

Senator Stone of the 23rd offered the following substitute to SB 309:

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 provide for short titles; to provide for legislative purposes; to provide for definitions; to
4 create the Georgia Municipal and Local Government Infrastructure Finance Authority and
5 the Georgia County and Local Government Infrastructure Finance Authority; to provide for
6 members, qualifications, officers, meetings, and procedures; to provide for powers, duties,
7 and authority of the authority; to provide for procedures, conditions, and limitations; to
8 provide for certain bonds, notes, certificates, bond anticipation notes, and other evidences of
9 indebtedness; to provide for nonapplicability of certain general laws; to provide for certain
10 tax exempt status of the authority, the authority's property, and the authority's activities; to
11 provide for cumulative effect of the foregoing; to provide for liberal construction of the
12 foregoing; to provide for automatic repeal; to provide for related matters; to provide for an
13 effective date; to repeal conflicting laws; and for other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

15 **SECTION 1.**

16 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended
17 by adding a new chapter to read as follows:

18 "CHAPTER 93

19 ARTICLE 1

20 36-93-1.

21 This article shall be known and may be cited as the 'Georgia Municipal and Local
22 Government Infrastructure Finance Authority Act.'

23 36-93-2.

24 The purpose of this article shall be to provide a mechanism through which local
25 governments may finance infrastructure at lower than prevailing costs and to make such
26 mechanism available to the largest number of local governments feasible.

27 36-93-3.

28 As used in this article, the term:

29 (1) 'Authority' means the Georgia Municipal and Local Government Infrastructure
30 Finance Authority created by this article and any successor or successors thereto. Any
31 change in name or composition of the authority shall in no way affect the vested rights
32 of any person under this article.

33 (2) 'Bond' or 'bonds' means revenue bonds, notes, interim certificates, bond anticipation
34 notes, and other evidences of indebtedness of the authority issued under this article.

35 (3) 'Cost' as applied to infrastructure financed under this article includes:

36 (A) The cost and the incidental and related costs of the acquisition, construction, repair,
37 restoration, reconditioning, refinancing, or installation of infrastructure;

38 (B) The cost of any property interest in any infrastructure, including an option to
39 purchase the remaining fee interest in a leasehold interest before or after such leasehold
40 interest has expired;

41 (C) The cost of architectural, engineering, legal, trustee, underwriting, and related
42 services; the cost of the preparation of plans, specifications, studies, surveys, and
43 estimates of cost; and all other expenses necessary or incident to planning, providing,
44 or determining the need for or the feasibility and practicability of any infrastructure;

45 (D) The cost of financing charges, including premiums or prepayment penalties and
46 interest, accrued before the acquisition and installation or refinancing of such
47 infrastructure and for up to three years after such acquisition and installation or
48 refinancing;

49 (E) The costs paid or incurred in connection with the financing of infrastructure,
50 including out-of-pocket expenses; any policy of insurance or other credit enhancement;
51 printing, engraving, and reproduction services; and the initial or acceptance fee of any
52 trustee or paying agent;

53 (F) The costs of the authority incurred in connection with providing infrastructure,
54 including reasonable sums to reimburse the authority for time spent by its agents or
55 employees in providing and financing infrastructure; and

56 (G) The costs paid or incurred for the administration of any program for the financing
57 or refinancing of infrastructure by the authority and any program for the installment
58 sale or lease of infrastructure to any participating local government.

59 (4) 'Equipment' means any fixture or personal property that is determined by the
 60 authority to be necessary or desirable for the efficient operation of any participating local
 61 government, regardless of whether such property is in existence at the time of, or is to be
 62 provided after the making of, such finding.

63 (5) 'Infrastructure' means a project for equipment, real property, or structures and may
 64 refer to a specific item or to many items.

65 (6) 'Participating local government' means a municipality, consolidated government,
 66 school district, authority, or special district that contracts under this article with the
 67 authority for the purchase, lease, or financing of infrastructure; provided, however, that,
 68 if this article has not been repealed pursuant to Code Section 36-93-18, beginning three
 69 years after the effective date of this article, such term shall also include any county of this
 70 state.

71 (7) 'Revenue bonds' means revenue bonds issued by the authority pursuant to the terms
 72 of this article and Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.'

73 36-93-4.

74 (a) There is created a public body corporate and politic, not a state agency but an
 75 instrumentality of purely public charity performing an essential governmental function, to
 76 be known as the Georgia Municipal and Local Government Infrastructure Finance
 77 Authority. The authority shall be separate and distinct from any public corporation or other
 78 entity heretofore created by the General Assembly. The authority shall be exempt from the
 79 provisions of Article 2 of Chapter 17 of Title 50 and Code Sections 45-15-13
 80 through 45-15-16.

81 (b) The authority shall be governed by 12 members of the board of directors. One member
 82 shall be elected by a caucus of mayors from the applicable region of each of the regional
 83 commissions provided for in subsection (f) of Code Section 50-8-4. A caucus shall be
 84 called by each regional commission not later than October 1, 2020, and shall be conducted
 85 not later than November 1, 2020. The initial director for each region will be determined
 86 by a majority vote of the mayors attending such caucus. The term of office of each initial
 87 director shall commence on December 1, 2020. Three of the directors shall serve a term
 88 as a member of the authority expiring December 31, 2021; three of the directors shall serve
 89 a term as a member of the authority expiring December 31, 2022; three of the directors
 90 shall serve a term as a member of the authority expiring December 31, 2023; and three of
 91 the directors shall serve a term as a member of the authority expiring December 31, 2024.
 92 After the conclusion of each initial term, each subsequent member of the authority shall
 93 serve a four-year term. In the last year of a term of office of a director, a caucus shall be
 94 called by each regional commission not later than October 1 of such year and shall be

95 conducted not later than November 1 of such year. A subsequent director for each region
96 shall be determined by a majority vote of the mayors attending such caucus. The term of
97 office of each subsequent director shall commence on January 1 of the year immediately
98 following such majority vote. A member of the authority shall be eligible for reelection
99 twice after completing an unexpired term or once after completing a full term. The
100 authority may adopt and amend bylaws governing the procedures and internal operations
101 of the authority. Each member of the authority, at the time of the election and throughout
102 his or her term of service as a member of the authority, shall be an elected member of a
103 municipal governing authority, a city manager, or a city finance officer serving a Georgia
104 municipal corporation, and if any such member ceases to hold such office or employ within
105 the applicable region, such member's seat on the authority shall be declared vacant. In the
106 event of a vacancy of office, such vacancy shall be filled by a person from the same region
107 by a majority vote of the remaining members of the authority for the remainder of the
108 unexpired term. Upon completion of the term balance, a member shall be eligible to be
109 elected by a caucus of mayors pursuant to this subsection.

110 (c) The members shall elect a chairperson, a vice chairperson, and other officers. The
111 members shall not be compensated for their services, but they shall be reimbursed for their
112 actual and necessary expenses as determined by the authority.

