

House Bill 264 (AS PASSED HOUSE AND SENATE)

By: Representatives Jacobs of the 80<sup>th</sup>, Lindsey of the 54<sup>th</sup>, Riley of the 50<sup>th</sup>, Geisinger of the 48<sup>th</sup>, Taylor of the 79<sup>th</sup>, and others

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 revise such Act; to  
3 reconstitute the board of directors; to provide for staggered terms for board members; to  
4 provide for a limit on re-appointment of board members; to provide for a designee by the  
5 chairperson; to provide for a method for nonparticipating counties to join the Authority; to  
6 require board approval of certain payments and award of certain contracts; to remove  
7 restrictions on the operation of private enterprises; to remove restrictions on fares, rates, and  
8 rental charges for charter, group, and party bus services; to revise the procedure for the  
9 issuance of bonds; to revise what entities may exercise eminent domain on behalf of the  
10 Authority; to revise the amount of certain payments and contract amounts requiring board  
11 approval; to revise requirements for annual reporting; to provide for civil penalties to be set  
12 by the board for violation of rules and regulations of conduct; to revise procedures for the  
13 collective bargaining process; to provide for a suspension of restrictions on the use of sales  
14 and use tax proceeds; to provide for related matters; to provide for effective dates; to repeal  
15 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, 2017, the Board of Directors of the Authority shall be  
22 reconstituted and composed of 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 the~~  
 35 Fulton County Board of Commissioners, and two of such members shall be residents of  
 36 that portion of Fulton County lying north of the corporate limits of the City of Atlanta to  
 37 be appointed by a majority vote of a caucus of mayors of the municipalities of Fulton  
 38 County lying north of the corporate limits of the City of Atlanta; one member shall be a  
 39 resident of Fulton or DeKalb County to be appointed by the Governor; one nonvoting  
 40 member shall be the Commissioner of the Department of Transportation; and one  
 41 nonvoting member shall be the Executive Director of the Georgia Regional Transportation  
 42 Authority. Those board members appointed by a local governing authority, caucus, or the  
 43 Governor as described in this section in office as of January 1, 2017, shall serve initial  
 44 terms of office as follows: two of the three appointees of the DeKalb County Board of  
 45 Commissioners, two of the three appointees of the Mayor and City Council of Atlanta, and  
 46 one of the two appointees of the caucus of mayors from municipalities lying north of the  
 47 corporate limits of the City of Atlanta shall serve a term of two years, and the remaining  
 48 appointees shall serve for terms of four years. No later than December 1, 2016, all board  
 49 members shall be appointed and each local governing authority or caucus shall designate  
 50 which board members shall serve an initial term of two years. and that membership  
 51 position held by a Fulton County resident, appointed by the local governing body of that  
 52 county, the term of which position expires December 31, 1988, shall, beginning on and  
 53 after January 1, 1989, be filled by the local governing body of Fulton County appointing  
 54 a person who is a resident of that portion of Fulton County lying north of the corporate  
 55 limits of the City of Atlanta; one member shall be a resident of Clayton County to be  
 56 appointed by the local governing body thereof; and one member shall be a resident of  
 57 Gwinnett County to be appointed by the local governing body thereof. Four members,  
 58 representing the State, shall be as follows: the Commissioner of the Department of  
 59 Transportation who shall be an ex officio member; the State Revenue Commissioner who  
 60 shall be an ex officio member; the Executive Director of the State Properties Commission  
 61 who shall be an ex officio member; and the Executive Director of the Georgia Regional  
 62 Transportation Authority who shall be an ex officio member. The first member who must  
 63 be a resident of that portion of Fulton County lying south of the corporate limits of the City

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

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

82 Those board members in office on May 31, 2014, shall serve until December 31, 2016.

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

87 Except as provided above, all appointments shall be for terms of four years except that a  
 88 vacancy caused otherwise than by expiration shall be filled for the unexpired portion  
 89 thereof by the ~~local governing body~~ appointing entity which made the original appointment  
 90 to the vacant position, or its successor in office. A member of the Board may be appointed  
 91 to succeed himself or herself for one four-year term; provided, however, that board  
 92 membership prior to January 1, 2017, shall not be considered in calculating limits on length  
 93 of service. Appointments to fill expiring terms shall be made by the ~~local governing body~~  
 94 appointing entity prior to the expiration of the term, but such appointments shall not be  
 95 made more than thirty days prior to the expiration of the term. Members appointed to the  
 96 Board shall serve for the terms of office specified in this section and until their respective  
 97 successors are appointed and qualified.

98 (b) ~~Having initially declined membership on the Board and further participation in the~~  
 99 ~~Authority, Cobb County may at any time reclaim its membership on the Board and~~  
 100 ~~participate further in the Authority as provided in this subsection (b).~~ The local governing

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

120 (c) Reserved.

