Senate Bill 309

By: Senators Stone of the 23rd, Tate of the 38th, Walker III of the 20th, Anderson of the 24th, Tillery of the 19th and others

A BILL TO BE ENTITLED AN ACT

1 To amend Title 36 of the Official Code of Georgia Annotated, relating to local government, 2 so as to provide for comprehensive regulation of local government infrastructure financing; 3 to include broadband network projects as undertakings for which revenue bonds may be 4 issued; to provide for short titles; to provide for legislative purposes; to provide for 5 definitions; to create the Georgia Municipal and Local Government Infrastructure Finance Authority and the Georgia County and Local Government Infrastructure Finance Authority; 6 7 to provide for members, qualifications, officers, meetings, and procedures; to provide for powers, duties, and authority of the authority; to provide for procedures, conditions, and 8 9 limitations; to provide for certain bonds, notes, certificates, bond anticipation notes, and other 10 evidences of indebtedness; to provide for nonapplicability of certain general laws; to provide for certain tax exempt status of the authority, the authority's property, and the authority's 11 12 activities; to provide for cumulative effect of the foregoing; to provide for liberal 13 construction of the foregoing; to provide for automatic repeal; to provide for related matters; 14 to provide for an effective date; to repeal conflicting laws; and for other purposes.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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SECTION 1.

17 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended 18 in paragraph (4) of Code Section 36-82-61, relating to definitions regarding revenue bonds, 19 by striking "and" at the end of subparagraph (K), replacing the period at the end of 20 subparagraph (L) with "; and", and adding a new subparagraph to read as follows:

21 "(M) The purchase of land and the construction thereon of facilities which are
 22 necessary and convenient for broadband network projects as defined in Code
 23 Section 50-40-1."

	20 LC 28 9484
24	SECTION 2.
25	Said title is further amended by adding a new chapter to read as follows:
26	" <u>CHAPTER 93</u>
27	<u>ARTICLE 1</u>
20	
28 29	<u>36-93-1.</u> This article shall be known and may be cited as the 'Georgia Municipal and Local
29 30	Government Infrastructure Finance Authority Act.'
30	<u>oovernment mitastructure Pinance Authority Act.</u>
31	36-93-2.
32	The purpose of this article shall be to provide a mechanism through which local
33	governments may finance infrastructure at lower than prevailing costs and to make such
34	mechanism available to the largest number of local governments feasible.
35	<u>36-93-3.</u>
36	As used in this article, the term:
37	(1) 'Authority' means the Georgia Municipal and Local Government Infrastructure
38	Finance Authority created by this article and any successor or successors thereto. Any
39	change in name or composition of the authority shall in no way affect the vested rights
40	of any person under this article.
41	(2) 'Bond' or 'bonds' means revenue bonds, notes, interim certificates, bond anticipation
42	notes, and other evidences of indebtedness of the authority issued under this article.
43	(3) 'Cost' as applied to infrastructure financed under this article includes:
44	(A) The cost and the incidental and related costs of the acquisition, construction, repair,
45	restoration, reconditioning, refinancing, or installation of infrastructure;
46	(B) The cost of any property interest in any infrastructure, including an option to
47	purchase a leasehold interest;
48	(C) The cost of architectural, engineering, legal, trustee, underwriting, and related
49	services; the cost of the preparation of plans, specifications, studies, surveys, and
50	estimates of cost; and all other expenses necessary or incident to planning, providing,
51	or determining the need for or the feasibility and practicability of any infrastructure;
52	(D) The cost of financing charges, including premiums or prepayment penalties and
53	interest, accrued before the acquisition and installation or refinancing of such
54	infrastructure and for up to three years after such acquisition and installation or
55	refinancing;

56	(E) The costs paid or incurred in connection with the financing of infrastructure,
57	including out-of-pocket expenses; any policy of insurance or other credit enhancement;
58	printing, engraving, and reproduction services; and the initial or acceptance fee of any
59	trustee or paying agent;
60	(F) The costs of the authority incurred in connection with providing infrastructure,
61	including reasonable sums to reimburse the authority for time spent by its agents or
62	employees in providing and financing infrastructure; and
63	(G) The costs paid or incurred for the administration of any program for the financing
64	or refinancing of infrastructure by the authority and any program for the installment
65	sale or lease of infrastructure to any participating local government.
66	(4) 'Equipment' means any fixture or personal property that is determined by the
67	authority to be necessary or desirable for the efficient operation of any participating local
68	government, regardless of whether such property is in existence at the time of, or is to be
69	provided after the making of, such finding.
70	(5) 'Infrastructure' means equipment, real property, or structures and may refer to a
71	specific item or to many items.
72	(6) 'Participating local government' means a municipality, consolidated government,
73	county, school district, authority, special district, or other political subdivision of this
74	state that contracts under this article with the authority for the purchase, lease, or
75	financing of infrastructure.
76	(7) 'Revenue bonds' means revenue bonds issued by the authority pursuant to the terms
77	of this article and Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.'
78	<u>36-93-4.</u>
79	(a) There is created a public body corporate and politic, not a state agency but an
80	instrumentality of purely public charity performing an essential governmental function, to
81	be known as the Georgia Municipal and Local Government Infrastructure Finance
82	Authority. The authority shall be separate and distinct from any public corporation or other
83	entity heretofore created by the General Assembly. The authority shall be exempt from the
84	provisions of Article 2 of Chapter 17 of Title 50 and Code Sections 45-15-13
85	<u>through 45-15-16.</u>
86	(b) The authority shall be governed by 12 initial members of the board of directors. One
87	member shall be elected by a caucus of mayors from the applicable region of each of the
88	regional commissions provided for in subsection (f) of Code Section 50-8-4. Such caucus
89	shall be held no later than September 1, 2020, and the initial director for such region shall
90	be determined by majority vote of the mayors attending such caucus. Three of the directors
91	shall serve a term as a member of the authority expiring December 31, 2022; three of the

92 directors shall serve a term as a member of the authority expiring December 31, 2023; three of the directors shall serve a term as a member of the authority expiring 93 94 December 31, 2024; and three of the directors shall serve a term as a member of the 95 authority expiring December 31, 2025. After the conclusion of each initial term, each subsequent member of the authority shall serve for a four-year term, and vacancies of 96 97 office shall be filled by majority vote of the remaining members of the authority. A 98 member of the authority shall be eligible for reappointment twice after completing an 99 unexpired term or once after completing a full term. The authority may adopt and amend 100 bylaws governing the procedures and internal operations of the authority. Each member 101 of the authority, at the time of appointment and throughout his or her term of service as a member of the authority, shall be an elected member of a municipal governing authority, 102 103 a city manager, or a city finance officer serving a Georgia municipal corporation, and if any 104 such member ceases to hold such office or employ within the applicable region, such 105 member's seat on the authority shall be declared vacant and the balance of such member's 106 term shall be filled by majority vote of the remaining members of the authority. 107 (c) The members shall elect a chairperson, a vice chairperson, and other officers. The 108 members shall not be compensated for their services, but they shall be reimbursed for their 109 actual and necessary expenses as determined by the authority. 110 (d) A majority of the members of the authority shall constitute a quorum for the 111 transaction of business. The vote of at least a majority of the members present at any 112 meeting at which a quorum is present is necessary for any action to be taken by the 113 authority. No vacancy in the membership of the authority shall impair the right of a 114 quorum to exercise all rights and perform all duties of the authority. 115 (e) Meetings of the members of the authority shall be held at the call of the chairperson or 116 whenever any six members so request. The members shall meet at least once each year. 117 (f) The authority shall be authorized to contract with the Georgia Municipal Association, 118 Inc., or its successors or another Georgia nonprofit corporation whose income is exempt 119 from federal income tax pursuant to Section 115 of the federal Internal Revenue Code and 120 which represents at least 300 municipalities of this state to provide administrative staff and 121 clerical services and to assist in the management of the routine affairs of the authority, 122 including the origination and processing of any applications from participating local 123 governments for infrastructure financing through the authority and the servicing of 124 contracts between the authority and the participating local governments. The administrative staff shall include an executive director who shall serve as the ex officio 125 secretary of the authority. The executive director may be an employee of the Georgia 126 127 Municipal Association, Inc., or its successors or another Georgia nonprofit corporation

