

The Senate Committee on State and Local Governmental Operations-General offered the following substitute to SB 260:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 50 of the Official Code of Georgia Annotated, relating to
2 Department of Economic Development, so as to create the Central State Hospital
3 Redevelopment Authority; to confer powers and impose duties on the authority; to provide
4 for membership and appointment of members of the authority; to provide for terms of the
5 members; to provide for meetings; to prohibit employees and members from having certain
6 interests; to provide for revenue bonds; to provide for venue and jurisdiction; to provide for
7 the authority's purpose; to provide for rules and regulations; to provide for tax exemptions;
8 to provide for supplemental powers; to provide for liberal construction; to provide for
9 successor interests; to provide for definitions; to provide for related matters; to repeal
10 conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 Chapter 7 of Title 50 of the Official Code of Georgia Annotated, relating to Department of
14 Economic Development, is amended by adding a new article to read as follows:

15

"ARTICLE 1116 50-7-130.17 As used in this article, the term:18 (1) 'Authority' means the Central State Hospital Redevelopment Authority created in this
19 article.20 (2) 'Central State Hospital' means the Central State Hospital in Milledgeville, Georgia,
21 now or formerly under the jurisdiction of the Department of Behavioral Health and
22 Developmental Disabilities.23 (3) 'Cost of the project' means and embraces the cost of construction; the cost of all
24 lands, properties, rights, easements, and franchises acquired; the cost of all machinery and
25 equipment, financing charges, interest prior to and during construction and for one year
26 after completion of construction; the cost of engineering, architectural, fiscal agent, and
27 legal expenses, and of plans and specifications and other expenses necessary or incident
28 to determining the feasibility or practicability of the project, administrative expenses, and
29 such other expenses as may be necessary or incident to the financing authorized in this
30 article; the cost of the acquisition or construction of any project; and the cost of placing
31 any project in operation. Any obligation or expense incurred for any of the foregoing
32 purposes shall be regarded as a part of the cost of the project and may be paid or
33 reimbursed as such out of the proceeds of revenue bonds issued under the provisions of
34 this article for such projects.35 (4) 'Department' means the Department of Economic Development.36 (5) 'Economic development conveyance' shall have the same meaning as provided in 32
37 C.F.R. Section 174.9(a).38 (6) 'Local government' means, individually or in combination, the City of Milledgeville,
39 Baldwin County, or any development authority of either or both.40 (7) 'Project' includes:

- 41 (A) The land and any one or more buildings or structures located in or on the real
42 property now or formerly occupied by Central State Hospital and the real property
43 adjacent thereto to be used in education, parks and recreation, transportation,
44 healthcare, research, housing, commerce, or the production, manufacturing, processing,
45 assembling, storing, or handling of any agricultural, manufactured, mining, or industrial
46 products or any combination of the foregoing or similar uses, in every case with all
47 necessary or useful furnishings, machinery, equipment, parking facilities, landscaping,
48 and facilities for outdoor storage, all as determined by the authority, which
49 determination shall be final and not subject to review; and there may be included as part
50 of any such project all improvements necessary to the full utilization thereof, including
51 site preparation, roads and streets, sidewalks, water supply, outdoor lighting, belt line
52 railroad sidings and lead tracks, bridges, causeways, terminals for railroad and
53 automotive transportation, and transportation facilities incidental to the project;
54 (B) The acquisition, construction, leasing, or equipping of new industrial facilities or
55 the improvement, modification, acquisition, expansion, modernization, leasing,
56 equipping, or remodeling of existing industrial or governmental facilities located or to
57 be located in or on the property now or formerly occupied by Central State Hospital and
58 the properties adjacent thereto;
59 (C) The acquisition, construction, improvement, or modification of any property, real
60 or personal, which any industrial concern might desire to use, acquire, or lease in
61 connection with the operation of any plant or facility located or to be located in or on
62 the property now or formerly occupied by Central State Hospital and the properties
63 adjacent thereto; and
64 (D) The acquisition and development of land in or on the property now or formerly
65 occupied by Central State Hospital as the site for an educational facility, historic
66 preservation site, commercial enterprise, entertainment facility, park or recreational
67 facility, industrial park, transportation facility, healthcare facility, research facility,