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

128 (e) ~~A local governing body~~ An appointing entity may remove any member of the Board  
 129 appointed by it for cause. No member shall be thus removed unless he or she has been  
 130 given a copy of the charges against him or her and an opportunity to be publicly heard in  
 131 his or her own defense in person or by counsel with at least ten days' written notice to the  
 132 member. A member thus removed from office shall have the right to a judicial review of  
 133 ~~his~~ the member's removal by an appeal to the superior court of the county ~~of the local~~  
 134 ~~governing body which appointed him~~ where the member resides, but only on the ground  
 135 of error of law or abuse of discretion. In case of abandonment of ~~his~~ the member's office,  
 136 conviction of a crime involving moral turpitude or a plea of nolo contendere thereto,  
 137 removal from office, or disqualification under subsection (d) hereof, the office of a member

138 shall be vacant upon the declaration of the Board. A member shall be deemed to have  
 139 abandoned ~~his~~ the member's office upon failure to attend any regular or special meeting of  
 140 the Board for a period of four months without excuse approved by a resolution of the  
 141 Board, or upon removal of ~~his~~ the member's residence from the territory ~~of the local~~  
 142 ~~governing body which appointed him~~ qualifying the member to serve on the Board.

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

157 (g) The Board shall elect one of its members as ~~chairman~~ chairperson and another as  
 158 ~~vice-chairman~~ vice-chairperson for terms to expire on December 31 of each year to preside  
 159 at meetings and perform such other duties as the Board may prescribe. The presiding  
 160 officer of the Board may continue to vote as any other member, notwithstanding ~~his~~ the  
 161 member's duties as presiding officer, if he ~~or she~~ so desires. The chairperson may select  
 162 a designee from current members to act on behalf of the chairperson for official business  
 163 of the authority. Such designee shall be paid by the authority a per diem allowance in the  
 164 same amount for each day in which the designee engages in official business of the  
 165 authority, including but not limited to attendance of any official meeting of the board, of  
 166 any committee of the board, or of the authority's Pension Committee, Board of Ethics, or  
 167 Arts Council, provided that said per diem allowance shall not be paid to such member for  
 168 more than 130 days in a calendar year. The Board shall also elect from its membership a  
 169 secretary and a treasurer who shall serve terms expiring on December 31 of each year. A  
 170 member of the Board may hold only one office on the Board at any one time.

171 (h) The Board shall hold at least one meeting each month. The Secretary of the Board  
 172 shall give written notice to each member of the Board at least two days prior to any called  
 173 meeting that may be scheduled, and said Secretary shall be informed of the call of such  
 174 meeting sufficiently in advance so as to provide for ~~his~~ giving notice as above. A majority

175 of the total voting membership of the Board, as it may exist at the time, shall constitute a  
 176 quorum. On any question presented, the number of members present shall be recorded.  
 177 By affirmative vote of a majority of the members present, the Board may exercise all the  
 178 powers and perform all the duties of the Board, except as otherwise hereinafter provided  
 179 or as limited by its bylaws, and no vacancy on the original membership of the Board, or  
 180 thereafter, shall impair the power of the Board to act. All meetings of the Board, its  
 181 Executive Committee, or any committee appointed by the Board shall be subject to ~~all~~  
 182 ~~provisions, except for Section 2(a), of an Act providing that all meetings of certain public~~  
 183 ~~bodies shall be open to the public, approved March 28, 1972 (Ga. L. 1972, p. 575), as now~~  
 184 ~~or hereafter amended~~ Chapter 14 of Title 50 of the Official Code of Georgia Annotated.

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

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

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

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

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

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

209 (j) The Board shall appoint and employ, as needed, a general manager, and a general  
 210 counsel, none of whom may be members of the Board or a relative of a member of the  
 211 Board, and delegate to them such authority as it may deem appropriate. It may make such

212 by-laws or rules and regulations as it may deem appropriate for its own government, not  
 213 inconsistent with this Act, including the establishment of an Executive Committee to  
 214 exercise such authority as its by-laws may prescribe.