128 whose income is exempt from federal income tax pursuant to Section 115 of the federal 129 Internal Revenue Code and which represents at least 300 municipalities of this state. 130 (g) The executive director shall attend the meetings of the members of the authority, shall 131 keep a record of the proceedings of the authority, and shall maintain all books, documents, and papers filed with the authority, the minutes of the authority, and its official seal. He 132 133 or she may cause copies to be made of all minutes and other records and documents of the 134 authority and may give certificates under seal of the authority to the effect that such copies 135 are true copies, and all persons dealing with the authority may rely upon such certificates. 136 If the executive director is unable to attend a meeting of the members of the authority, the 137 members of the authority shall designate a member of the authority or an employee of the 138 entity referred to in subsection (f) of this Code section as the person responsible for 139 carrying out the duties of the executive director set out in this Code section. 36-93-5. 140 141 The authority is granted all powers necessary to carry out and effectuate its public and 142 corporate purposes, including, but not limited to, the following: (1) To have perpetual succession as a public body corporate and politic and an 143 144 independent public instrumentality exercising essential public functions; 145 (2) To adopt, amend, and repeal by laws and rules consistent with this article to regulate its affairs, to carry into effect its powers and purposes, and to conduct its business; 146 147 (3) To sue and be sued in its own name; 148 (4) To have an official seal; 149 (5) To maintain an office in Georgia; 150 (6) To make and execute contracts and all other instruments necessary or convenient for 151 the performance of its duties and the exercise of its powers and functions under this 152 article; 153 (7) To employ architects, engineers, independent legal counsel, inspectors, accountants, 154 and financial experts and such other advisers, consultants, and agents as may be necessary in its judgment without the approval or consent of any other public official and 155 156 to fix their compensation; provided, however, that the employment of legal counsel for 157 each issuance of bonded indebtedness by the authority shall be subject to normal bidding processes and shall be awarded to the lowest responsible bidder for each issuance; 158 159 (8) To procure insurance against any loss in connection with its property and other assets 160 in such amounts and from such insurers as it considers advisable and to pay premiums 161 on any such insurance;

 (9) To procure insurance, guarantees, or other credit enhancement from any public or private entities, including any department, agency, or instrumentality of the United States, io secure payment: (A) On a lease, purchase, or financing payment owed by a participating local government to the authority; or (B) Of any bonds issued by the authority and to pay premiums on any such insurance, guarantee, or other credit enhancement; (10) To procure letters of credit or other credit or liquidity facilities or agreements from any national or state banking association or other entity authorized to: (A) Issue a letter of credit or other credit or liquidity facilities or agreements to secure the payment of any bonds issued by the authority; and (B) Secure the payment of any lease, purchase, or financing payment owed by a participating local government to the authority. The authority shall pay the cost of obtaining such letter of credit or other credit or liquidity facilities or agreements; (11) To receive and accept from any source any money, property, or thing of value to be held, used, and applied to carry out the purpose of this article, subject to the conditions upon which the grants or contributions are made, including gifts, loans, or grants from any department, agency, political subdivision, authority, or instrumentality of the United States, the State of Georgia, or any other state, or of any political subdivision, of the foregoing; (12) To provide infrastructure, or to cause infrastructure to be provided by a participating local government, by acquisition, construction, operation, lease, fabrication, repair, restoration, reconditioning, refinancing, or installation; (13) To lease as lessor any infrastructure for such rentals and upon such terms and conditions as the authority considers advisable and which are not in conflict with this
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186 (13) To lease as lessor any infrastructure for such rentals and upon such terms and
187 <u>conditions as the authority considers advisable and which are not in conflict with this</u>
188 <u>article;</u>
189 (14) To sell by installment or otherwise, to sell by option or contract for sale, and to
190 <u>convey all or any part of any infrastructure for such price and upon such terms and</u>
191 <u>conditions as the authority considers advisable and which are not in conflict with this</u>
192 <u>article;</u>
193 (15) To make contracts and incur liabilities, borrow money at such rates of interest as the
$\frac{155}{10}$ To make contracts and mean numbers, bottow money at such rates of interest as the
193 <u>authority determines, issue its bonds in accordance with this article, and secure any of its</u>
194 <u>authority determines, issue its bonds in accordance with this article, and secure any of its</u>
 authority determines, issue its bonds in accordance with this article, and secure any of its bonds or obligations by an assignment or pledge of all or any part of its property, contract

199	(17) To sell, convey, hypothecate, pledge, assign, lease, exchange, transfer, and
200	otherwise dispose of all or any part of its property and assets;
201	(18) To charge to and apportion among participating local governments its administrative
202	costs and expenses incurred in the exercise of the powers and duties conferred by this
203	article:
204	(19) To collect fees and charges, as the authority determines to be reasonable, in
205	connection with its leases, sales, financings, advances, insurance, commitments, and
206	servicing;
207	(20) To cooperate with and exchange services, personnel, and information with any
208	federal, state, or local governmental agency;
209	(21) To sell or assign its rights under its leases, purchase contracts, or other contracts or
210	its right to receive payments thereunder, either directly or through trust or custodial
211	arrangements whereby interests are created in such leases, purchase contracts, or other
212	contracts, or the payments to be received thereunder through the issuance of trust
213	certificates, certificates of participation, custodial receipts, or other similar instruments;
214	(22) To exercise any power granted by the laws of this state to public or private
215	corporations which is not in conflict with the public purpose of the authority;
216	(23) To exercise the powers conferred upon a public corporation or a public authority by
217	Article IX, Section III, Paragraph I of the Constitution of Georgia, such authority being
218	expressly declared to be a public corporation or a public authority within the meaning of
219	such provisions of the Constitution of Georgia;
220	(24) To do all things necessary or convenient to carry out the powers conferred by this
221	article;
222	(25) To hold funds in deposit accounts with banking institutions as otherwise authorized
223	by law; and
224	(26) Subject to any agreement with bondholders, to invest moneys of the authority not
225	required for immediate use to carry out the purposes of this article, including the proceeds
226	from the sale of any bonds and any moneys held in reserve funds, in investments
227	authorized pursuant to Code Section 36-82-7.
228	<u>36-93-6.</u>
229	(a) The authority may initiate one or more programs of providing infrastructure to be