68 residential project, or similar uses, provided that, as used in this subparagraph, the term
69 'development of land' includes the provision of water, sewage, drainage, or similar
70 facilities or transportation, power, or communication facilities which are incidental to
71 use of the site as an educational facility, historic preservation site, commercial
72 enterprise, entertainment facility, park or recreational facility, industrial park,
73 transportation facility, healthcare facility, research facility, residential project, or similar
74 use but, except with respect to such facilities, does not include the provision of
75 structures or buildings.

76 50-7-131.

77 (a)(1) The department is authorized to acquire, construct, operate, maintain, expand, and
78 improve a project for the purpose of promoting trade, commerce, industry, and
79 employment opportunities within this state for the public good and general welfare and,
80 without limitation of the foregoing, with the approval of the State Properties Commission,
81 to acquire land for such purposes.

82 (2) The department may pay the costs of the project from any lawful fund source
83 available for the purpose, including, without limitation, where applicable, funds received
84 by appropriation, proceeds of general obligation debt, funds of local government, grants
85 of the United States or any agency or instrumentality thereof, gifts, and otherwise.

86 (3) The project shall be located in Baldwin County, Georgia, and shall be known as the
87 Central State Hospital Redevelopment Authority except that any facility included within
88 the project may be otherwise designated.

89 (b) A local government and the department are both authorized to contract with one
90 another whereby the local government may exercise on behalf of the department such
91 future responsibility in connection with the construction, operation, management, and
92 maintenance of the project as is now or may be vested in the department; and the
93 department is authorized by such contract to delegate to the local government

94 corresponding responsibilities and powers with respect to the project and to transfer to the
95 local government any and all contracts, plans, documents, or other papers of the department
96 relating to the project, as compensation to the local government under such contract. To
97 the extent provided by such contract with the department, the local government on behalf
98 of the department shall acquire, plan, construct, erect, repair, remodel, maintain, add to,
99 extend, improve, equip, operate, and manage the project.

100 (c) Without limiting the generality of any provision of this article, the general purpose of
101 the local government under this article is declared to be that of acquiring, constructing,
102 equipping, maintaining, and operating the project, in whole or in part, directly or under
103 contract with the department and engaging in such other activities as it deems appropriate
104 to promote the use of the project and the use of the industrial, agricultural, educational,
105 historical, cultural, recreational, commercial, and natural resources of the State of Georgia
106 by those using the project or visiting this state.

107 (d) The department shall have the authority with the approval of the State Properties
108 Commission to lease any improved or unimproved land or other property acquired by it
109 under this Code section to the local government for a term not to exceed 50 years but upon
110 such other terms and conditions as the department may determine necessary or convenient.
111 Any such lease may be for and in consideration of \$1.00 annually for each calendar year
112 or portion thereof paid in kind to and receipted for by the Office of the State Treasurer and
113 in further consideration that such property be held, constructed, operated, maintained,
114 expanded, or improved for the purposes for which the department was authorized to
115 acquire such property. It is determined that such consideration is good and valuable and
116 sufficient consideration for such lease and in the interest of the public welfare of the State
117 of Georgia and its citizens.

118 50-7-132.

119 (a) There is created a body corporate and politic to be known as the Central State Hospital
120 Redevelopment Authority, which shall be deemed to be a political subdivision of the State
121 of Georgia and a public corporation, and by that name, style, and title, said body may
122 contract and be contracted with, sue and be sued, implead and be impleaded, and bring and
123 defend actions in all courts. The authority shall have perpetual existence.

124 (b)(1) The authority shall consist of four members, to be appointed in the following
125 manner:

126 (A) One member shall be appointed by the Governor;

127 (B) One member shall be appointed by the President of the Senate;

128 (C) One member shall be appointed by the Speaker of the House of Representatives;
129 and

130 (D) One nonvoting member shall be appointed by the state property officer.