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

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

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

## 235 SECTION 2.

236 Said Act is further amended by revising subsection (p) of Section 8 as follows:

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

## 243 SECTION 3.

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

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

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

263 ~~(f) Notwithstanding any other provisions of this Act to the contrary, the per-hour rates,~~  
 264 ~~fares, rentals, and charges for charter, group, and party bus services rendered by the~~  
 265 ~~Authority shall be no less than the lowest per-hour rates, fares, rentals, and charges actually~~  
 266 ~~charged for charter, group, and party bus services provided by motor common carriers and~~  
 267 ~~motor contract carriers in the metropolitan area. Any person aggrieved by any~~  
 268 ~~determination of the Board as to any rates, fares, rentals, and charges for charter, group,~~  
 269 ~~and party bus services may challenge same by a petition filed, within thirty days of the~~  
 270 ~~occurrence of the event or determination complained of, with the Public Service~~  
 271 ~~Commission of this State. A hearing, and such other proceedings as may be ordered, upon~~  
 272 ~~the aggrieved party's complaint shall be conducted by the Public Service Commission~~  
 273 ~~within thirty days after the filing of the complaint in order to determine the lawfulness of~~  
 274 ~~the challenged conduct or rates, fares, rentals, and charges for charter, group, and party bus~~  
 275 ~~services. The rulings of the Public Service Commission shall be subject to judicial review~~  
 276 ~~in any superior court of any county of the metropolitan area in which the charge may be~~  
 277 ~~applicable; however, whenever two or more legal actions are brought against the~~  
 278 ~~determination of the Public Service Commission in different superior courts, exclusive~~  
 279 ~~jurisdiction thereof shall be vested in the first such court to docket such a petition and all~~  
 280 ~~other petitions may be refiled in the superior court having exclusive jurisdiction.~~  
 281 Reserved."

282 "(h)(1) Notwithstanding any other provisions of this Act to the contrary, not later than  
 283 120 days after the end of each fiscal year of the Authority, the Board shall adjust the  
 284 amounts to be charged for transportation services to the public so that the total funds to  
 285 be received from transit operating revenue during the fiscal year of the Authority ending  
 286 June 30, 1980, shall be no less than thirty percent of the operating costs of the system for  
 287 the immediately preceding fiscal year, and so that the total funds to be received from  
 288 transit operating revenue during the fiscal year ending June 30, 1981, and for each fiscal  
 289 year thereafter shall be no less than thirty-five percent of the operating costs of the system  
 290 for the immediately preceding fiscal year. In making such adjustments, the Board shall  
 291 be authorized to rely upon estimates of all revenue, patronage, and other factors which  
 292 may affect the amounts to be charged for transportation services to the public; provided,  
 293 if such amounts actually charged during one fiscal year resulted in transit operating  
 294 revenue less than that required under this subsection, the amounts to be charged the  
 295 immediately succeeding fiscal year shall be sufficient, along with all other transit  
 296 operating revenue, to make up such deficit as well as meet the other requirements of this  
 297 subsection.

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

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

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

#### 313 **SECTION 4.**

314 Said Act is further amended by revising subsection (h) of Section 10 as follows:

315 "(h) Bonds of the Authority shall may be sold by public competitive bidding, ~~unless such~~  
 316 ~~requirement is waived by the local governments participating in the Authority at the time~~  
 317 ~~of such sale, in which event the bonds may be sold~~ or through negotiation with a

318 prospective purchaser or purchasers. If, with respect to the sale of any particular issue of  
 319 bonds, public competitive bidding is contemplated, the advertising of the notice of sale and  
 320 invitation to bid with respect thereto shall be advertised as is customarily done in the  
 321 handling of governmental bond issues and Section 14(b) as to these matters shall not apply.  
 322 The Authority may negotiate the sale of its bonds to the Federal Government."

323 **SECTION 5.**

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

325 "The Authority shall have no power of eminent domain, but ~~the City of Atlanta and the~~  
 326 ~~counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett may, for purposes of the~~  
 327 ~~Authority, exercise the broadest power of eminent domain shall be available to them any~~  
 328 city or county government within the territorial jurisdiction of the Authority or any agency  
 329 or joint agency thereof, under any statute, ~~and to~~ convey to the Authority any property so  
 330 acquired upon payment or credit for the total cost of any acquisition hereunder. For  
 331 purposes of this section, the power of eminent domain shall lie in a city governing body if  
 332 the property is located within that city's territorial limits and the power of eminent domain  
 333 shall lie in a county governing body if the property is located in an unincorporated location  
 334 within the county. However, no local governing body shall exercise any power of eminent  
 335 domain hereunder with respect to property located beyond its territorial limits."

336 **SECTION 6.**

337 Said Act is further amended by revising subsections (b) through (d) of Section 14 as follows:

338 "(b) All such acquisitions, dispositions and contracts involving ~~\$100,000.00~~ \$200,000.00  
 339 or more shall be awarded only after advertising in the local newspaper of the largest  
 340 circulation in the metropolitan area at least once a week in the two weeks prior to the bid  
 341 opening. Bids shall be publicly opened and read aloud at a date, time and place designated  
 342 in the invitation to bid. Invitations to bid shall be sent at least one week prior to the bid  
 343 opening to at least three potential bidders who are qualified technically and financially to  
 344 submit bids, or, in lieu thereof, a memorandum shall be kept on file showing that less than  
 345 three potential bidders so qualified exist in the market area within which it is practicable  
 346 to obtain bids. Prior to the award of a contract which will call for an anticipated aggregate  
 347 payment of ~~\$150,000.00~~ \$200,000.00 or more to the successful bidder, the Authority shall  
 348 make an accurate and brief summary thereof available to the public in its principal office  
 349 and shall ~~publish post~~ publish post notice of its intention to award such contract to the successful bidder  
 350 at least five days prior to such award ~~in the local newspaper of the largest circulation in the~~  
 351 ~~metropolitan area~~ in a prominent location on the Authority's website. Such advertisement  
 352 posting shall state the name of the successful bidder, the amount of the contract and its