- 230 purchased or leased by participating local governments. In furtherance of this objective,
 231 the authority may also:
- (1) Establish eligibility standards for participating local governments, provided that such
 standards shall encourage maximum feasible participation for participating local
 governments;

235	(2) Contract with any entity securing or enhancing the payment of bonds, authorizing the
236	entity to approve the participating local governments that can lease or purchase
237	infrastructure financed with proceeds of bonds secured or enhanced by such entity;
238	(3) Lease to a participating local government infrastructure upon terms and conditions
239	that the authority considers proper, charge and collect rents therefor, and include in any
240	such lease provisions that the lessee has the option to purchase any or all of the
241	infrastructure to which the lease applies;
242	(4) Sell to a participating local government infrastructure under any lease, purchase, or
243	other legal contract upon such terms and conditions as the authority considers proper;
244	(5) Sell or otherwise dispose of any unneeded or obsolete infrastructure under terms and
245	conditions as determined by the authority;
246	(6) Maintain, repair, replace, and otherwise improve or cause to be maintained, repaired,
247	replaced, and otherwise improved any infrastructure owned by the authority;
248	(7) Obtain or aid in obtaining property insurance, in establishing self-insurance, or in
249	participating in an interlocal risk management agency under Chapter 85 of this title,
250	covering all infrastructure owned or financed, or accept payment if any infrastructure is
251	damaged or destroyed; and
252	(8) Enter into any agreement, contract, or other instrument for any insurance, guarantee,
253	or letter of credit accepting payment in such manner and form as provided therein if a
254	participating local government defaults and assign any such insurance, guarantee, or letter
255	of credit as security for bonds issued by the authority.
256	(b) Before exercising any of the powers conferred by subsection (a) of this Code section,
257	the authority may:
258	(1) Require that the lease, purchase, or other contract involved be insured by a financial
259	guaranty insurer, be credit enhanced by a credit enhancer, or be secured by a letter of
260	credit; or
261	(2) Require any other type of security from the participating local governments that it
262	considers reasonable and necessary.
263	<u>36-93-7.</u>
264	(a) The authority may issue, sell, and deliver its bonds, in accordance with this article, for
265	the purpose of paying for all or any part of the cost of equipment, to finance the acquisition
266	of infrastructure for lease or sale to participating local governments, and for any other
267	purposes authorized by this article.
268	(b) The bonds may be issued as serial bonds or as term bonds or a combination of each in
269	one or more series. Additionally, such bonds, as determined by the authority:

270	(1) Shall bear dates and mature at times not exceeding 30 years from their respective
271	dates of issue;
272	(2) Shall bear interest at such fixed or variable rates without regard to any limitations
273	contained in any other laws of this state;
274	(3) May bear interest at different rates:
275	(4) May mature at different dates within a series;
276	(5) May bear interest at one or more variable or fixed rates within a series;
277	(6) May be converted from such variable rate or rates to a fixed rate or rates from time
278	to time;
279	(7) May be converted from such fixed rate or rates to a variable rate or rates from time
280	to time;
281	(8) Shall be payable at such times as may be specified;
282	(9) May be in different denominations;
283	(10) May be in such form, either coupon or fully registered, as may be specified;
284	(11) May carry such registration and conversion privileges as specified;
285	(12) May have such rank or priority as specified;
286	(13) Shall be payable in lawful money of the United States at specified places, within or
287	outside this state; and
288	(14) Shall be subject to such terms of redemption and tender for purchase as such bond
289	resolution may provide.
290	(c) All revenue bonds issued by the authority shall be subject to validation in accordance
291	with Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.' Notes and other types
292	of obligations of the authority shall not be required to be so validated. All proceedings to
293	validate revenue bonds of the authority shall be held in the Superior Court of Fulton
294	County, and judgments of validation obtained in the manner set forth in such chapter shall
295	be forever conclusive upon the validity of such bonds and the security for such bonds as
296	therein provided. The petition and complaint for validation may also make party defendant
297	to such action any participating local government that has contracted with the authority in
298	connection with the issuance of the revenue bonds or regarding the manner in which such
299	bonds are to be secured; and such participating local government may be required to show
300	cause, if any exists, as to why such contract and the terms and conditions thereof shall not
301	be inquired into by the court, the validity of the terms thereof determined, and the contract
302	adjudicated as a binding obligation of the participating local government for the security
303	of any such bonds of the authority. The revenue bonds when validated and the judgment
304	of validation shall be final and conclusive with respect to such bonds against the authority,
305	any parties to the validation proceedings, or any persons that might properly have become
306	parties to such proceedings. The certificate of validation, however, may be signed with the

307 facsimile or manually executed official signature of the clerk or deputy clerk of the 308 Superior Court of Fulton County. 309 (d) The authority may sell its bonds in such manner and for such price, at public or private 310 sale, as it may determine to be in the best interest of the authority. Prior to the preparation of definitive bonds, the authority may issue interim certificates or receipts or temporary 311 312 bonds for definitive bonds. The authority may also provide for the replacement of any 313 bonds that shall become mutilated or be stolen, destroyed, or lost. 314 (e) The bonds shall be signed by the chairperson of the authority or such other person 315 designated by the authority, and the corporate seal of the authority shall be thereunto 316 impressed, imprinted, or otherwise reproduced and attested by the signature of the secretary of the authority or such other person designated by the authority. The coupons, if any, shall 317 318 be signed in such manner as may be directed by the authority. The signatures of the 319 officers of the authority and the seal of the authority upon any bond issued by the authority may be by facsimile if the instrument is manually authenticated or countersigned by a 320 321 trustee other than the authority itself or an officer or employee of the authority. All bonds 322 issued pursuant to this article bearing signatures or facsimiles of the signatures of officers of the authority in office on the date of the signing thereof shall be valid and binding, 323 324 notwithstanding that before the delivery thereof and payment therefor such officers whose 325 signatures appear thereon shall have ceased to be officers of the authority. 326 (f) The authority may provide for the issuance of bonds of the authority for the purpose 327 of refunding any bonds of the authority then outstanding, including the payment of any 328 redemption premium thereon and any interest accrued or to accrue to the earliest or any 329 subsequent date of redemption, purchase, or maturity of such bonds, and, if considered 330 advisable by the authority, for the additional purpose of paying all or any part of the cost 331 of infrastructure. 332 (g) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, 333 in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption 334 335 date or upon the purchase or at the maturity thereof and may, pending such application, be 336 placed in escrow to be applied to such purchase or retirement at maturity or redemption on 337 such date as may be determined by the authority. Subject to the provisions of any trust 338 indenture to the contrary, any such escrowed proceeds, pending such use, may be invested 339 and reinvested in accordance with Code Section 36-82-7 in order to assure the prompt payment of the principal and interest and redemption premium, if any, on the outstanding 340 bonds to be so refunded. The interest, income, and profits, if any, earned or realized on any 341 342 such investment may also be applied to the payment of the outstanding bonds to be so 343 refunded. Only after the terms of the escrow have been fully satisfied and carried out shall

344 any balance of such proceeds and interest, income, and profits, if any, earned or realized

345 <u>on the investments thereof be returned to the authority or the participating local</u>

346 governments for use by them in any lawful manner.