131 (2) Persons so appointed shall serve for initial terms of office which shall expire on
132 December 31 of the fourth year after their appointment. After the initial terms of office,
133 members of the authority shall serve for terms of office of four years each. Members of
134 the authority shall serve their respective terms of office specified in this subsection and
135 until their respective successors are appointed and qualified. Any member of the
136 authority may be appointed to succeed himself or herself. After such appointment, the
137 members of such authority shall enter upon their duties. Any vacancy on the authority
138 shall be filled in the same manner as was the original appointment of the member whose
139 term of office resulted in such vacancy. A person appointed to fill a vacancy shall serve
140 for the remainder of the unexpired term and until the appointment and qualification of a
141 successor. The members of the authority shall be reimbursed, upon submission of sworn
142 vouchers, for all actual expenses incurred in the performance of their duties out of funds
143 of the authority, with a maximum reimbursement of \$100.00 per meeting for no more

144 than three meetings per month. The authority shall make rules and regulations for its own
145 government.

146 (3) To be eligible for appointment as a member of the authority, a person shall be at
147 least 21 years of age and shall not have been convicted of a felony.

148 (4) The members of the authority shall elect from their number a chairperson, vice
149 chairperson, secretary, and treasurer. The secretary may also serve as treasurer. Each of
150 such officers shall serve for a period of two years and until their successors are duly
151 elected. The chairperson of the authority shall be entitled to vote upon any issue, motion,
152 or resolution.

153 (c) The authority may create subcommittees as it deems appropriate. The authority may
154 appoint as members of the subcommittees such individuals from the community as the
155 authority deems appropriate, and such members do not have to be members of the
156 authority. The subcommittees shall serve in an advisory capacity to the authority. The
157 chairperson of the authority shall choose from among the members of each subcommittee
158 a person to serve as chairperson of that subcommittee. The chairpersons of the
159 subcommittees shall serve four-year terms and shall be eligible for reappointment.

160 (d) A majority of the members of the authority shall constitute a quorum. No vacancy on
161 the authority shall impair the right of the quorum to exercise all of the rights and perform
162 all of the duties of the authority.

163 (e) A vacancy on the authority shall exist in the office of any member of the authority who
164 is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted
165 of a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who
166 is convicted of any act of misfeasance, malfeasance, or nonfeasance of such person's duties
167 as a member of the authority; or who fails to attend three consecutive regular meetings of
168 the authority without an excuse approved by a resolution of the authority.

169 (f) All meetings of the authority, regular or special, shall be open to the public.

170 (g) No member or employee of the authority shall have, directly or indirectly, any financial
171 interest, profit, or benefit in any contract, work, or business of the authority nor in the sale,
172 lease, or purchase of any property to or from the authority.

173 50-7-133.

174 The general purpose of the authority is declared to be that of executing and administering
175 the reuse plan for the property now or formerly occupied by Central State Hospital;
176 executing economic development conveyances for such property now or formerly occupied
177 by Central State Hospital resulting from the closure or realignment of Central State
178 Hospital so as to ameliorate the impact of such closure or realignment on the communities
179 and residents of the City of Milledgeville and Baldwin County; extending and improving
180 such projects; acquiring the necessary property therefor, both real and personal, with the
181 right to contract for the use of or to lease or sell any or all of such facilities, including real
182 property, to any persons, firms, or corporations, whether public or private, if in the sole
183 judgment of the authority such use, lease, or sale supports the general purposes of the
184 authority; and doing all things deemed by the authority necessary, convenient, and
185 desirable for and incident to the efficient and proper development and operation of such
186 type of undertakings.

187 50-7-134.