353 subject matter. This provision shall apply to contracts entered into thirty days or more after  
 354 the effective date of this Act.

355 (c) Except as otherwise provided in this Section, written price quotations from at least  
 356 three qualified and responsible vendors, or vendees as the case may be, shall be obtained  
 357 for all acquisitions, dispositions and contracts involving ~~less than \$100,000.00 and over~~  
 358 ~~\$10,000.00~~ \$200,000.00 or more, or, in lieu thereof, a memorandum approved by the Board  
 359 shall be kept on file showing that less than three vendors or vendees, as the case may be,  
 360 so qualified exist in the market area within which it is practicable to obtain quotations.  
 361 Acquisitions shall be made from, and contracts awarded to, the lowest responsible  
 362 quotation, and dispositions of property shall be made to the highest responsible quotation.

363 (d) Acquisitions, dispositions and contracts involving ~~\$10,000.00 or less~~ less than  
 364 \$200,000.00 may be negotiated with or without competitive bidding under sound  
 365 procurement procedures as promulgated and established by the Board."

366

#### SECTION 7.

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

368 "The Authority shall have available at its principal office for public inspection at all times  
 369 during regular business hours of the Authority an accurate and brief summary disclosing  
 370 all material terms of each contract which the Authority has entered into and the terms of  
 371 which call for expenditures by the Authority of more than \$150,000. The Authority shall  
 372 prepare an annual report for the period ending June 30 of each year. Each annual report  
 373 shall include a statement of the tax revenue and operating revenue received during the  
 374 period, a statement of the total expenditures made during the period and a list of all written  
 375 contracts entered into by the Authority during the period which call for the Authority to  
 376 expend at any time in the aggregate more than ~~\$50,000~~ \$20,000.00. Such list shall also  
 377 include any employment or consultant contracts (whether or not written) under which the  
 378 employee or consultant is to be compensated at an annual rate of more than \$20,000,  
 379 including direct and indirect or deferred benefits. When a person or firm, whose salary or  
 380 fee is reportable hereunder, shall have his compensation increased at any time, the amount  
 381 of such increase and the total new rate shall be reported for the period in which the increase  
 382 takes effect. The list of contracts shall state the anticipated amount of funds to be paid  
 383 thereunder, or the formula for determining such amount. The Authority shall also prepare  
 384 a list of the names of each person, firm or corporation which has received from the  
 385 Authority during such period in excess of \$20,000, as well as the amount paid to such  
 386 person, firm or corporation during such period. The annual report, together with the  
 387 Comprehensive Annual Financial Report for the preceding calendar year, and lists required  
 388 by this Section shall be filed as a statement, verified by the Chairman of the Board of the

389 Authority and its General Manager, with members of the Metropolitan Atlanta Rapid  
 390 Transit Authority Overview Committee, the Governor, the presiding officers of the House  
 391 of Representatives and the Senate, the State Auditor and with governing authorities of each  
 392 county and the largest municipality in the area of the Authority's operation. The annual  
 393 report and lists required by this Section shall be ~~prepared and filed within forty-five days~~  
 394 ~~of the end of the reporting period~~ submitted by August 31 of each year, shall be made  
 395 available at the Authority's principal office for public inspection at all times during regular  
 396 business hours of the Authority following such filing, and ~~notice of such availability shall~~  
 397 ~~be published in a daily newspaper of general circulation within the entire geographic area~~  
 398 ~~of the Authority's operation within fifteen days after filing.~~ Such notice shall occupy at  
 399 least one quarter of a full page in such newspaper shall be posted in a prominent location  
 400 on the Authority's website within two weeks of submittal of the report to the parties  
 401 enumerated in this Section. Such report shall display employee identification numbers and  
 402 job titles, and no names or social security numbers of employees shall be displayed."