113 (d) A majority of the members of the authority shall constitute a quorum for the
114 transaction of business. The vote of at least a majority of the members present at any
115 meeting at which a quorum is present is necessary for any action to be taken by the
116 authority. No vacancy in the membership of the authority shall impair the right of a
117 quorum to exercise all rights and perform all duties of the authority, subject to the
118 availability of funds.

119 (e) Meetings of the members of the authority shall be held at the call of the chairperson or
120 whenever any six members so request. The members shall meet at least once each year.

121 (f) The authority shall be authorized to contract with the Georgia Municipal Association,
122 Inc., or its successors or another Georgia nonprofit corporation whose income is exempt
123 from federal income tax pursuant to Section 115 of the federal Internal Revenue Code and
124 which represents at least 300 municipalities of this state to provide administrative staff and
125 clerical services and to assist in the management of the routine affairs of the authority,
126 including the origination and processing of any applications from participating local
127 governments for infrastructure financing through the authority and the servicing of
128 contracts between the authority and the participating local governments. The authority
129 shall assign a person to serve as ex officio secretary of the authority.

130 (g) The ex officio secretary 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,

132 and papers filed with the authority, the minutes of the authority, and its official seal. He
 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 ex officio secretary 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 ex officio secretary set out in this Code section.

140 36-93-5.

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:

143 (1) To have perpetual succession as a public body corporate and politic and an
 144 independent public instrumentality exercising essential public functions;

145 (2) To adopt, amend, and repeal bylaws and rules consistent with this article to regulate
 146 its affairs, to carry into effect its powers and purposes, and to conduct its business;

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
 155 necessary in its judgment without the approval or consent of any other public official and
 156 to fix their compensation; provided, however, that the employment of legal counsel for
 157 each issuance of bonded indebtedness shall be subject to request for qualification
 158 requirements as established by the authority;

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;

162 (9) To procure insurance, guarantees, or other credit enhancement from any public or
 163 private entities, including any department, agency, or instrumentality of the United States,
 164 to secure payment:

165 (A) On a lease, purchase, or financing payment owed by a participating local
 166 government to the authority; or

167 (B) Of any bonds issued by the authority

168 and to pay premiums on any such insurance, guarantee, or other credit enhancement;
169 (10) To procure letters of credit or other credit or liquidity facilities or agreements from
170 any national or state banking association or other entity authorized to:
171 (A) Issue a letter of credit or other credit or liquidity facilities or agreements to secure
172 the payment of any bonds issued by the authority; and
173 (B) Secure the payment of any lease, purchase, or financing payment owed by a
174 participating local government to the authority.
175 The authority shall pay the cost of obtaining such letter of credit or other credit or
176 liquidity facilities or agreements;
177 (11) To receive and accept from any source any money, property, or thing of value to be
178 held, used, and applied to carry out the purpose of this article, subject to the conditions
179 upon which the grants or contributions are made, including gifts, loans, or grants from
180 any department, agency, political subdivision, authority, or instrumentality of the United
181 States, the State of Georgia, or any other state, or of any political subdivision, of the
182 foregoing;
183 (12) To provide infrastructure, or to cause infrastructure to be provided by a participating
184 local government, by acquisition, construction, operation, lease, fabrication, repair,
185 restoration, reconditioning, refinancing, or installation;
186 (13) To lease as lessor any infrastructure for such rentals and upon such terms and
187 conditions as the authority considers advisable and which are not in conflict with this
188 article;
189 (14) To sell by installment or otherwise, to sell by option or contract for sale, and to
190 convey all or any part of any infrastructure for such price and upon such terms and
191 conditions as the authority considers advisable and which are not in conflict with this
192 article;
193 (15) To make contracts and incur liabilities, borrow money at such rates of interest as the
194 authority determines, issue its bonds in accordance with this article, and secure any of its
195 bonds or obligations by an assignment or pledge of all or any part of its property, contract
196 rights, and income or as otherwise provided in this article;
197 (16) To purchase, receive, lease as lessee or lessor, or otherwise acquire, own, hold,
198 improve, use, or deal in and with infrastructure, or any interest therein, wherever situated;
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;

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; and

228 (27) To make available as provider any project for such availability payments and upon
 229 such terms and conditions as the authority considers advisable and which are not in
 230 conflict with this article.

231 36-93-6.

232 (a) The authority may initiate one or more programs of providing infrastructure to be
 233 purchased or leased by participating local governments. In furtherance of this objective,
 234 the authority may also:

235 (1) Establish eligibility standards for participating local governments that encourage
 236 maximum feasible participation for participating local governments, provided that the
 237 authority shall require each participating local government in anticipation of entering into
 238 a contract to adopt a resolution or resolutions of the governing body, which shall be
 239 adopted at a regular or special meeting by a majority of the members of the governing

240 body in accordance with the provisions of Chapter 14 of Title 50 relative to open
 241 meetings;

242 (2) Contract with any entity securing or enhancing the payment of bonds, authorizing the
 243 entity to approve the participating local governments that can lease or purchase
 244 infrastructure financed with proceeds of bonds secured or enhanced by such entity;

245 (3) Lease to a participating local government infrastructure upon terms and conditions
 246 that the authority considers proper, charge and collect rents therefor, and include in any
 247 such lease provisions that the lessee has the option to purchase any or all of the
 248 infrastructure to which the lease applies;

249 (4) Sell to a participating local government infrastructure under any lease, purchase, or
 250 other legal contract upon such terms and conditions as the authority considers proper;

251 (5) Sell or otherwise dispose of any unneeded or obsolete infrastructure under terms and
 252 conditions as determined by the authority;

253 (6) Maintain, repair, replace, and otherwise improve or cause to be maintained, repaired,
 254 replaced, and otherwise improved any infrastructure owned by the authority;

255 (7) Obtain or aid in obtaining property insurance, in establishing self-insurance, or in
 256 participating in an interlocal risk management agency under Chapter 85 of this title,
 257 covering all infrastructure owned or financed, or accept payment if any infrastructure is
 258 damaged or destroyed;

259 (8) Enter into any agreement, contract, or other instrument for any insurance, guarantee,
 260 or letter of credit accepting payment in such manner and form as provided therein if a
 261 participating local government defaults and assigns any such insurance, guarantee, or
 262 letter of credit as security for bonds issued by the authority; provided, however, that no
 263 contract developed and executed pursuant to this article may be delivered if the principal
 264 portion of such contract, when added to the amount of debt incurred by any county or
 265 municipality pursuant to Article IX, Section V, Paragraph I of the Constitution,
 266 exceeds 10 percent of the assessed value of all taxable property within such county or
 267 municipality; and

268 (9) Make available to a participating local government any project under any contract
 269 upon such terms, availability, and conditions as the authority considers proper.