- 347 (h) The proceeds of the bonds, other than refunding bonds, of each series shall be used for
- 348 the payment of all or part of the cost of infrastructure for which such bonds have been
- 349 <u>authorized and, at the option of the authority, for the deposit to a reserve fund or reserve</u>
- 350 <u>funds for the bonds; provided, however, that the authority may be paid, out of proceeds of</u>
- 351 the sale and delivery of its bonds issued in accordance with this article, all of the authority's
- 352 <u>out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of such</u>
- 353 bonds and the costs of obtaining insurance, guarantees, other credit enhancement, and
- letters of credit securing payment of the bonds and the lease and the purchase payments,
 plus an amount equal to the compensation paid to any employees or agents of the authority
- 356 for the time such employees or agents have spent on activities relating to the issuance, sale,
- 357 <u>and delivery of the bonds</u>. Bond proceeds shall be disbursed in the manner and under the
- 358 restrictions determined by the authority.

<u>359</u> <u>36-93-8.</u>

360 (a) The bonds may be secured by a trust indenture by and between the authority and a 361 corporate trustee, which may be any bank having the power of a trust company, or any trust 362 company. The trust indenture may contain such provisions for protecting and enforcing 363 the rights and remedies of the holders of the bonds as may be reasonable and proper and 364 not in violation of law, including covenants setting forth the duties of the authority in 365 relation to the exercise of its powers and the custody, investment, safekeeping, and 366 application of all money. The authority may provide by the trust indenture for the payment 367 of the proceeds of the bonds and any lease, purchase, or other contractual payments to the 368 trustee under the trust indenture or other depository and for the method of disbursement 369 thereof with such safeguards and restrictions as the authority may determine. All expenses 370 incurred in carrying out the trust indenture may be treated as a part of the operating 371 expenses of the authority. 372 (b) Every series of bonds is payable solely out of revenues, assets, or money of the 373 authority as the authority determines, subject only to any agreements with the holders of

- 374 particular bonds pledging any particular money or revenue. The bonds may be additionally
- 375 secured by a pledge of any grant, contribution, or guarantee from the federal government
- 376 or any corporation, association, institution, or person or a pledge of any money, income,
- 377 <u>or revenue of the authority from any source.</u>

378	<u>36-93-9.</u>
379	(a) Neither the members of the authority nor any person executing bonds on behalf of the
380	authority shall be personally liable thereon by reason of the issuance thereof.
381	(b) The authority shall have the same immunity and exemption from liability as this state,
382	and the members, agents, and employees of the authority when in the performance of work
383	of the authority shall have the same immunity and exemption from liability as officers,
384	agents, and employees of this state.
385	(c) The offer, sale, or issuance of bonds by the authority shall not be subject to regulation
386	under Chapter 5 of Title 10, the 'Georgia Uniform Securities Act of 2008.' No notice,
387	proceeding, or publication except those required in this article shall be necessary for the
388	performance of any act authorized in this article nor shall any such act be subject to
389	referendum.
390	(d) No lease, purchase, or other contract between the authority and any participating local
391	government shall be deemed to be a contract subject to any law requiring that a lease,
392	purchase, or other contract be let or entered into only after auction or receipt of competitive
393	bids or proposals.
394	<u>36-93-10.</u>
395	Bonds issued under this article shall not be deemed to constitute a debt or pledge of the
396	faith and credit of this state, any political subdivision or municipal corporation thereof, or
397	any participating local government within the meaning of any provision of the Constitution
398	or laws of this state. Bonds issued by the authority shall not directly, indirectly, or
399	contingently obligate this state or any of its political subdivisions or municipal
400	corporations, or any participating local governments, to levy or to pledge any form of
401	taxation whatever therefor or to make any appropriation for the payment thereof, and all
402	such bonds or other obligations of the authority shall contain recitals on their face covering
403	substantially the provisions of this Code section.
404	<u>36-93-11.</u>
405	The creation of the authority and the carrying out of its corporate purposes are in all
406	respects for the benefit of the people of this state and a public purpose, and the authority

407 is performing an essential governmental function in the exercise of the power conferred
 408 upon it by this article. The state covenants with the holders of the bonds and any interest
 409 coupons appertaining thereto that the authority shall not be required to pay any taxes or

- 410 <u>assessments imposed by the state or any of its counties, municipal corporations, political</u>
- 411 <u>subdivisions, or taxing districts upon any of the property acquired, leased, or sold by it or</u>
- 412 <u>under its jurisdiction, control, possession, or supervision or upon its activities in the</u>

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413	operation or maintenance of the infrastructure acquired by it or upon any fees, rentals,
414	charges, or purchase prices, received in installments or otherwise, pertaining to such
415	infrastructure or upon other income received by the authority; that the bonds of the
416	authority, their transfer, and the interest and income therefrom shall at all times be exempt
417	from taxation within this state; and that the recording of any indenture or security
418	agreement by the authority shall be exempt from recording taxes and fees and from
419	intangible tax. The tax exemption provided in this Code section shall not include any
420	exemption from sales or use tax on property purchased by the authority or for use by the
421	authority, except that the authority shall be entitled to such exemption with respect to
422	property as is available to the participating local government pursuant to Article 1 of
423	Chapter 8 of Title 48.
424	<u>36-93-12.</u>
425	While any of the bonds issued by the authority remain outstanding, the powers, duties, or
426	existence of the authority or of any of its officers shall not be diminished or impaired in any
427	manner that will adversely affect the interest and right of the holders of such bonds. This
428	article shall be for the benefit of the holders of any such bonds and, upon the issuance of
429	the bonds as provided in this article, such provisions shall constitute a contract with the
430	holders of such bonds. The provisions of any bond resolution, indenture, or trust
431	agreement shall be a contract with every holder of such bonds, and the duties of the
432	authority under any such bond resolution, indenture, or trust agreement shall be enforceable
433	by any bondholder by mandamus or other appropriate action or proceeding at law or in
434	equity.
435	<u>36-93-13.</u>
436	All moneys received by the authority pursuant to this article, whether as grants or other
437	contributions or as revenues, rents, installment purchase payments, and earnings, shall be
438	held in trust and applied solely as provided for in this article.
439	<u>36-93-14.</u>
440	The authority may hold title to any infrastructure leased, purchased, sold, or financed by
441	such authority but shall not be required to do so.

442 36-93-15.