403 **SECTION 8.**

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

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

415 **SECTION 9.**

416 Said Act is further amended by revising subsections (e) and (g) of Section 17 as follows:

417 "(e) Not later than December 31, 2016, and every four years thereafter, the ~~The~~ Authority  
 418 shall cause to be performed an independent ~~annual~~ management audit on the condition of  
 419 management of the Authority ~~at the expense of the Authority,~~ to be supervised and  
 420 approved by the Metropolitan Atlanta Rapid Transit Overview Committee, ~~and which~~ The  
 421 management audit shall be submitted to the Board of the Authority, the Governor, the State  
 422 Auditor, and the Metropolitan Atlanta Rapid Transit Overview Committee before

423 December 31 of each year in which it is required. The management audit shall be  
 424 performed at the expense of the Authority."

425 "(g) The Authority shall submit to the Metropolitan Atlanta Rapid Transit Overview  
 426 Committee, the presiding officers of the House and Senate, and the Governor an annual  
 427 report which report shall indicate consultant expenses, other professional services, salaries  
 428 and expenses of full-time and part-time employees and Board members, and payments  
 429 rendered ~~by to~~ outside companies, ~~or agencies, or entities by to~~ the Authority for any and  
 430 all goods, services, and projects. Said report shall be submitted by August 31 of each year  
 431 and shall include, along with the requirements specified in Section 14A of this Act, the  
 432 name of the payee, the date of payment, the payment amount, and the purpose of each  
 433 payment. If such payment was made pursuant to a contract, the date on which the contract  
 434 was awarded, the length of the contract term, the award amount of the contract, the  
 435 cumulative payments that have been made toward the contract, including the listed  
 436 payment, and any related contract or project identification number shall be included in the  
 437 report alongside the name of the payee, the date of payment, the payment amount, and the  
 438 purpose of each payment. In addition to a printed copy to be provided to the parties  
 439 enumerated in this subsection, said report shall be posted in a prominent location on the  
 440 Authority's website within two weeks of submittal of the report to the parties enumerated  
 441 in this subsection. The report posted on the Authority's website shall show employee  
 442 identification numbers and job titles instead of the names of the employees. The  
 443 employee's social security number shall not be used as the employee's identification  
 444 number."

#### 445 SECTION 10.

446 Said Act is further amended by revising subsections (a) and (b) of Section 20 as follows:

447 "(a) The Board may promulgate reasonable rules and regulations, not inconsistent with  
 448 law, for the control and management of its operations, properties, employees and patrons.  
 449 Violations of rules and regulations governing the conduct of the public in or upon the  
 450 Authority's transportation system shall be punishable by a civil fine or penalty in an amount  
 451 set by the Board. All rules and regulations governing the conduct of the public in or upon  
 452 the Authority's transportation system and the civil fine or penalty for infraction of such  
 453 rules and regulations shall be posted in a prominent location on the Authority's website.

454 (b)(1) The Board may provide for the recognition of authorized representatives of the  
 455 employees of the Authority and for collective bargaining, in accordance with this  
 456 subsection, with such authorized representatives.

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

458 (A) 'Authorized representative' means the collective bargaining agent for a class of  
459 employees, recognized for such purposes by the Board.

460 (B) 'Collective bargaining' or 'collectively bargain' means performing the mutual  
461 obligation of the Authority and the authorized representatives of represented employees  
462 to negotiate, in good faith and to impasse, if necessary, over wages, hours, and other  
463 terms and conditions of employment with the bona fide intention of reaching a  
464 negotiated agreement.

465 (C) 'Grievance arbitration' means arbitration of a dispute between the Authority and the  
466 authorized representative, acting on behalf of a represented employee, which involves  
467 the interpretation of an existing labor agreement and the application of the terms and  
468 conditions of that labor agreement to the claims of one or more employees.

469 (D) 'Labor agreement' means an agreement, including any agreement respecting  
470 pension or retirement benefits for represented employees, between the Authority and  
471 the authorized representative, entered into in accordance with this subsection, which  
472 establishes the wages, hours, and other terms and condition of employment for  
473 represented employees of the Authority.

474 (E) 'Represented employee' means an employee of the Authority who is a member of  
475 a class of employees for which the Board has recognized an authorized representative.

476 (3) Every labor agreement entered into by the Authority shall provide for grievance  
477 arbitration and shall specify the procedure therefor. In any grievance arbitration, the  
478 arbitrators must base their decision upon the express terms and conditions of an existing  
479 labor agreement.