270 (b) Before exercising any of the powers conferred by subsection (a) of this Code section,
 271 the authority may:

272 (1) Require that the lease, purchase, or other contract involved be insured by a financial
 273 guaranty insurer, be credit enhanced by a credit enhancer, or be secured by a letter of
 274 credit; or

275 (2) Require any other type of security from the participating local governments that it
 276 considers reasonable and necessary.

277 36-93-7.

278 (a) The authority may issue, sell, and deliver its bonds, in accordance with this article, for
 279 the purpose of paying for all or any part of the cost of equipment, to finance the acquisition
 280 of infrastructure for lease or sale to participating local governments, and for any other
 281 purposes authorized by this article.

282 (b) The bonds may be issued as serial bonds or as term bonds or a combination of each in
 283 one or more series. Additionally, such bonds, as determined by the authority:

284 (1) Shall bear dates and mature at times not exceeding 30 years from their respective
 285 dates of issue;

286 (2) Shall bear interest at such fixed or variable rates without regard to any limitations
 287 contained in any other laws of this state;

288 (3) May bear interest at different rates;

289 (4) May mature at different dates within a series;

290 (5) May bear interest at one or more variable or fixed rates within a series;

291 (6) May be converted from such variable rate or rates to a fixed rate or rates from time
 292 to time;

293 (7) May be converted from such fixed rate or rates to a variable rate or rates from time
 294 to time;

295 (8) Shall be payable at such times as may be specified;

296 (9) May be in different denominations;

297 (10) May be in such form, either coupon or fully registered, as may be specified;

298 (11) May carry such registration and conversion privileges as specified;

299 (12) May have such rank or priority as specified;

300 (13) Shall be payable in lawful money of the United States at specified places, within or
 301 outside this state; and

302 (14) Shall be subject to such terms of redemption and tender for purchase as such bond
 303 resolution may provide.

304 (c) All revenue bonds issued by the authority shall be subject to validation in accordance
 305 with Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.' Notes and other types
 306 of obligations of the authority shall not be required to be so validated. All proceedings to
 307 validate revenue bonds of the authority shall be held in the Superior Court of Fulton
 308 County, and judgments of validation obtained in the manner set forth in such chapter shall
 309 be forever conclusive upon the validity of such bonds and the security for such bonds as
 310 therein provided. The petition and complaint for validation may also make party defendant
 311 to such action any participating local government that has contracted with the authority in
 312 connection with the issuance of the revenue bonds or regarding the manner in which such
 313 bonds are to be secured; and such participating local government may be required to show

314 cause, if any exists, as to why such contract and the terms and conditions thereof shall not
315 be inquired into by the court, the validity of the terms thereof determined, and the contract
316 adjudicated as a binding obligation of the participating local government for the security
317 of any such bonds of the authority. The revenue bonds when validated and the judgment
318 of validation shall be final and conclusive with respect to such bonds against the authority,
319 any parties to the validation proceedings, or any persons that might properly have become
320 parties to such proceedings. The certificate of validation, however, may be signed with the
321 facsimile or manually executed official signature of the clerk or deputy clerk of the
322 Superior Court of Fulton County.

323 (d) The authority may sell its bonds in such manner and for such price, at public or private
324 sale, as it may determine to be in the best interest of the authority. Prior to the preparation
325 of definitive bonds, the authority may issue interim certificates or receipts or temporary
326 bonds for definitive bonds. The authority may also provide for the replacement of any
327 bonds that shall become mutilated or be stolen, destroyed, or lost.

328 (e) The bonds shall be signed by the chairperson of the authority or such other person
329 designated by the authority, and the corporate seal of the authority shall be thereunto
330 impressed, imprinted, or otherwise reproduced and attested by the signature of the secretary
331 of the authority or such other person designated by the authority. The coupons, if any, shall
332 be signed in such manner as may be directed by the authority. The signatures of the
333 officers of the authority and the seal of the authority upon any bond issued by the authority
334 may be by facsimile if the instrument is manually authenticated or countersigned by a
335 trustee other than the authority itself or an officer or employee of the authority. All bonds
336 issued pursuant to this article bearing signatures or facsimiles of the signatures of officers
337 of the authority in office on the date of the signing thereof shall be valid and binding,
338 notwithstanding that before the delivery thereof and payment therefor such officers whose
339 signatures appear thereon shall have ceased to be officers of the authority.

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

346 (g) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may,
347 in the discretion of the authority, be applied to the purchase or retirement at maturity or
348 redemption of such outstanding bonds either on their earliest or any subsequent redemption
349 date or upon the purchase or at the maturity thereof and may, pending such application, be
350 placed in escrow to be applied to such purchase or retirement at maturity or redemption on

351 such date as may be determined by the authority. Subject to the provisions of any trust
352 indenture to the contrary, any such escrowed proceeds, pending such use, may be invested
353 and reinvested in accordance with Code Section 36-82-7 in order to assure the prompt
354 payment of the principal and interest and redemption premium, if any, on the outstanding
355 bonds to be so refunded. The interest, income, and profits, if any, earned or realized on any
356 such investment may also be applied to the payment of the outstanding bonds to be so
357 refunded. Only after the terms of the escrow have been fully satisfied and carried out shall
358 any balance of such proceeds and interest, income, and profits, if any, earned or realized
359 on the investments thereof be returned to the authority or the participating local
360 governments for use by them in any lawful manner.

361 (h) The proceeds of the bonds, other than refunding bonds, of each series shall be used for
362 the payment of all or part of the cost of infrastructure for which such bonds have been
363 authorized and, at the option of the authority, for the deposit to a reserve fund or reserve
364 funds for the bonds; provided, however, that the authority may be paid, out of proceeds of
365 the sale and delivery of its bonds issued in accordance with this article, all of the authority's
366 out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of such
367 bonds and the costs of obtaining insurance, guarantees, other credit enhancement, and
368 letters of credit securing payment of the bonds and the lease and the purchase payments,
369 plus an amount equal to the compensation paid to any employees or agents of the authority
370 for the time such employees or agents have spent on activities relating to the issuance, sale,
371 and delivery of the bonds. Bond proceeds shall be disbursed in the manner and under the
372 restrictions determined by the authority.

373 36-93-8.

374 (a) The bonds may be secured by a trust indenture by and between the authority and a
375 corporate trustee, which may be any bank having the power of a trust company, or any trust
376 company. The trust indenture may contain such provisions for protecting and enforcing
377 the rights and remedies of the holders of the bonds as may be reasonable and proper and
378 not in violation of law, including covenants setting forth the duties of the authority in
379 relation to the exercise of its powers and the custody, investment, safekeeping, and
380 application of all money. The authority may provide by the trust indenture for the payment
381 of the proceeds of the bonds and any lease, purchase, or other contractual payments to the
382 trustee under the trust indenture or other depository and for the method of disbursement
383 thereof with such safeguards and restrictions as the authority may determine. All expenses
384 incurred in carrying out the trust indenture may be treated as a part of the operating
385 expenses of the authority.