188 (a) The authority shall have the power:

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

190 (2) To acquire by purchase, lease, or otherwise, including acquisition of land from the
191 state government, and to hold, lease, and dispose of real and personal property of every
192 kind and character for its corporate purpose and to plan, acquire, establish, develop,
193 construct, enlarge, improve, maintain, equip, and lease all projects which shall come
194 under the control of the authority under the provisions of this article or which it may

195 acquire or plan to acquire; to regulate, protect, and police such projects and all related
196 activities and facilities; to enter into any contracts, leases, or other charges for the use of
197 property or services of the authority and collect and use the same as necessary to operate
198 the projects under control of the authority; and to accomplish any of the purposes of this
199 article and make any purchases or sales necessary for such purposes;

200 (3) To acquire in its own name by purchase, on such terms and conditions and in such
201 manner as it may deem proper, real property, or rights or easements therein, or franchises
202 necessary or convenient for its corporate purpose, and to use the same so long as its
203 corporate existence shall continue, and to lease or make contracts with respect to the use
204 of such property, or dispose of the same in any manner it deems to be to the best
205 advantage of the authority;

206 (4) To appoint, select, and employ officers, agents, and employees, including real estate,
207 environmental, engineering, architectural, and construction experts; fiscal agents; and
208 attorneys, and to fix their respective compensations;

209 (5) To make contracts and leases and to execute all instruments necessary or convenient,
210 including contracts for construction of projects and leases of projects or contracts with
211 respect to the use of projects which it causes to be constructed, erected, or acquired. Any
212 and all persons, firms, and corporations and any and all political subdivisions,
213 departments, institutions, or agencies of the state and federal government are authorized
214 to enter into contracts, leases, or agreements with the authority upon such terms and for
215 such purposes as they deem advisable; and, without limiting the generality of the
216 foregoing, authority is specifically granted to municipal corporations, counties, political
217 subdivisions, and the authority relative to entering into contracts, lease agreements, or
218 other undertakings authorized between the authority and private corporations, both inside
219 and outside this state, and between the authority and public bodies, including counties
220 and cities outside this state and the federal government;

221 (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,
222 equip, operate, and manage projects, the cost of the project to be paid in whole or in part
223 from the proceeds of revenue bonds of the authority or from such proceeds and any grant
224 or contribution from the United States of America or any agency or instrumentality
225 thereof or from the State of Georgia or any agency or instrumentality thereof;

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

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

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

237 (10) To exercise any power usually possessed by private corporations performing similar
238 functions, including the power to make short-term loans and approve, execute, and
239 deliver appropriate evidence of such indebtedness, provided that no such power is in
240 conflict with the Constitution or general laws of this state;

241 (11) To encourage and facilitate job training and housing rehabilitation programs for
242 residents surrounding Central State Hospital; and

243 (12) To do all things necessary or convenient to carry out the powers expressly given in
244 this article.

245 (b) The authority shall be assigned for administrative purposes to the department as
246 provided for in Code Section 50-4-3.

247 (c) The Attorney General shall provide legal services for the authority in the same manner
248 provided for in Code Sections 45-15-13 through 45-15-16.

249 50-7-135.

250 The authority, or any authority or body which had or which may in the future succeed to
251 the powers, duties, and liabilities vested in the authority created by this article, is
252 authorized to provide by resolution for the issuance of negotiable revenue bonds of the
253 authority for the purpose of paying all or any part of the cost of the project of any one or
254 more projects. The authority shall comply with Article 3 of Chapter 82 of Title 36, the
255 'Revenue Bond Law,' when issuing bonds.

256 50-7-136.

257 (a) Each year the authority shall have made an independent audit and examination of the
258 authority's financial records and transactions. Such audit shall be made in accordance with
259 established national audit and accounting standards. Such audit shall be made on or before
260 the one hundred-eightieth day following the end of the authority's fiscal year. Copies of
261 such audit shall be available for public review and provided to the state auditor.

262 (b) Annual audit reports of the authority shall contain at least:

263 (1) Financial statements prepared in conformity with generally accepted national
264 accounting principles, setting forth the financial condition and results of operation of each
265 fund and activity of the authority; and

266 (2) The opinion of the performing auditor with respect to the financial statement in
267 addition to an explanation of any qualification or disclaimers contained in the opinion.
268 Such opinion shall also disclose, in accordance with generally accepted national auditing
269 standards, any apparent or material violation of state law discovered during the audit.

270 (c) The authority shall forward to the state auditor written comments on the findings and
271 recommendations in the report, including a plan for corrective action taken or planned and
272 comments on the status of the corrective action taken on prior findings.