480 (4) Upon or prior to the expiration of an existing labor agreement, the Authority and the  
481 authorized representative shall collectively bargain in an effort to reach a successor or  
482 replacement labor agreement. If, after expiration of an existing labor agreement, the  
483 Authority and the authorized representative are then unable to agree upon the terms and  
484 conditions of a new labor agreement, including but not limited to the issue of wages, they  
485 shall jointly select or, failing their agreement, upon the written petition of either or both  
486 parties, the Governor shall appoint within 30 days after the receipt of said petition a  
487 neutral fact finder to investigate and explore all unresolved collective bargaining issues  
488 and to render a report to the Authority, the authorized representative, and the public. The  
489 neutral fact finder shall conduct such hearings as may be necessary to provide for the full  
490 and fair presentation of all unresolved collective bargaining issues by both parties. That  
491 fact finder shall be authorized to sign and issue subpoenas for witnesses or documents,  
492 to administer oaths, to take oral or written testimony and to take such other actions as  
493 may be needed to make comprehensive findings of fact and recommendations. When a  
494 subpoena is disobeyed, any party may apply to the Superior Court of Fulton County for

495 an order requiring obedience. Failure to comply with that order shall be cause for  
496 punishment as for contempt of court. The costs of securing the attendance of witnesses,  
497 including fees and mileage, shall be computed in the same manner as prescribed by law  
498 in civil cases in the superior court.

499 (5) The fact finder's report shall recommend as to all unresolved collective bargaining  
500 issues, including appropriate wages, hours and other terms and conditions of employment  
501 for represented employees, and shall set forth supporting factual findings, determined  
502 after due consideration of the factors set forth in subparagraphs (A) through (E) of  
503 paragraph (8) of this subsection, and shall contain a summary of the findings. The report  
504 of the fact finder shall be issued within 30 days after the fact finder is selected or  
505 appointed. Upon issuance, the report shall be distributed by the Authority to the  
506 Governor, the Metropolitan Atlanta Rapid Transit Overview Committee of the Georgia  
507 General Assembly, and each local governing body in the metropolitan area. The fact  
508 finder shall cause the summary of findings to be published once in the newspaper having  
509 the largest circulation in the metropolitan area. The fact finder shall be compensated in  
510 the same manner as a special master pursuant to Code Section 22-2-106 of the O.C.G.A.,  
511 and the costs thereof and any other costs of the proceeding shall be borne equally by the  
512 parties. After selection or appointment of a fact finder pursuant to this paragraph, the  
513 parties may continue to collectively bargain on any issues, including but not limited to  
514 those submitted for fact-finding purposes.

515 (6) Upon issuance of the fact finder's report, the Authority and the authorized  
516 representative shall continue to collectively bargain in light of the recommendations set  
517 forth in such report. If either party rejects any or all of the fact finder's recommendations  
518 and the parties are otherwise unable, through collective bargaining, to reach agreement  
519 on such issue or issues, then each party rejecting any of the fact finder's recommendations  
520 shall prepare a written statement setting forth the specific recommendations which such  
521 party has rejected, the party's counterproposal on the issue or issues, and the reasons for  
522 rejecting the fact finder's recommendations. Prior to commencement of any proceeding  
523 for interest arbitration, as provided in paragraph (7) of this subsection, each party  
524 required under this paragraph to prepare that statement shall cause it to be published in  
525 the local newspaper having the largest circulation in the metropolitan area and shall  
526 concurrently distribute that statement to the Governor, the Metropolitan Atlanta Rapid  
527 Transit Overview Committee of the Georgia General Assembly, and each local governing  
528 body in the metropolitan area.

529 (7) If, within the 30 days following issuance of the fact finder's report, the Authority and  
530 the authorized representative are unable to conclude a new labor agreement, either party  
531 may then seek ~~binding interest arbitration of all~~ a judicial determination of any

532 unresolved issues between the parties. Such an action may be instituted by the filing of  
 533 a petition ~~with the Governor for binding interest arbitration and for the appointment of~~  
 534 ~~an arbitrator. The Governor shall appoint an arbitrator who is a member of the National~~  
 535 ~~Academy of Arbitrators or is approved by the American Arbitration Association within~~  
 536 ~~30 days of the petition. That arbitrator shall decide the issues within 90 days after said~~  
 537 ~~petition shall be filed with the Governor. That arbitrator's decision on those issues shall~~  
 538 ~~bind both the Authority and the authorized representative. That arbitrator may require~~  
 539 ~~the Authority and the authorized representative to provide that arbitrator with such~~  
 540 ~~information as the arbitrator determines to be necessary in resolving the issues for a~~  
 541 ~~judicial determination. In even-numbered years, the petition shall be filed in the Superior~~  
 542 ~~Court of Fulton County and directed to the judge with the greatest length of service in~~  
 543 ~~that court. In odd-numbered years, the petition shall be filed in the Superior Court of~~  
 544 ~~DeKalb County and directed to the judge with the greatest length of service in that court.~~  
 545 The judge, without a jury, shall decide upon the issues within 90 days of filing such  
 546 petition. The decision of the judge shall be binding upon the Authority and the  
 547 authorized representative, and there shall be no appeal of such decision. The judge may  
 548 require the Authority and the authorized representative to provide such information as the  
 549 judge determines to be necessary in resolving the issues submitted. In the event any  
 550 unresolved collective bargaining issue, including but not limited to wage rates for  
 551 represented employees, is not submitted for judicial determination, the parties shall  
 552 continue the collective bargaining process with respect to such issues in a good faith  
 553 effort to reach agreement on such issues or to agree upon the terms and conditions of a  
 554 stipulation or submission agreement to be submitted for judicial determination as  
 555 provided for in this paragraph.