386 (b) Every series of bonds is payable solely out of revenues, assets, or money of the
387 authority as the authority determines, subject only to any agreements with the holders of
388 particular bonds pledging any particular money or revenue. The bonds may be additionally
389 secured by a pledge of any grant, contribution, or guarantee from the federal government
390 or any corporation, association, institution, or person or a pledge of any money, income,
391 or revenue of the authority from any source.

392 36-93-9.

393 (a) Neither the members of the authority nor any person executing bonds on behalf of the
394 authority shall be personally liable thereon by reason of the issuance thereof.

395 (b) The authority shall have the same immunity and exemption from liability as this state,
396 and the members, agents, and employees of the authority when in the performance of work
397 of the authority shall have the same immunity and exemption from liability as officers,
398 agents, and employees of this state.

399 (c) The offer, sale, or issuance of bonds by the authority shall not be subject to regulation
400 under Chapter 5 of Title 10, the 'Georgia Uniform Securities Act of 2008.' No notice,
401 proceeding, or publication except those required in this article shall be necessary for the
402 performance of any act authorized in this article nor shall any such act be subject to
403 referendum.

404 (d) No lease, purchase, or other contract between the authority and any participating local
405 government shall be deemed to be a contract subject to any law requiring that a lease,
406 purchase, or other contract be let or entered into only after auction or receipt of competitive
407 bids or proposals.

408 36-93-10.

409 Bonds issued under this article shall not be deemed to constitute a debt or pledge of the
410 faith and credit of this state, any political subdivision or municipal corporation thereof, or
411 any participating local government within the meaning of any provision of the Constitution
412 or laws of this state. Bonds issued by the authority shall not directly, indirectly, or
413 contingently obligate this state or any of its political subdivisions or municipal
414 corporations, or any participating local governments, to levy or to pledge any form of
415 taxation whatever therefor or to make any appropriation for the payment thereof, and all
416 such bonds or other obligations of the authority shall contain recitals on their face covering
417 substantially the provisions of this Code section.

418 36-93-11.

419 The creation of the authority and the carrying out of its corporate purposes are in all
420 respects for the benefit of the people of this state and a public purpose, and the authority
421 is performing an essential governmental function in the exercise of the power conferred
422 upon it by this article. The state covenants with the holders of the bonds and any interest
423 coupons appertaining thereto that the authority shall not be required to pay any taxes or
424 assessments imposed by the state or any of its counties, municipal corporations, political
425 subdivisions, or taxing districts upon any of the property acquired, leased, or sold by it or
426 under its jurisdiction, control, possession, or supervision or upon its activities in the
427 operation or maintenance of the infrastructure acquired by it or upon any fees, rentals,
428 charges, or purchase prices, received in installments or otherwise, pertaining to such
429 infrastructure or upon other income received by the authority; that the bonds of the
430 authority, their transfer, and the interest and income therefrom shall at all times be exempt
431 from taxation within this state; and that the recording of any indenture or security
432 agreement by the authority shall be exempt from recording taxes and fees and from
433 intangible tax. The tax exemption provided in this Code section shall not include any
434 exemption from sales or use tax on property purchased by the authority or for use by the
435 authority, except that the authority shall be entitled to such exemption with respect to
436 property as is available to the participating local government pursuant to Article 1 of
437 Chapter 8 of Title 48.

438 36-93-12.

439 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
440 existence of the authority or of any of its officers shall not be diminished or impaired in any
441 manner that will adversely affect the interest and right of the holders of such bonds. This
442 article shall be for the benefit of the holders of any such bonds and, upon the issuance of
443 the bonds as provided in this article, such provisions shall constitute a contract with the
444 holders of such bonds. The provisions of any bond resolution, indenture, or trust
445 agreement shall be a contract with every holder of such bonds, and the duties of the
446 authority under any such bond resolution, indenture, or trust agreement shall be enforceable
447 by any bondholder by mandamus or other appropriate action or proceeding at law or in
448 equity.

449 36-93-13.

450 All moneys received by the authority pursuant to this article, whether as grants or other
451 contributions or as revenues, rents, installment purchase payments, and earnings, shall be
452 held in trust and applied solely as provided for in this article.

453 36-93-14.

454 The authority may hold title to any infrastructure leased, purchased, sold, or financed by
455 such authority but shall not be required to do so.

456 36-93-15.

457 The authority's legal situs or residence for the purpose of this article shall be Fulton
458 County. Any action to protect or enforce any rights under this article, including the
459 validation of revenue bonds issued by the authority as permitted in this article, shall be
460 brought in the Superior Court of Fulton County, and such court shall have exclusive
461 original jurisdiction of all such actions.

462 36-93-16.

463 Nothing in this article may be construed as a restriction or limitation upon any powers that
464 the authority might otherwise have under any other law of this state, and this article is
465 cumulative to such powers. This article shall be construed to provide a complete,
466 additional, and alternative mechanism for the doing of the things authorized and shall be
467 construed as supplemental to powers conferred by any other laws. The adoption by the
468 authority of bylaws and rules and the issuance of bonds by the authority under this article
469 need not comply with the requirements of any other state laws applicable to the adoption
470 of bylaws and rules and the issuance of bonds, notes, and other obligations. No
471 proceedings, notice, or approval is required for the issuance of any bonds or any instrument
472 or the security therefor or for the proper conduct of the authority's business, affairs, or
473 operations, except as provided in this article.

474 36-93-17.

475 This article, being for the welfare of this state and its inhabitants, shall be liberally
476 construed to effect its purposes.

477 36-93-18.

478 If the authority has not issued any bonds for infrastructure pursuant to agreements with any
479 participating local governments within three years of the effective date of this article, this
480 article shall stand repealed in its entirety.

481

ARTICLE 2482 36-93-20.

483 This article shall be known and may be cited as the 'Georgia County and Local Government
484 Infrastructure Finance Authority Act.'

485 36-93-21.

486 The purpose of this article shall be to provide a mechanism through which Georgia
487 counties may finance infrastructure at lower than prevailing costs.

488 36-93-22.489 As used in this article, the term:

490 (1) 'Authority' means the Georgia County and Local Government Infrastructure Finance
491 Authority created by this article and any successor or successors thereto. Any change in
492 name or composition of the authority shall in no way affect the vested rights of any
493 person under this article.

494 (2) 'Bond' or 'bonds' means revenue bonds, notes, interim certificates, bond anticipation
495 notes, and other evidences of indebtedness of the authority issued under this article.