443 The authority's legal situs or residence for the purpose of this article shall be Fulton County. Any action to protect or enforce any rights under this article, including the 444

validation of revenue bonds issued by the authority as permitted in this article, shall be 445

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446	brought in the Superior Court of Fulton County, and such court shall have exclusive
447	original jurisdiction of all such actions.
448	<u>36-93-16.</u>
449	Nothing in this article may be construed as a restriction or limitation upon any powers that
450	the authority might otherwise have under any other law of this state, and this article is
451	cumulative to such powers. This article shall be construed to provide a complete,
452	additional, and alternative mechanism for the doing of the things authorized and shall be
453	construed as supplemental to powers conferred by any other laws. The adoption by the
454	authority of bylaws and rules and the issuance of bonds by the authority under this article
455	need not comply with the requirements of any other state laws applicable to the adoption
456	of bylaws and rules and the issuance of bonds, notes, and other obligations. No
457	proceedings, notice, or approval is required for the issuance of any bonds or any instrument
458	or the security therefor or for the proper conduct of the authority's business, affairs, or
459	operations, except as provided in this article.
460	<u>36-93-17.</u>
461	This article, being for the welfare of this state and its inhabitants, shall be liberally
462	construed to effect its purposes.
463	<u>36-93-18.</u>
464	If the authority has not issued any bonds for infrastructure pursuant to agreements with
465	participating local governments within five years of the date of its creation, this article shall
466	stand repealed in its entirety.
467	<u>ARTICLE 2</u>
468	<u>36-93-20.</u>
469	This article shall be known and may be cited as the 'Georgia County and Local Government
470	Infrastructure Finance Authority Act.'
471	<u>36-93-21.</u>
472	The purpose of this article shall be to provide a mechanism through which Georgia

473 <u>counties may finance infrastructure at lower than prevailing costs.</u>

474	<u>36-93-22.</u>
475	As used in this article, the term:
476	(1) 'Authority' means the Georgia County and Local Government Infrastructure Finance
477	Authority created by this article and any successor or successors thereto. Any change in
478	name or composition of the authority shall in no way affect the vested rights of any
479	person under this article.
480	(2) 'Bond' or 'bonds' means revenue bonds, notes, interim certificates, bond anticipation
481	notes, and other evidences of indebtedness of the authority issued under this article.
482	(3) 'Cost' as applied to infrastructure financed under this article includes:
483	(A) The cost and the incidental and related costs of the acquisition, construction, repair,
484	restoration, reconditioning, refinancing, or installation of infrastructure;
485	(B) The cost of any property interest in any infrastructure, including an option to
486	purchase a leasehold interest;
487	(C) The cost of architectural, engineering, legal, trustee, underwriting, and related
488	services; the cost of the preparation of plans, specifications, studies, surveys, and
489	estimates of cost; and all other expenses necessary or incident to planning, providing,
490	or determining the need for or the feasibility and practicability of any infrastructure;
491	(D) The cost of financing charges, including premiums or prepayment penalties and
492	interest, accrued before the acquisition and installation or refinancing of such
493	infrastructure and for up to three years after such acquisition and installation or
494	refinancing;
495	(E) The costs paid or incurred in connection with the financing of infrastructure,
496	including out-of-pocket expenses; any policy of insurance or other credit enhancement;
497	printing, engraving, and reproduction services; and the initial or acceptance fee of any
498	trustee or paying agent:
499	(F) The costs of the authority incurred in connection with providing infrastructure,
500	including reasonable sums to reimburse the authority for time spent by its agents or
501	employees in providing and financing infrastructure; and
502	(G) The costs paid or incurred for the administration of any program for the financing
503	or refinancing of infrastructure by the authority and any program for the installment
504	sale or lease of infrastructure to any participating county.
505	(4) 'Equipment' means any fixture or personal property that is determined by the
506	authority to be necessary or desirable for the efficient operation of any county, regardless
507	of whether such property is in existence at the time of, or is to be provided after the
508	making of, such finding.
509	(5) 'Infrastructure' means equipment, real property, or structures and may refer to a

510 <u>specific item or to many items.</u>

- (6) 'Participating county' means a municipality, consolidated government, county, school
 district, authority, special district, or other political subdivision of this state that contracts
 under this article with the authority for the purchase, lease, or financing of infrastructure.
 (7) 'Revenue bonds' means revenue bonds issued by the authority pursuant to the terms
- 515 of this article and Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.'

516 <u>36-93-23.</u>

517 (a) There is created a public body corporate and politic, not a state agency but an 518 instrumentality of purely public charity performing an essential governmental function, to 519 be known as the Georgia County and Local Government Infrastructure Finance Authority. 520 The authority shall be separate and distinct from any public corporation or other entity 521 heretofore created by the General Assembly. The authority shall be exempt from the 522 provisions of Article 2 of Chapter 17 of Title 50 and Code Sections 45-15-13 523 through 45-15-16. 524 (b) The authority shall be governed by 12 initial members of the board of directors. One 525 member shall be elected by a caucus of county commission chairpersons and sole 526 commissioners from the applicable region of each of the regional commissions provided 527 for in subsection (f) of Code Section 50-8-4. Such caucus shall be held no later than 528 September 1, 2020, and the initial director for such region will be determined by majority 529 vote of county commission chairpersons and sole commissioners attending such caucus. 530 Three of the directors shall serve a term as a member of the authority expiring 531 December 31, 2022; three of the directors shall serve a term as a member of the authority 532 expiring December 31, 2023; three of the directors shall serve a term as a member of the 533 authority expiring December 31, 2024; and three of the directors shall serve a term as a 534 member of the authority expiring December 31, 2025. After the conclusion of each initial

- term, each subsequent member of the authority shall serve for a four-year term, and
 vacancies of office shall be filled by majority vote of the remaining members of the
- 537 <u>authority. A member of the authority shall be eligible for reappointment twice after</u>
- 538 completing an unexpired term or once after completing a full term. The authority may
 539 adopt and amend bylaws governing the procedures and internal operations of the authority.
- 540 Each member of the authority, at the time of appointment and throughout his or her term
- 541 of service as a member of the authority, shall be an elected member of a county governing
- 542 <u>authority, a county manager, or a county finance officer serving a Georgia county, and if</u>
- 543 <u>any such member ceases to hold such office or employ within the applicable region, such</u>
- 544 <u>member's seat on the authority shall be declared vacant and the balance of such member's</u>
- 545 term shall be filled by majority vote of the remaining members of the authority.

- 546 (c) The members shall elect a chairperson, a vice chairperson, and other officers. The
 547 members shall not be compensated for their services, but they shall be reimbursed for their
 548 actual and necessary expenses as determined by the authority.
 549 (d) A majority of the members of the authority shall constitute a quorum for the
- 549 (d) A majority of the members of the authority shall constitute a quorum for the 550 transaction of business. The vote of at least a majority of the members present at any 551 meeting at which a quorum is present is necessary for any action to be taken by the 552 authority. No vacancy in the membership of the authority shall impair the right of a 553 quorum to exercise all rights and perform all duties of the authority.
- 554 (e) Meetings of the members of the authority shall be held at the call of the chairperson or 555 whenever any six members so request. The members shall meet at least once each year. (f) The authority shall be authorized to contract with the Association County 556 557 Commissioners of Georgia, Inc., or its successors or another Georgia nonprofit corporation 558 whose income is exempt from federal income tax pursuant to Section 115 of the federal 559 Internal Revenue Code and which represents all counties of this state to provide 560 administrative staff and clerical services and to assist in the management of the routine 561 affairs of the authority, including the origination and processing of any applications from counties for infrastructure financing through the authority and the servicing of contracts 562 563 between the authority and the counties. The administrative staff shall include an executive 564 director who shall serve as the ex officio secretary of the authority. The executive director 565 may be an employee of the Association County Commissioners of Georgia, Inc., or its 566 successors or another Georgia nonprofit corporation whose income is exempt from federal 567 income tax pursuant to Section 115 of the federal Internal Revenue Code and which 568 represents all of the counties of this state. 569 (g) The executive director shall attend the meetings of the members of the authority, shall
- 570 keep a record of the proceedings of the authority, and shall maintain all books, documents, 571 and papers filed with the authority, the minutes of the authority, and its official seal. He 572 or she may cause copies to be made of all minutes and other records and documents of the 573 authority and may give certificates under seal of the authority to the effect that such copies 574 are true copies, and all persons dealing with the authority may rely upon such certificates. If the executive director is unable to attend a meeting of the members of the authority, the 575 576 members of the authority shall designate a member of the authority or an employee of the 577 entity referred to in subsection (f) of this Code section as the person responsible for 578 carrying out the duties of the executive director set out in this Code section.
- 579 <u>36-93-24.</u>
- 580 The authority is granted all powers necessary to carry out and effectuate its public and
- 581 <u>corporate purposes, including but not limited to the following:</u>