556 (8)(A) In any ~~interest arbitration~~ judicial determination under this subsection, the  
 557 ~~arbitrator~~ judge shall be bound by any written stipulation or submission agreement  
 558 between the Authority and the authorized representative concerning such determination.  
 559 In determining any issue, the ~~arbitrator~~ judge shall ~~also~~ give primary consideration  
 560 ~~weight both~~ to the report of the neutral fact finder and to the following factors:

561 (A)(i) The financial ability of the Authority to pay wages and provide benefits,  
 562 whether or not increased, including the budget for the current year, the projected  
 563 budget for the subsequent ten years, and the need to maintain adequate reserves, while  
 564 adhering to all legal requirements governing the Authority's expenditure of public  
 565 funds and revenues and maintaining levels of transit service sufficient to serve the  
 566 metropolitan area; and

567 (B)(ii) The amount, if any, of any fare increase which would be necessary to afford  
 568 a wage or salary increase or improvement in fringe benefits or extension of vacation,

569 holiday, or excused time and the ability of the public to bear a fare increase, with  
570 consideration of the per capita income of those persons in the service area;

571 (B) The judge shall also give secondary consideration to the following factors:

572 ~~(C)~~(i) A comparison between the overall wage and salary levels and fringe benefit  
573 levels and vacation, holiday and excused time allowances of the Authority's  
574 represented employees and other workers in the public and private sectors of the  
575 metropolitan area who perform work requiring similar skills in other major ground  
576 transportation services;

577 ~~(D)~~(ii) A comparison of the hours and working conditions of the Authority's  
578 represented employees and other workers in the public and private sectors of the  
579 metropolitan area who perform work requiring similar skills in other major ground  
580 transportation services; and

581 ~~(E)~~(iii) The cost of consumer goods and services within the metropolitan area.

582 ~~(9) In the event that either party wishes to enforce the decision of the arbitrator, a petition~~  
583 ~~for such enforcement must be filed within ninety (90) days of such decision. In odd~~  
584 ~~numbered years, the petition must be filed in the Superior Court of Fulton County and~~  
585 ~~directed to the senior judge in time of service in that court. In even numbered years, the~~  
586 ~~petition must be filed in the Superior Court of DeKalb County and directed to the senior~~  
587 ~~judge in time of service in that court. The court shall confirm the decision unless the~~  
588 ~~decision is vacated by the court because the court finds that the rights of a party were~~  
589 ~~prejudiced by:~~

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

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

592 ~~(C) An overstepping by the arbitrators of their authority or such imperfect execution~~  
593 ~~of it that a final and definite decision upon the subject of such matter submitted was not~~  
594 ~~made; or~~

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

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

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

603 ~~(11) No employee of the Authority shall engage in any strike, sit-down, slow-down,~~  
604 ~~walkout, or other concerted cessation or curtailment of work, and no authorized~~  
605 ~~representative of employees of the Authority shall cause, instigate, encourage, promote~~

606 or condone any strike, sit-down, slow-down, walkout, or other concerted cessation or  
 607 curtailment of work by any employee of the Authority. The Authority shall not  
 608 unilaterally increase, decrease, or otherwise change the wages, including accrued cost of  
 609 living allowances, or fringe benefits of represented employees as of the last day of an  
 610 expired contract pending the establishment of new wages and fringe benefits by  
 611 negotiation or ~~interest arbitration~~ judicial determination.  
 612 ~~(12)~~(10) Subject to any requirement imposed pursuant to Section 13 (c) of the Urban  
 613 Mass Transportation Act of 1964, as amended, the Authority at all times shall have the  
 614 right to determine the method, means, and personnel by which its operations are to be  
 615 carried on, including the right to hire part-time employees."

