Nonrecurring costs and charges incurred in order to comply with any statute or
 756 regulation concerning either the protection or cleaning up of the environment, or
 757 accessibility by handicapped or disabled persons, or occupational health or safety, or
 758 compliance with any national or state emergencies, or with any judgment, decree, or
 759 order of any court or regulatory agency in implementation of any such statute or
 760 regulation; and

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

766 If any proceeds of the tax levied pursuant to this Act are held for the purpose of planning,
 767 designing, acquiring, or constructing additional facilities or equipment for or improvements
 768 to the rapid transit system and are invested, then all interest earned from such investments
 769 shall be used only for such purposes or for paying the principal of or interest on bonds or
 770 certificates issued for such purposes. Commencing July 1, 1988, and until June 30, 2008,
 771 and only if expressly authorized by the board, interest earned on reserve funds set aside for
 772 rebuilding, repairing, or renovating facilities of the rapid transit system; for replacing,
 773 repairing, or renovating equipment or other capital assets thereof; or from the sale or other
 774 disposition of real property, may, without regard to the original source of the funds so
 775 reserved, be used to pay the operating costs of the system as such costs are defined in this
 776 subsection."

777 **SECTION 13.**

778 This Act shall become effective on June 1, 2013.

779 **SECTION 14.**

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