496 (3) 'Cost' as applied to infrastructure financed under this article includes:

497 (A) The cost and the incidental and related costs of the acquisition, construction, repair,
498 restoration, reconditioning, refinancing, or installation of infrastructure;

499 (B) The cost of any property interest in any infrastructure, including an option to
500 purchase the remaining fee interest in a leasehold interest before or after such leasehold
501 interest has expired;

502 (C) The cost of architectural, engineering, legal, trustee, underwriting, and related
503 services; the cost of the preparation of plans, specifications, studies, surveys, and
504 estimates of cost; and all other expenses necessary or incident to planning, providing,
505 or determining the need for or the feasibility and practicability of any infrastructure;

506 (D) The cost of financing charges, including premiums or prepayment penalties and
507 interest, accrued before the acquisition and installation or refinancing of such
508 infrastructure and for up to three years after such acquisition and installation or
509 refinancing;

510 (E) The costs paid or incurred in connection with the financing of infrastructure,
511 including out-of-pocket expenses; any policy of insurance or other credit enhancement;
512 printing, engraving, and reproduction services; and the initial or acceptance fee of any
513 trustee or paying agent;

514 (F) The costs of the authority incurred in connection with providing infrastructure,
 515 including reasonable sums to reimburse the authority for time spent by its agents or
 516 employees in providing and financing infrastructure; and

517 (G) The costs paid or incurred for the administration of any program for the financing
 518 or refinancing of infrastructure by the authority and any program for the installment
 519 sale or lease of infrastructure to any participating local government.

520 (4) 'Equipment' means any fixture or personal property that is determined by the
 521 authority to be necessary or desirable for the efficient operation of any participating local
 522 government, regardless of whether such property is in existence at the time of, or is to be
 523 provided after the making of, such finding.

524 (5) 'Infrastructure' means a project for equipment, real property, or structures and may
 525 refer to a specific item or to many items.

526 (6) 'Participating local government' means a consolidated government, county, school
 527 district, authority, or special district that contracts under this article with the authority for
 528 the purchase, lease, or financing of infrastructure; provided, however, that, if this article
 529 has not been repealed pursuant to Code Section 36-93-37, beginning three years after the
 530 effective date of this article, such term shall include any municipality of this state.

531 (7) 'Revenue bonds' means revenue bonds issued by the authority pursuant to the terms
 532 of this article and Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.'

533 36-93-23.

534 (a) There is created a public body corporate and politic, not a state agency but an
 535 instrumentality of purely public charity performing an essential governmental function, to
 536 be known as the Georgia County and Local Government Infrastructure Finance Authority.
 537 The authority shall be separate and distinct from any public corporation or other entity
 538 heretofore created by the General Assembly. The authority shall be exempt from the
 539 provisions of Article 2 of Chapter 17 of Title 50 and Code Sections 45-15-13
 540 through 45-15-16.

541 (b) The authority shall be governed by 12 members of the board of directors. One member
 542 shall be elected by a caucus of county commission chairpersons and sole commissioners
 543 from the applicable region of each of the regional commissions provided for in subsection
 544 (f) of Code Section 50-8-4. A caucus shall be called by each regional commission not later
 545 than October 1, 2020, and shall be conducted not later than November 1, 2020. The initial
 546 director for each region will be determined by a majority vote of the county commission
 547 chairpersons and sole commissioners attending such caucus. The term of office of each
 548 initial director shall commence on December 1, 2020. Three of the directors shall serve
 549 a term as a member of the authority expiring December 31, 2021; three of the directors

550 shall serve a term as a member of the authority expiring December 31, 2022; three of the
551 directors shall serve a term as a member of the authority expiring December 31, 2023; and
552 three of the directors shall serve a term as a member of the authority expiring
553 December 31, 2024. After the conclusion of each initial term, each subsequent member
554 of the authority shall serve a four-year term. In the last year of a term of office of a
555 director, a caucus shall be called by each regional commission not later than October 1 of
556 such year and shall be conducted not later than November 1 of such year. A subsequent
557 director for each region will be determined by a majority vote of the county commission
558 chairpersons and sole commissioners attending such caucus. The term of office of each
559 subsequent director shall commence on January 1 of the year immediately following such
560 majority vote. A member of the authority shall be eligible for reelection twice after
561 completing an unexpired term or once after completing a full term. The authority may
562 adopt and amend bylaws governing the procedures and internal operations of the authority.
563 Each member of the authority, at the time of the election and throughout his or her term of
564 service as a member of the authority, shall be an elected member of a county governing
565 authority, a county manager, or a county finance officer serving a Georgia county, and if
566 any such member ceases to hold such office or employ within the applicable region, such
567 member's seat on the authority shall be declared vacant. In the event of a vacancy of office,
568 such vacancy shall be filled by a person from the same region by a majority vote of the
569 remaining members of the authority for the remainder of the unexpired term. Upon
570 completion of the term balance, a member shall be eligible to be elected by a caucus of
571 county commission chairpersons and sole commissioners pursuant to this subsection.
572 (c) The members shall elect a chairperson, a vice chairperson, and other officers. The
573 members shall not be compensated for their services, but they shall be reimbursed for their
574 actual and necessary expenses as determined by the authority.
575 (d) A majority of the members of the authority shall constitute a quorum for the
576 transaction of business. The vote of at least a majority of the members present at any
577 meeting at which a quorum is present is necessary for any action to be taken by the
578 authority. No vacancy in the membership of the authority shall impair the right of a
579 quorum to exercise all rights and perform all duties of the authority, subject to availability
580 of funds.
581 (e) Meetings of the members of the authority shall be held at the call of the chairperson or
582 whenever any six members so request. The members shall meet at least once each year.
583 (f) The authority shall be authorized to contract with the Association County
584 Commissioners of Georgia, Inc., or its successors or another Georgia nonprofit corporation
585 whose income is exempt from federal income tax pursuant to Section 115 of the federal
586 Internal Revenue Code and which represents all counties of this state to provide

587 administrative staff and clerical services and to assist in the management of the routine
588 affairs of the authority, including the origination and processing of any applications from
589 participating local governments for infrastructure financing through the authority and the
590 servicing of contracts between the authority and the participating local governments. The
591 authority shall assign a person to serve as ex officio secretary of the authority.

592 (g) The ex officio secretary shall attend the meetings of the members of the authority, shall
593 keep a record of the proceedings of the authority, and shall maintain all books, documents,
594 and papers filed with the authority, the minutes of the authority, and its official seal. He
595 or she may cause copies to be made of all minutes and other records and documents of the
596 authority and may give certificates under seal of the authority to the effect that such copies
597 are true copies, and all persons dealing with the authority may rely upon such certificates.
598 If the ex officio secretary is unable to attend a meeting of the members of the authority, the
599 members of the authority shall designate a member of the authority or an employee of the
600 entity referred to in subsection (f) of this Code section as the person responsible for
601 carrying out the duties of the ex officio secretary set out in this Code section.

602 36-93-24.