#### 616 SECTION 11.

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

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

#### 627 SECTION 12.

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

629 "(i) Use of Proceeds. The proceeds of the tax levied pursuant to this Act shall be used  
 630 solely by each local government to fulfill the obligations incurred in the contracts entered  
 631 into with the Metropolitan Atlanta Rapid Transit Authority as contemplated in the  
 632 Metropolitan Atlanta Rapid Transit Authority Act of 1965, as amended; provided,  
 633 however, that no more than fifty percent (50%) of the annual proceeds of the tax shall be  
 634 used to subsidize the operating costs of the system, exclusive of depreciation, amortization,  
 635 and other costs and charges as provided in this subsection, until January 1, 2002. For the  
 636 period beginning January 1, 2002, and ending June 30, 2002; and for each fiscal year  
 637 commencing thereafter until December 31, 2008, no more than fifty-five percent (55%) of  
 638 the proceeds of the tax shall be used to subsidize the operating costs of the system,  
 639 exclusive of depreciation, amortization, and other costs and charges as provided in this  
 640 subsection; and for the period beginning January 1, 2009, and ending June 30, 2009, and

641 each fiscal year commencing thereafter until July 1, 2032, no more than fifty percent (50%)  
 642 of the proceeds of the tax shall be used to subsidize the operating costs of the system,  
 643 exclusive of depreciation, amortization, and other costs and charges as provided in this  
 644 subsection; Such restrictions on the use of annual proceeds from local sales and use taxes  
 645 shall be suspended through June 30, 2017. ~~except that if~~ If the Board of the Metropolitan  
 646 Atlanta Rapid Transit Authority shall fail to file with the Metropolitan Atlanta Rapid  
 647 Transit Overview Committee annually; the original and 14 copies of a report of the findings  
 648 of a completed management performance audit of the Authority's current operations, ~~which~~  
 649 ~~audit that~~ audit that was performed under contract with and at the expense of the Authority, along  
 650 with any auditor's recommendations based thereon and the auditor's signed written  
 651 verification that the Metropolitan Atlanta Rapid Transit Authority fully cooperated with  
 652 such audit and allowed access to all its books, records, and documents to the extent the  
 653 auditor deemed necessary, then for the period beginning January 1, 2003, and ending June  
 654 30, 2003, and each fiscal year commencing thereafter until July 1, 2032, no more than fifty  
 655 percent (50%) of the proceeds of the tax shall be used to subsidize the operating costs of  
 656 the system, exclusive of depreciation, amortization, and other costs and charges as provided  
 657 in this subsection. For each fiscal year commencing on or after July 1, 2032, no more than  
 658 sixty percent (60%) of the annual proceeds of the tax shall be used to subsidize the  
 659 operating costs of the system, exclusive of depreciation, amortization, and other costs and  
 660 charges as provided in this subsection; and commencing with July 1, 2032, and for every  
 661 year thereafter, the proceeds of the tax shall not be used to subsidize operations of the  
 662 transportation system to an extent greater than fifty percent (50%) of the operating costs  
 663 of the system, exclusive of depreciation, amortization, and other costs and charges as  
 664 provided in this subsection. In adopting its annual budget, the Board of the Metropolitan  
 665 Atlanta Rapid Transit Authority shall be authorized to rely upon estimates of all revenues,  
 666 operating costs, patronage, and other factors which may affect the amount of the fare  
 667 required to limit the operating subsidy herein provided for. If the results of any year's  
 668 operations reflect that the proceeds of the tax were used to subsidize operations to an extent  
 669 greater than herein provided, the Board shall adjust fares in order to make up the deficit in  
 670 operations during a period of not to exceed three (3) succeeding years. If the results of  
 671 operations in the Authority's fiscal year commencing July 1, 1980, or in any subsequent  
 672 fiscal year reflect that the proceeds of the tax were not used to subsidize operations to the  
 673 maximum extent herein provided, the Board shall reserve any amounts that could have  
 674 been used to subsidize operations in that fiscal year and later use said reserved amounts and  
 675 any interest earned on said reserved amounts to provide an additional subsidy for  
 676 operations in any future fiscal year or years. The words 'operating costs of the system' for  
 677 purposes of this subsection 25(I) are defined to include all of the costs of that division of

678 the Authority directly involved and that portion of the nonoperating administrative costs  
 679 of those divisions of the Authority indirectly involved, through the provision of support  
 680 services, in providing mass transportation services for the metropolitan area, but exclusive  
 681 of the costs of the division or divisions directly involved and that portion of the  
 682 nonoperating administrative costs of those divisions indirectly involved, in the planning,  
 683 design, acquisition, construction, and improvement of the rapid transit system, according  
 684 to accepted principles of accounting, and also exclusive of the following costs:

685 (1) Nonrecurring costs and charges incurred in order to comply with any statute or  
 686 regulation concerning either the protection or cleaning up of the environment, or  
 687 accessibility by handicapped or disabled persons, or occupational health or safety, or  
 688 compliance with any national or state emergencies, or with any judgment, decree, or  
 689 order of any court or regulatory agency in implementation of any such statute or  
 690 regulation; and

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

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

707 **SECTION 13.**

708 This Act shall become effective on June 1, 2014, except for Section 10 of this Act, which  
 709 shall become effective upon its approval by the Governor or upon its becoming law without  
 710 such approval.

711 **SECTION 14.**

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