582	(1) To have perpetual succession as a public body corporate and politic and an
583	independent public instrumentality exercising essential public functions;
584	(2) To adopt, amend, and repeal by laws and rules consistent with this article to regulate
585	its affairs, to carry into effect its powers and purposes, and to conduct its business;
586	(3) To sue and be sued in its own name;
587	(4) To have an official seal;
588	(5) To maintain an office in Georgia;
589	(6) To make and execute contracts and all other instruments necessary or convenient for
590	the performance of its duties and the exercise of its powers and functions under this
591	article;
592	(7) To employ architects, engineers, independent legal counsel, inspectors, accountants,
593	and financial experts and such other advisers, consultants, and agents as may be
594	necessary in its judgment without the approval or consent of any other public official and
595	to fix their compensation; provided, however, that the employment of legal counsel for
596	each issuance of bonded indebtedness by the authority shall be subject to normal bidding
597	processes and shall be awarded to the lowest responsible bidder for each issuance;
598	(8) To procure insurance against any loss in connection with its property and other assets
599	in such amounts and from such insurers as it considers advisable and to pay premiums
600	on any such insurance;
601	(9) To procure insurance, guarantees, or other credit enhancement from any public or
602	private entities, including any department, agency, or instrumentality of the United States,
603	to secure payment:
604	(A) On a lease, purchase, or financing payment owed by a participating county to the
605	authority; or
606	(B) Of any bonds issued by the authority
607	and to pay premiums on any such insurance, guarantee, or other credit enhancement;
608	(10) To procure letters of credit or other credit or liquidity facilities or agreements from
609	any national or state banking association or other entity authorized to:
610	(A) Issue a letter of credit or other credit or liquidity facilities or agreements to secure
611	the payment of any bonds issued by the authority; and
612	(B) Secure the payment of any lease, purchase, or financing payment owed by a
613	participating county to the authority,
614	and to pay the cost of obtaining such letter of credit or other credit or liquidity facilities
615	or agreements;
616	(11) To receive and accept from any source any money, property, or thing of value to
617	be held, used, and applied to carry out the purpose of this article, subject to the conditions
618	upon which the grants or contributions are made, including gifts, loans, or grants from

619	any department, agency, political subdivision, authority, or instrumentality of the United
620	States, the State of Georgia, or a Georgia county;
621	(12) To provide infrastructure, or to cause infrastructure to be provided by a participating
622	county, by acquisition, construction, operation, lease, fabrication, repair, restoration,
623	reconditioning, refinancing, or installation;
624	(13) To lease as lessor any infrastructure for such rentals and upon such terms and
625	conditions as the authority considers advisable and which are not in conflict with this
626	article;
627	(14) To sell by installment or otherwise, to sell by option or contract for sale, and to
628	convey all or any part of any infrastructure for such price and upon such terms and
629	conditions as the authority considers advisable and which are not in conflict with this
630	article;
631	(15) To make contracts and incur liabilities, borrow money at such rates of interest as the
632	authority determines, issue its bonds in accordance with this article, and secure any of its
633	bonds or obligations by an assignment or pledge of all or any part of its property, contract
634	rights, and income or as otherwise provided in this article;
635	(16) To purchase, receive, lease as lessee or lessor, or otherwise acquire, own, hold,
636	improve, use, or deal in and with infrastructure, or any interest therein, wherever situated;
637	(17) To sell, convey, hypothecate, pledge, assign, lease, exchange, transfer, and
638	otherwise dispose of all or any part of its property and assets;
639	(18) To charge to and apportion among participating counties its administrative costs and
640	expenses incurred in the exercise of the powers and duties conferred by this article;
641	(19) To collect fees and charges, as the authority determines to be reasonable, in
642	connection with its leases, sales, financings, advances, insurance, commitments, and
643	servicing;
644	(20) To cooperate with and exchange services, personnel, and information with any
645	federal, state, or local governmental agency;
646	(21) To sell or assign its rights under its leases, purchase contracts, or other contracts or
647	its right to receive payments thereunder, either directly or through trust or custodial
648	arrangements whereby interests are created in such leases, purchase contracts, or other
649	contracts, or the payments to be received thereunder through the issuance of trust
650	certificates, certificates of participation, custodial receipts, or other similar instruments;
651	(22) To exercise any power granted by the laws of this state to public or private
652	corporations which is not in conflict with the public purpose of the authority;
653	(23) To exercise the powers conferred upon a public corporation or a public authority by
654	Article IX. Section III. Paragraph I of the Constitution of Georgia. such authority being

655	expressly declared to be a public corporation or a public authority within the meaning of
656	such provisions of the Constitution of Georgia;
657	(24) To do all things necessary or convenient to carry out the powers conferred by this
658	article;
659	(25) To hold funds in deposit accounts with banking institutions as otherwise authorized
660	by law; and
661	(26) Subject to any agreement with bondholders, to invest moneys of the authority not
662	required for immediate use to carry out the purposes of this article, including the proceeds
663	from the sale of any bonds and any moneys held in reserve funds, in investments
664	authorized pursuant to Code Section 36-82-7.
665	<u>36-93-25.</u>
666	(a) The authority may initiate one or more programs of providing infrastructure to be
667	purchased or leased by a county or counties. In furtherance of this objective, the authority
668	<u>may also:</u>
669	(1) Establish eligibility standards for participating counties, provided that such standards
670	shall encourage maximum feasible participation for participating counties:
671	(2) Contract with any entity securing or enhancing the payment of bonds, authorizing the
672	entity to approve the participating counties that can lease or purchase infrastructure
673	financed with proceeds of bonds secured or enhanced by such entity;
674	(3) Lease to a participating county infrastructure upon terms and conditions that the
675	authority considers proper, charge and collect rents therefor, and include in any such
676	lease provisions that the lessee has the option to purchase any or all of the infrastructure
677	to which the lease applies;
678	(4) Sell to a participating county infrastructure under any lease, purchase, or other legal
679	contract upon such terms and conditions as the authority considers proper;
680	(5) Sell or otherwise dispose of any unneeded or obsolete infrastructure under terms and
681	conditions as determined by the authority;
682	(6) Maintain, repair, replace, and otherwise improve or cause to be maintained, repaired,
683	replaced, and otherwise improved any infrastructure owned by the authority;
684	(7) Obtain or aid in obtaining property insurance, in establishing self-insurance, or in
685	participating in an interlocal risk management agency under Chapter 85 of this title,
686	covering all infrastructure owned or financed, or accept payment if any infrastructure is
687	damaged or destroyed; and
688	(8) Enter into any agreement, contract, or other instrument for any insurance, guarantee,
689	or letter of credit accepting payment in such manner and form as provided therein if a