603 The authority is granted all powers necessary to carry out and effectuate its public and
604 corporate purposes, including but not limited to the following:

605 (1) To have perpetual succession as a public body corporate and politic and an
606 independent public instrumentality exercising essential public functions;

607 (2) To adopt, amend, and repeal bylaws and rules consistent with this article to regulate
608 its affairs, to carry into effect its powers and purposes, and to conduct its business;

609 (3) To sue and be sued in its own name;

610 (4) To have an official seal;

611 (5) To maintain an office in Georgia;

612 (6) To make and execute contracts and all other instruments necessary or convenient for
613 the performance of its duties and the exercise of its powers and functions under this
614 article;

615 (7) To employ architects, engineers, independent legal counsel, inspectors, accountants,
616 and financial experts and such other advisers, consultants, and agents as may be
617 necessary in its judgment without the approval or consent of any other public official and
618 to fix their compensation; provided, however, that the employment of legal counsel for
619 each issuance of bonded indebtedness shall be subject to request for qualification
620 requirements as established by the authority;

621 (8) To procure insurance against any loss in connection with its property and other assets
622 in such amounts and from such insurers as it considers advisable and to pay premiums
623 on any such insurance;

624 (9) To procure insurance, guarantees, or other credit enhancement from any public or
625 private entities, including any department, agency, or instrumentality of the United States,
626 to secure payment:

627 (A) On a lease, purchase, or financing payment owed by a participating local
628 government to the authority; or

629 (B) Of any bonds issued by the authority
630 and to pay premiums on any such insurance, guarantee, or other credit enhancement;

631 (10) To procure letters of credit or other credit or liquidity facilities or agreements from
632 any national or state banking association or other entity authorized to:

633 (A) Issue a letter of credit or other credit or liquidity facilities or agreements to secure
634 the payment of any bonds issued by the authority; and

635 (B) Secure the payment of any lease, purchase, or financing payment owed by a
636 participating local government to the authority,

637 and to pay the cost of obtaining such letter of credit or other credit or liquidity facilities
638 or agreements;

639 (11) To receive and accept from any source any money, property, or thing of value to
640 be held, used, and applied to carry out the purpose of this article, subject to the conditions
641 upon which the grants or contributions are made, including gifts, loans, or grants from
642 any department, agency, political subdivision, authority, or instrumentality of the United
643 States, the State of Georgia, or a Georgia county;

644 (12) To provide infrastructure, or to cause infrastructure to be provided by a participating
645 local government, by acquisition, construction, operation, lease, fabrication, repair,
646 restoration, reconditioning, refinancing, or installation;

647 (13) To lease as lessor any infrastructure for such rentals and upon such terms and
648 conditions as the authority considers advisable and which are not in conflict with this
649 article;

650 (14) To sell by installment or otherwise, to sell by option or contract for sale, and to
651 convey all or any part of any infrastructure for such price and upon such terms and
652 conditions as the authority considers advisable and which are not in conflict with this
653 article;

654 (15) To make contracts and incur liabilities, borrow money at such rates of interest as the
655 authority determines, issue its bonds in accordance with this article, and secure any of its
656 bonds or obligations by an assignment or pledge of all or any part of its property, contract
657 rights, and income or as otherwise provided in this article;

- 658 (16) To purchase, receive, lease as lessee or lessor, or otherwise acquire, own, hold,
659 improve, use, or deal in and with infrastructure, or any interest therein, wherever situated;
- 660 (17) To sell, convey, hypothecate, pledge, assign, lease, exchange, transfer, and
661 otherwise dispose of all or any part of its property and assets;
- 662 (18) To charge to and apportion among participating counties its administrative costs and
663 expenses incurred in the exercise of the powers and duties conferred by this article;
- 664 (19) To collect fees and charges, as the authority determines to be reasonable, in
665 connection with its leases, sales, financings, advances, insurance, commitments, and
666 servicing;
- 667 (20) To cooperate with and exchange services, personnel, and information with any
668 federal, state, or local governmental agency;
- 669 (21) To sell or assign its rights under its leases, purchase contracts, or other contracts or
670 its right to receive payments thereunder, either directly or through trust or custodial
671 arrangements whereby interests are created in such leases, purchase contracts, or other
672 contracts, or the payments to be received thereunder through the issuance of trust
673 certificates, certificates of participation, custodial receipts, or other similar instruments;
- 674 (22) To exercise any power granted by the laws of this state to public or private
675 corporations which is not in conflict with the public purpose of the authority;
- 676 (23) To exercise the powers conferred upon a public corporation or a public authority by
677 Article IX, Section III, Paragraph I of the Constitution of Georgia, such authority being
678 expressly declared to be a public corporation or a public authority within the meaning of
679 such provisions of the Constitution of Georgia;
- 680 (24) To do all things necessary or convenient to carry out the powers conferred by this
681 article;
- 682 (25) To hold funds in deposit accounts with banking institutions as otherwise authorized
683 by law;
- 684 (26) Subject to any agreement with bondholders, to invest moneys of the authority not
685 required for immediate use to carry out the purposes of this article, including the proceeds
686 from the sale of any bonds and any moneys held in reserve funds, in investments
687 authorized pursuant to Code Section 36-82-7; and
- 688 (27) To make available as provider any project for such availability payments and upon
689 such terms and conditions as the authority considers advisable and which are not in
690 conflict with this article.

691 36-93-25.

692 (a) The authority may initiate one or more programs of providing infrastructure to be
693 purchased or leased by participating local governments. In furtherance of this objective,
694 the authority may also:

695 (1) Establish eligibility standards for participating local governments that encourage
696 maximum feasible participation for participating local governments, provided that the
697 authority shall require each participating local government in anticipation of entering into
698 a contract to adopt a resolution or resolutions of the governing body, which shall be
699 adopted at a regular or special meeting by a majority of the members of the governing
700 body in accordance with the provisions of Chapter 14 of Title 50 relative to open
701 meetings;

702 (2) Contract with any entity securing or enhancing the payment of bonds, authorizing the
703 entity to approve the participating counties that can lease or purchase infrastructure
704 financed with proceeds of bonds secured or enhanced by such entity;

705 (3) Lease to a participating local government infrastructure upon terms and conditions
706 that the authority considers proper, charge and collect rents therefor, and include in any
707 such lease provisions that the lessee has the option to purchase any or all of the
708 infrastructure to which the lease applies;

709 (4) Sell to a participating local government infrastructure under any lease, purchase, or
710 other legal contract upon such terms and conditions as the authority considers proper;

711 (5) Sell or otherwise dispose of any unneeded or obsolete infrastructure under terms and
712 conditions as determined by the authority;

713 (6) Maintain, repair, replace, and otherwise improve or cause to be maintained, repaired,
714 replaced, and otherwise improved any infrastructure owned by the authority;

715 (7) Obtain or aid in obtaining property insurance, in establishing self-insurance, or in
716 participating in an interlocal risk management agency under Chapter 85 of this title,
717 covering all infrastructure owned or financed, or accept payment if any infrastructure is
718 damaged or destroyed;

719 (8) Enter into any agreement, contract, or other instrument for any insurance, guarantee,
720 or letter of credit accepting payment in such manner and form as provided therein if a
721 participating local government defaults and assigns any such insurance, guarantee, or
722 letter of credit as security for bonds issued by the authority; provided, however, that no
723 contract developed and executed pursuant to this article may be delivered if the principal
724 portion of such contract, when added to the amount of debt incurred by any county or
725 municipality pursuant to Article IX, Section V, Paragraph I of the Constitution, exceeds
726 10 percent of the assessed value of all taxable property within such county or
727 municipality; and

728 (9) Make available to a participating local government any project under any contract
 729 upon such terms, availability, and conditions as the authority considers proper.