273 (d) The state auditor shall review the audit report and written comments submitted to the
274 auditor's office to ensure that it conforms with generally accepted national auditing
275 principles. After review, the state auditor shall submit to the authority a list of deficiencies
276 to be corrected.

277 (e) Upon failure, refusal, or neglecting to have an annual audit made; a failure to file a
278 copy of the audit report with the state auditor; or a failure to correct auditing deficiencies
279 noted by the state auditor, the state auditor shall cause a prominent notice to be published
280 in the legal organ of Baldwin County and in any other newspapers of general circulation
281 within the City of Milledgeville. Such notice shall be a prominently displayed
282 advertisement or news article and shall not be placed in the section of the newspaper where
283 legal notices appear. Such notice shall be published twice and shall state that the authority
284 has failed, refused, or neglected, as the case may be, to have an annual audit made, to file
285 an audit report, or to correct auditing deficiencies, as the case may be, for the fiscal year
286 or years in question. The notice shall further state that such failure, refusal, or neglect is
287 a violation of law.

288 50-7-137.

289 It shall be the duty of the authority to prescribe rules and regulations for the operation of
290 the project or projects constructed or acquired under the provisions of this article.

291 50-7-138.

292 It is found, determined, and declared that the creation of the authority and the carrying out
293 of its corporate purpose is in all respects for the benefit of the people of this state; that the
294 authority is an institution of purely public charity and will be performing an essential

295 governmental function in the exercise of the power conferred upon it by this article; that
296 this state covenants with the holders of the bonds; that the authority shall not be required
297 to pay any taxes or assessments upon any of the property acquired or leased by it or under
298 its jurisdiction, control, possession, or supervision or upon its activities in the operation or
299 maintenance of the projects erected by it or any rates, fees, tolls, or other charges for the
300 use of such projects or other income received by the authority; and that the bonds of the
301 authority, their transfer, and the income therefrom shall at all times be exempt from
302 taxation within this state. The exemption from taxation provided for in this Code section
303 shall not extend to tenants or lessees of the authority and shall not include exemptions from
304 sales and use taxes on property purchased by the authority or for use by the authority.

305 50-7-139.

306 This article shall be regarded as supplemental and additional to powers conferred by other
307 laws, and shall not be regarded as in derogation of any powers now existing.

308 50-7-140.

309 Any action to protect or enforce any rights under this article shall be brought in the
310 Superior Court of Baldwin County.

311 50-7-141.

312 The property of the authority shall not be subject to levy and sale under legal process.

313

314 50-7-142.

315 All funds received by the authority pursuant to this article, whether as revenue, rents, fees,
316 charges, or other earnings or as grants, gifts, or other contributions, shall be deemed to be
317 trust funds held and applied by the authority solely as provided in this article.

318 50-7-143.

319 This article shall be liberally construed to effect the purposes of this article.

320 50-7-144.

321 (a) Should the authority for any reason be dissolved, title to all property of any kind and
322 nature, real and personal, held by the authority at the time of such dissolution shall be
323 conveyed to the State of Georgia; or title to any such property may be conveyed prior to
324 such dissolution in accordance with provisions which may be made therefor in any
325 resolution or trust instrument relating to such property, subject to any liens, leases, or other
326 encumbrances outstanding against or in respect to such property at the time of such
327 conveyance.

328 (b) On July 1, 2025, all powers, duties, assets, real and personal property, liabilities, and
329 indebtedness of the Central State Hospital Local Redevelopment Authority created by an
330 Act to create the Central State Hospital Local Redevelopment Authority, approved
331 February 29, 2012 (Ga. L. 2012, p. 3837), as amended, are transferred to the authority. The
332 authority shall be the successor to the Central State Hospital Local Redevelopment
333 Authority in all contracts entered into by the Central State Hospital Local Redevelopment
334 Authority which are in existence on July 1, 2025, and to all accounts of and debts owed
335 to the Central State Hospital Local Redevelopment Authority that are outstanding on July
336 1, 2025."

337

SECTION 2.

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