690	participating county defaults and assign any such insurance, guarantee, or letter of credit
691	as security for bonds issued by the authority.
692	(b) Before exercising any of the powers conferred by subsection (a) of this Code section,
693	the authority may:
694	(1) Require that the lease, purchase, or other contract involved be insured by a financial
695	guaranty insurer, be credit enhanced by a credit enhancer, or be secured by a letter of
696	credit; or
697	(2) Require any other type of security from the participating counties that it considers
698	reasonable and necessary.
699	<u>36-93-26.</u>
700	(a) The authority may issue, sell, and deliver its bonds, in accordance with this article, for
701	the purpose of paying for all or any part of the cost of equipment, to finance the acquisition
702	of infrastructure for lease or sale to participating counties, and for any other purposes
703	authorized by this article.
704	(b) The bonds may be issued as serial bonds or as term bonds or a combination of each in
705	one or more series. Additionally, such bonds, as determined by the authority:
706	(1) Shall bear dates and mature at times not exceeding 30 years from their respective
707	dates of issue:
708	(2) Shall bear interest at such fixed or variable rates without regard to any limitations
709	contained in any other laws of this state;
710	(3) May bear interest at different rates;
711	(4) May mature at different dates within a series;
712	(5) May bear interest at one or more variable or fixed rates within a series;
713	(6) May be converted from such variable rate or rates to a fixed rate or rates from time
714	to time;
715	(7) May be converted from such fixed rate or rates to a variable rate or rates from time
716	to time;
717	(8) Shall be payable at such times as may be specified;
718	(9) May be in different denominations;
719	(10) May be in such form, either coupon or fully registered, as may be specified;
720	(11) May carry such registration and conversion privileges as specified;
721	(12) May have such rank or priority as specified;
722	(13) Shall be payable in lawful money of the United States at specified places, within or
723	outside this state; and
724	(14) Shall be subject to such terms of redemption and tender for purchase as such bond
725	resolution may provide.

726 (c) All revenue bonds issued by the authority shall be subject to validation in accordance with Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.' Notes and other types 727 728 of obligations of the authority shall not be required to be so validated. All proceedings to 729 validate revenue bonds of the authority shall be held in the Superior Court of Fulton County, and judgments of validation obtained in the manner set forth in such chapter shall 730 731 be forever conclusive upon the validity of such bonds and the security for such bonds as 732 therein provided. The petition and complaint for validation may also make party defendant 733 to such action any participating county that has contracted with the authority in connection 734 with the issuance of the revenue bonds or regarding the manner in which such bonds are 735 to be secured; and such participating county may be required to show cause, if any exists, as to why such contract and the terms and conditions thereof shall not be inquired into by 736 737 the court, the validity of the terms thereof determined, and the contract adjudicated as a 738 binding obligation of the participating county for the security of any such bonds of the authority. The revenue bonds when validated and the judgment of validation shall be final 739 740 and conclusive with respect to such bonds against the authority, any parties to the 741 validation proceedings, or any persons that might properly have become parties to such proceedings. The certificate of validation, however, may be signed with the facsimile or 742 743 manually executed official signature of the clerk or deputy clerk of the Superior Court of 744 Fulton County. (d) The authority may sell its bonds in such manner and for such price, at public or private 745 746 sale, as it may determine to be in the best interest of the authority. Prior to the preparation 747 of definitive bonds, the authority may issue interim certificates or receipts or temporary 748 bonds for definitive bonds. The authority may also provide for the replacement of any 749 bonds that shall become mutilated or be stolen, destroyed, or lost. 750 (e) The bonds shall be signed by the chairperson of the authority or such other person 751 designated by the authority, and the corporate seal of the authority shall be thereunto 752 impressed, imprinted, or otherwise reproduced and attested by the signature of the secretary 753 of the authority or such other person designated by the authority. The coupons, if any, shall be signed in such manner as may be directed by the authority. The signatures of the 754 755 officers of the authority and the seal of the authority upon any bond issued by the authority may be by facsimile if the instrument is manually authenticated or countersigned by a 756 757 trustee other than the authority itself or an officer or employee of the authority. All bonds 758 issued pursuant to this article bearing signatures or facsimiles of the signatures of officers 759 of the authority in office on the date of the signing thereof shall be valid and binding, 760 notwithstanding that before the delivery thereof and payment therefor such officers whose 761 signatures appear thereon shall have ceased to be officers of the authority.

(f) The authority may provide for the issuance of bonds of the authority for the purpose
 of refunding any bonds of the authority then outstanding, including the payment of any
 redemption premium thereon and any interest accrued or to accrue to the earliest or any
 subsequent date of redemption, purchase, or maturity of such bonds, and, if considered
 advisable by the authority, for the additional purpose of paying all or any part of the cost
 of infrastructure.

768 (g) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority, be applied to the purchase or retirement at maturity or 769 770 redemption of such outstanding bonds either on their earliest or any subsequent redemption 771 date or upon the purchase or at the maturity thereof and may, pending such application, be 772 placed in escrow to be applied to such purchase or retirement at maturity or redemption on 773 such date as may be determined by the authority. Subject to the provisions of any trust 774 indenture to the contrary, any such escrowed proceeds, pending such use, may be invested 775 and reinvested in accordance with Code Section 36-82-7 in order to assure the prompt 776 payment of the principal and interest and redemption premium, if any, on the outstanding 777 bonds to be so refunded. The interest, income, and profits, if any, earned or realized on any 778 such investment may also be applied to the payment of the outstanding bonds to be so 779 refunded. Only after the terms of the escrow have been fully satisfied and carried out shall 780 any balance of such proceeds and interest, income, and profits, if any, earned or realized 781 on the investments thereof be returned to the authority or the participating counties for use 782 by them in any lawful manner.

783 (h) The proceeds of the bonds, other than refunding bonds, of each series shall be used for 784 the payment of all or part of the cost of infrastructure for which such bonds have been authorized and, at the option of the authority, for the deposit to a reserve fund or reserve 785 786 funds for the bonds; provided, however, that the authority may be paid, out of proceeds of 787 the sale and delivery of its bonds issued in accordance with this article, all of the authority's 788 out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of such 789 bonds and the costs of obtaining insurance, guarantees, other credit enhancement, and 790 letters of credit securing payment of the bonds and the lease and the purchase payments, 791 plus an amount equal to the compensation paid to any employees or agents of the authority 792 for the time such employees or agents have spent on activities relating to the issuance, sale, 793 and delivery of the bonds. Bond proceeds shall be disbursed in the manner and under the 794 restrictions determined by the authority.