730 (b) Before exercising any of the powers conferred by subsection (a) of this Code section,
 731 the authority may:

732 (1) Require that the lease, purchase, or other contract involved be insured by a financial
 733 guaranty insurer, be credit enhanced by a credit enhancer, or be secured by a letter of
 734 credit; or

735 (2) Require any other type of security from the participating counties that it considers
 736 reasonable and necessary.

737 36-93-26.

738 (a) The authority may issue, sell, and deliver its bonds, in accordance with this article, for
 739 the purpose of paying for all or any part of the cost of equipment, to finance the acquisition
 740 of infrastructure for lease or sale to participating counties, and for any other purposes
 741 authorized by this article.

742 (b) The bonds may be issued as serial bonds or as term bonds or a combination of each in
 743 one or more series. Additionally, such bonds, as determined by the authority:

744 (1) Shall bear dates and mature at times not exceeding 30 years from their respective
 745 dates of issue;

746 (2) Shall bear interest at such fixed or variable rates without regard to any limitations
 747 contained in any other laws of this state;

748 (3) May bear interest at different rates;

749 (4) May mature at different dates within a series;

750 (5) May bear interest at one or more variable or fixed rates within a series;

751 (6) May be converted from such variable rate or rates to a fixed rate or rates from time
 752 to time;

753 (7) May be converted from such fixed rate or rates to a variable rate or rates from time
 754 to time;

755 (8) Shall be payable at such times as may be specified;

756 (9) May be in different denominations;

757 (10) May be in such form, either coupon or fully registered, as may be specified;

758 (11) May carry such registration and conversion privileges as specified;

759 (12) May have such rank or priority as specified;

760 (13) Shall be payable in lawful money of the United States at specified places, within or
 761 outside this state; and

762 (14) Shall be subject to such terms of redemption and tender for purchase as such bond
 763 resolution may provide.

764 (c) All revenue bonds issued by the authority shall be subject to validation in accordance
765 with Article 3 of Chapter 82 of this title, the 'Revenue Bond Law.' Notes and other types
766 of obligations of the authority shall not be required to be so validated. All proceedings to
767 validate revenue bonds of the authority shall be held in the Superior Court of Fulton
768 County, and judgments of validation obtained in the manner set forth in such chapter shall
769 be forever conclusive upon the validity of such bonds and the security for such bonds as
770 therein provided. The petition and complaint for validation may also make party defendant
771 to such action any participating local government that has contracted with the authority in
772 connection with the issuance of the revenue bonds or regarding the manner in which such
773 bonds are to be secured; and such participating local government may be required to show
774 cause, if any exists, as to why such contract and the terms and conditions thereof shall not
775 be inquired into by the court, the validity of the terms thereof determined, and the contract
776 adjudicated as a binding obligation of the participating local government for the security
777 of any such bonds of the authority. The revenue bonds when validated and the judgment
778 of validation shall be final and conclusive with respect to such bonds against the authority,
779 any parties to the validation proceedings, or any persons that might properly have become
780 parties to such proceedings. The certificate of validation, however, may be signed with the
781 facsimile or manually executed official signature of the clerk or deputy clerk of the
782 Superior Court of Fulton County.

783 (d) The authority may sell its bonds in such manner and for such price, at public or private
784 sale, as it may determine to be in the best interest of the authority. Prior to the preparation
785 of definitive bonds, the authority may issue interim certificates or receipts or temporary
786 bonds for definitive bonds. The authority may also provide for the replacement of any
787 bonds that shall become mutilated or be stolen, destroyed, or lost.

788 (e) The bonds shall be signed by the chairperson of the authority or such other person
789 designated by the authority, and the corporate seal of the authority shall be thereunto
790 impressed, imprinted, or otherwise reproduced and attested by the signature of the secretary
791 of the authority or such other person designated by the authority. The coupons, if any, shall
792 be signed in such manner as may be directed by the authority. The signatures of the
793 officers of the authority and the seal of the authority upon any bond issued by the authority
794 may be by facsimile if the instrument is manually authenticated or countersigned by a
795 trustee other than the authority itself or an officer or employee of the authority. All bonds
796 issued pursuant to this article bearing signatures or facsimiles of the signatures of officers
797 of the authority in office on the date of the signing thereof shall be valid and binding,
798 notwithstanding that before the delivery thereof and payment therefor such officers whose
799 signatures appear thereon shall have ceased to be officers of the authority.

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

806 (g) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may,
807 in the discretion of the authority, be applied to the purchase or retirement at maturity or
808 redemption of such outstanding bonds either on their earliest or any subsequent redemption
809 date or upon the purchase or at the maturity thereof and may, pending such application, be
810 placed in escrow to be applied to such purchase or retirement at maturity or redemption on
811 such date as may be determined by the authority. Subject to the provisions of any trust
812 indenture to the contrary, any such escrowed proceeds, pending such use, may be invested
813 and reinvested in accordance with Code Section 36-82-7 in order to assure the prompt
814 payment of the principal and interest and redemption premium, if any, on the outstanding
815 bonds to be so refunded. The interest, income, and profits, if any, earned or realized on any
816 such investment may also be applied to the payment of the outstanding bonds to be so
817 refunded. Only after the terms of the escrow have been fully satisfied and carried out shall
818 any balance of such proceeds and interest, income, and profits, if any, earned or realized
819 on the investments thereof be returned to the authority or the participating counties for use
820 by them in any lawful manner.

821 (h) The proceeds of the bonds, other than refunding bonds, of each series shall be used for
822 the payment of all or part of the cost of infrastructure for which such bonds have been
823 authorized and, at the option of the authority, for the deposit to a reserve fund or reserve
824 funds for the bonds; provided, however, that the authority may be paid, out of proceeds of
825 the sale and delivery of its bonds issued in accordance with this article, all of the authority's
826 out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of such
827 bonds and the costs of obtaining insurance, guarantees, other credit enhancement, and
828 letters of credit securing payment of the bonds and the lease and the purchase payments,
829 plus an amount equal to the compensation paid to any employees or agents of the authority
830 for the time such employees or agents have spent on activities relating to the issuance, sale,
831 and delivery of the bonds. Bond proceeds shall be disbursed in the manner and under the
832 restrictions determined by the authority.

833 36-93-27.