795 <u>36-93-27.</u>

- 796 (a) The bonds may be secured by a trust indenture by and between the authority and a
- 797 corporate trustee, which may be any bank having the power of a trust company, or any trust

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798	company. The trust indenture may contain such provisions for protecting and enforcing
799	the rights and remedies of the holders of the bonds as may be reasonable and proper and
800	not in violation of law, including covenants setting forth the duties of the authority in
801	relation to the exercise of its powers and the custody, investment, safekeeping, and
802	application of all money. The authority may provide by the trust indenture for the payment
803	of the proceeds of the bonds and any lease, purchase, or other contractual payments to the
804	trustee under the trust indenture or other depository and for the method of disbursement
805	thereof with such safeguards and restrictions as the authority may determine. All expenses
806	incurred in carrying out the trust indenture may be treated as a part of the operating
807	expenses of the authority.
808	(b) Every series of bonds is payable solely out of revenues, assets, or money of the
809	authority as the authority determines, subject only to any agreements with the holders of
810	particular bonds pledging any particular money or revenue. The bonds may be additionally
811	secured by a pledge of any grant, contribution, or guarantee from the federal government
812	or any corporation, association, institution, or person or a pledge of any money, income,
813	or revenue of the authority from any source.
814	<u>36-93-28.</u>
815	(a) Neither the members of the authority nor any person executing bonds on behalf of the
816	authority shall be personally liable thereon by reason of the issuance thereof.
817	(b) The authority shall have the same immunity and exemption from liability as this state,
818	and the members, agents, and employees of the authority when in the performance of work
819	of the authority shall have the same immunity and exemption from liability as officers,
820	agents, and employees of this state.
821	(c) The offer, sale, or issuance of bonds by the authority shall not be subject to regulation
822	under Chapter 5 of Title 10, the 'Georgia Uniform Securities Act of 2008.' No notice,
823	proceeding, or publication except those required in this article shall be necessary for the
824	performance of any act authorized in this article nor shall any such act be subject to
825	referendum.
826	(d) No lease, purchase, or other contract between the authority and any participating
827	county shall be deemed to be a contract subject to any law requiring that a lease, purchase,
828	or other contract be let or entered into only after auction or receipt of competitive bids or
829	proposals.
830	<u>36-93-29.</u>

- Bonds issued under this article shall not be deemed to constitute a debt or pledge of the 831
- faith and credit of this state or any participating county within the meaning of any provision 832

833 of the Constitution or laws of this state. Bonds issued by the authority shall not directly,

834 indirectly, or contingently obligate this state or any participating county to levy or to pledge

- 835 any form of taxation whatever therefor or to make any appropriation for the payment
- 836 thereof, and all such bonds or other obligations of the authority shall contain recitals on
- 837 their face covering substantially the provisions of this Code section.

838 <u>36-93-30.</u>

839 The creation of the authority and the carrying out of its corporate purposes are in all 840 respects for the benefit of the people of this state and a public purpose, and the authority 841 is performing an essential governmental function in the exercise of the power conferred 842 upon it by this article. The state covenants with the holders of the bonds and any interest 843 coupons appertaining thereto that the authority shall not be required to pay any taxes or 844 assessments imposed by the state or any of its counties, municipal corporations, political 845 subdivisions, or taxing districts upon any of the property acquired, leased, or sold by it or 846 under its jurisdiction, control, possession, or supervision or upon its activities in the 847 operation or maintenance of the infrastructure acquired by it or upon any fees, rentals, charges, or purchase prices, received in installments or otherwise, pertaining to such 848 849 infrastructure or upon other income received by the authority; that the bonds of the 850 authority, their transfer, and the interest and income therefrom shall at all times be exempt from taxation within this state; and that the recording of any indenture or security 851 852 agreement by the authority shall be exempt from recording taxes and fees and from 853 intangible tax. The tax exemption provided in this Code section shall not include any 854 exemption from sales or use tax on property purchased by the authority or for use by the 855 authority, except that the authority shall be entitled to such exemption with respect to 856 property as is available to the participating county pursuant to Article 1 of Chapter 8 of 857 <u>Title 48.</u>

858 <u>36-93-31.</u>

While any of the bonds issued by the authority remain outstanding, the powers, duties, or 859 existence of the authority or of any of its officers shall not be diminished or impaired in any 860 861 manner that will adversely affect the interest and right of the holders of such bonds. This 862 article shall be for the benefit of the holders of any such bonds and, upon the issuance of 863 the bonds as provided in this article, such provisions shall constitute a contract with the holders of such bonds. The provisions of any bond resolution, indenture, or trust 864 agreement shall be a contract with every holder of such bonds, and the duties of the 865 866 authority under any such bond resolution, indenture, or trust agreement shall be enforceable

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- 867 <u>by any bondholder by mandamus or other appropriate action or proceeding at law or in</u>
 868 <u>equity.</u>
- 869 <u>36-93-32.</u>
- 870 All moneys received by the authority pursuant to this article, whether as grants or other
- 871 <u>contributions or as revenues, rents, installment purchase payments, and earnings, shall be</u>
- 872 <u>held in trust and applied solely as provided for in this article.</u>
- 873 <u>36-93-33.</u>
- 874 The authority may hold title to any infrastructure leased, purchased, sold, or financed by
- 875 <u>such authority but shall not be required to do so.</u>
- 876 <u>36-93-34.</u>
- 877 The authority's legal situs or residence for the purpose of this article shall be Fulton
- 878 County. Any action to protect or enforce any rights under this article, including the

879 <u>validation of revenue bonds issued by the authority as permitted in this article, shall be</u>

- 880 brought in the Superior Court of Fulton County, and such court shall have exclusive
- 881 <u>original jurisdiction of all such actions.</u>

882 <u>36-93-35.</u>

883 Nothing in this article may be construed as a restriction or limitation upon any powers that 884 the authority might otherwise have under any other law of this state, and this article is cumulative to such powers. This article shall be construed to provide a complete, 885 886 additional, and alternative mechanism for the doing of the things authorized and shall be 887 construed as supplemental to powers conferred by any other laws. The adoption by the 888 authority of bylaws and rules and the issuance of bonds by the authority under this article 889 need not comply with the requirements of any other state laws applicable to the adoption 890 of bylaws and rules and the issuance of bonds, notes, and other obligations. No 891 proceedings, notice, or approval is required for the issuance of any bonds or any instrument 892 or the security therefor or for the proper conduct of the authority's business, affairs, or 893 operations, except as provided in this article.

- 894 <u>36-93-36.</u>
- 895 <u>This article, being for the welfare of this state and its inhabitants, shall be liberally</u>
- 896 <u>construed to effect its purposes.</u>

897	<u>36-93-37.</u>
898	If the authority has not issued any bonds for infrastructure pursuant to an agreement with
899	participating counties within five years of the date of its creation, this article shall stand
900	repealed in its entirety."
901	SECTION 3.
902	Said title is further amended by revising paragraph (6) of Code Section 36-82-250, relating
903	to definitions regarding interest rate management agreements, as follows:
904	"(6) 'Local governmental entity' means any governmental body as defined in
905	paragraph (2) of Code Section 36-82-61, as amended; provided, however, that such term
906	shall only include authorities which are local public authorities included in the definition
907	thereof set forth in subparagraphs (C) and (D) of paragraph (2) of Code Section 36-82-61,
908	as amended. Such term includes the Georgia Municipal and Local Government
909	Infrastructure Finance Authority created by Article 1 of Chapter 93 of this title and the
910	Georgia County and Local Government Infrastructure Finance Authority created by
911	Article 2 of Chapter 93 of this title."
912	SECTION 4.
913	This Act shall become effective upon its approval by the Governor or upon its becoming law
914	without such approval.
915	SECTION 5.

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