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

836 company. The trust indenture may contain such provisions for protecting and enforcing
837 the rights and remedies of the holders of the bonds as may be reasonable and proper and
838 not in violation of law, including covenants setting forth the duties of the authority in
839 relation to the exercise of its powers and the custody, investment, safekeeping, and
840 application of all money. The authority may provide by the trust indenture for the payment
841 of the proceeds of the bonds and any lease, purchase, or other contractual payments to the
842 trustee under the trust indenture or other depository and for the method of disbursement
843 thereof with such safeguards and restrictions as the authority may determine. All expenses
844 incurred in carrying out the trust indenture may be treated as a part of the operating
845 expenses of the authority.

846 (b) Every series of bonds is payable solely out of revenues, assets, or money of the
847 authority as the authority determines, subject only to any agreements with the holders of
848 particular bonds pledging any particular money or revenue. The bonds may be additionally
849 secured by a pledge of any grant, contribution, or guarantee from the federal government
850 or any corporation, association, institution, or person or a pledge of any money, income,
851 or revenue of the authority from any source.

852 36-93-28.

853 (a) Neither the members of the authority nor any person executing bonds on behalf of the
854 authority shall be personally liable thereon by reason of the issuance thereof.

855 (b) The authority shall have the same immunity and exemption from liability as a county,
856 and the members, agents, and employees of the authority when in the performance of work
857 of the authority shall have the same immunity and exemption from liability as officers,
858 agents, and employees of a county.

859 (c) The offer, sale, or issuance of bonds by the authority shall not be subject to regulation
860 under Chapter 5 of Title 10, the 'Georgia Uniform Securities Act of 2008.' No notice,
861 proceeding, or publication except those required in this article shall be necessary for the
862 performance of any act authorized in this article nor shall any such act be subject to
863 referendum.

864 (d) No lease, purchase, or other contract between the authority and any participating local
865 government shall be deemed to be a contract subject to any law requiring that a lease,
866 purchase, or other contract be let or entered into only after auction or receipt of competitive
867 bids or proposals.

868 36-93-29.

869 Bonds issued under this article shall not be deemed to constitute a debt or pledge of the
870 faith and credit of this state or any participating local government within the meaning of

871 any provision of the Constitution or laws of this state. Bonds issued by the authority shall
872 not directly, indirectly, or contingently obligate this state or any participating local
873 government to levy or to pledge any form of taxation whatever therefor or to make any
874 appropriation for the payment thereof, and all such bonds or other obligations of the
875 authority shall contain recitals on their face covering substantially the provisions of this
876 Code section.

877 36-93-30.

878 The creation of the authority and the carrying out of its corporate purposes are in all
879 respects for the benefit of the people of this state and a public purpose, and the authority
880 is performing an essential governmental function in the exercise of the power conferred
881 upon it by this article. The state covenants with the holders of the bonds and any interest
882 coupons appertaining thereto that the authority shall not be required to pay any taxes or
883 assessments imposed by the state or any of its counties, municipal corporations, political
884 subdivisions, or taxing districts upon any of the property acquired, leased, or sold by it or
885 under its jurisdiction, control, possession, or supervision or upon its activities in the
886 operation or maintenance of the infrastructure acquired by it or upon any fees, rentals,
887 charges, or purchase prices, received in installments or otherwise, pertaining to such
888 infrastructure or upon other income received by the authority; that the bonds of the
889 authority, their transfer, and the interest and income therefrom shall at all times be exempt
890 from taxation within this state; and that the recording of any indenture or security
891 agreement by the authority shall be exempt from recording taxes and fees and from
892 intangible tax. The tax exemption provided in this Code section shall not include any
893 exemption from sales or use tax on property purchased by the authority or for use by the
894 authority, except that the authority shall be entitled to such exemption with respect to
895 property as is available to the participating local government pursuant to Article 1 of
896 Chapter 8 of Title 48.

897 36-93-31.

898 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
899 existence of the authority or of any of its officers shall not be diminished or impaired in any
900 manner that will adversely affect the interest and right of the holders of such bonds. This
901 article shall be for the benefit of the holders of any such bonds and, upon the issuance of
902 the bonds as provided in this article, such provisions shall constitute a contract with the
903 holders of such bonds. The provisions of any bond resolution, indenture, or trust
904 agreement shall be a contract with every holder of such bonds, and the duties of the
905 authority under any such bond resolution, indenture, or trust agreement shall be enforceable

906 by any bondholder by mandamus or other appropriate action or proceeding at law or in
907 equity.

908 36-93-32.

909 All moneys received by the authority pursuant to this article, whether as grants or other
910 contributions or as revenues, rents, installment purchase payments, and earnings, shall be
911 held in trust and applied solely as provided for in this article.

912 36-93-33.

913 The authority may hold title to any infrastructure leased, purchased, sold, or financed by
914 such authority but shall not be required to do so.

915 36-93-34.

916 The authority's legal situs or residence for the purpose of this article shall be Fulton
917 County. Any action to protect or enforce any rights under this article, including the
918 validation of revenue bonds issued by the authority as permitted in this article, shall be
919 brought in the Superior Court of Fulton County, and such court shall have exclusive
920 original jurisdiction of all such actions.

921 36-93-35.

922 Nothing in this article may be construed as a restriction or limitation upon any powers that
923 the authority might otherwise have under any other law of this state, and this article is
924 cumulative to such powers. This article shall be construed to provide a complete,
925 additional, and alternative mechanism for the doing of the things authorized and shall be
926 construed as supplemental to powers conferred by any other laws. The adoption by the
927 authority of bylaws and rules and the issuance of bonds by the authority under this article
928 need not comply with the requirements of any other state laws applicable to the adoption
929 of bylaws and rules and the issuance of bonds, notes, and other obligations. No
930 proceedings, notice, or approval is required for the issuance of any bonds or any instrument
931 or the security therefor or for the proper conduct of the authority's business, affairs, or
932 operations, except as provided in this article.

933 36-93-36.

934 This article, being for the welfare of this state and its inhabitants, shall be liberally
935 construed to effect its purposes.

936 36-93-37.

937 If the authority has not issued any bonds for infrastructure pursuant to agreements with any
938 participating local governments within three years of the effective date of this article, this
939 article shall stand repealed in its entirety."

940 **SECTION 2.**

941 Said title is further amended by revising paragraph (6) of Code Section 36-82-250, relating
942 to definitions regarding interest rate management agreements, as follows:

943 "(6) 'Local governmental entity' means any governmental body as defined in
944 paragraph (2) of Code Section 36-82-61, as amended; provided, however, that such term
945 shall only include authorities which are local public authorities included in the definition
946 thereof set forth in subparagraphs (C) and (D) of paragraph (2) of Code Section 36-82-61,
947 as amended. Such term includes the Georgia Municipal and Local Government
948 Infrastructure Finance Authority created by Article 1 of Chapter 93 of this title and the
949 Georgia County and Local Government Infrastructure Finance Authority created by
950 Article 2 of Chapter 93 of this title."

951 **SECTION 3.**

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

954 **SECTION 4.**

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