

A BILL TO BE ENTITLED

AN ACT

To amend Title 50 of the Official Code of Georgia annotated, relating to state government, so as to enact a new Chapter 38 of such title relating to transit authorities; to provide for the creation of metropolitan transit authorities and regional transit authorities; to provide for legislative findings and declaration of policy; to provide for definitions; to provide for the governance, powers and duties of such authorities; to provide for the responsibilities of such authorities with respect to certain new transportation projects; to provide for transit system plans; to provide for annual budgets and capital system plans of such authorities; to provide for consolidation and coordination of functions of certain transit agencies; to provide for studies of transit innovation; to provide for a Citizens Transit Advisory Committees; to provide for the issuance of bonds and other evidences of indebtedness by such authorities; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Title 50 of the Official code of Georgia annotated, relating to state government, is amended by adding at the end thereof a new Chapter 38 to read as follows:

“Chapter 38.

Transit Authorities.

50-38-1

This Act shall be known and may be cited as the  
“\_\_\_\_\_”

50-38-2

The General Assembly of Georgia recognizes that providing mass transit is an essential public purpose that enhances public health, safety and welfare. Mass transit improves the mobility of the public and provides access to jobs, commercial facilities, schools, medical institutions, and cultural attractions, while decreasing air pollution and other environmental hazards and promoting physical well-being. Mass transit is essential to economic well-being, congestion mitigation,

environmental preservation, maintenance of full employment, conservation of energy and land use optimization.

The intent of this Act is to acknowledge the significant responsibilities of the state and local governments in addressing multi-jurisdictional transit needs by establishing additional tools to plan, finance, construct, operate, maintain and manage mass transit systems of regional importance and related infrastructure to include, but not limited to, demand-response transit services, vanpool programs, rideshare programs, regional bus services, bus rapid transit services, commuter bus services, heavy rail services, light rail services, commuter rail services, park-and-ride lots, transit-oriented developments and any additional supporting facilities, services and developments necessary to support and sustain a coordinated and comprehensive regional mass transit systems.

50-38-3

As used in this chapter:

(1) "Authority" means the metropolitan transit authorities and regional transit authorities created pursuant to Code Section 50-38-4;

(2) "Board" means the Board of Directors of an authority;

(3) "Project" means the acquisition, construction, installation, modification, renovation, repair, extension, renewal, replacement, or rehabilitation of land, interest in land, buildings, structures, facilities, roads, streets, bridges, sidewalks or other improvements and the acquisition, installation, modification, renovation, repair, extension, renewal, replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, vehicles, rolling stock, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, all for the essential public purpose of providing facilities and services to meet land public transportation needs and to aid in the accomplishment of the purposes of an authority, but not including roads, streets, highways or bridges or toll highways or toll bridges for general public use;

(4) "Transportation Agency" means any body politic, municipal corporation, public authority or unit of local or state government which provides public transportation in whole or in part within an authority area;

(5) "Transit-supporting county" means any county within the metropolitan transit authority in which federally eligible service is funded using local or sales and use tax funds;

(6) "Transit" means the publicly accessible land-based transportation of passengers and their incidental baggage by any means other than vehicles for hire; and

(7) "Revenue bond," "bonds," or "bond" means any bonds, notes, interim certificates, reimbursement anticipation notes, or other evidences of indebtedness of the authority, including without limitation obligations issued to refund any of the foregoing."

(8) "Transit contract" means an agreement between a public corporation or authority and a local government, the primary purpose of which is a commitment to provide a mass transportation service.

50-38-4

(a) There are created within this state metropolitan transit authorities whose jurisdiction shall encompass and be coterminous with the geographical area on January 1, 2011 of each metropolitan area planning and development commission activated pursuant to Article 4 of Chapter 8 of this title. Any county sharing a common geographical border with any county that was within the geographical area of such an authority on the date of its creation may join such authority pursuant to procedures specified by the board of such authority.

(b) Regional transit authorities not encompassing any part of a metropolitan transit authority may be created:

(1) By agreement of two or more contiguous counties; or

(2) In a single county, by resolution of the governing authority of such county with concurrence by resolution of the governing authorities of qualified municipalities representing more than fifty percent of the municipal population of such county according to the 2010 United States Decennial Census or any future such census. A county shall be wholly within one regional transit authority or metropolitan transit authority, and no county shall be divided among more than one authority. The boundaries of regional transit authorities shall be otherwise as determined by the constituent counties, and may include, without limitation, all counties in a

region created pursuant to Article 2 of Chapter 8 of this title, and the jurisdiction of such regional transit authority shall encompass and be coterminous with the geographical area of its constituent counties.

(c) Each authority shall be a body corporate and politic, which shall be deemed an instrumentality of the State of Georgia and a public corporation thereof, for purposes of managing or causing to be managed public transit projects and transportation agencies within certain areas of this state; and by the name, style, and title chosen by the board of directors thereof such body may contract and be contracted with and bring and defend actions in all courts of this state. No authority shall transact any business or exercise any powers under this chapter, other than organization of the board of directors as provided for by Code Section 50-38-5, until the board of directors thereof shall, by proper resolution, declare that there is a need for the authority to function, thereby activating the authority.

(d) The management of the business and affairs of an authority shall be vested in a board of directors, subject to the provisions of this chapter and to the provisions of bylaws adopted by the board as authorized by this chapter. The board shall make bylaws governing its own operation and shall have the power to make bylaws, rules, and regulations for the government of the authority and the operation, management, and maintenance of such projects as the board may determine appropriate to undertake from time to time.

(e) Actions of the board shall require a majority vote of a quorum of the board, such quorum being set by the authority's bylaws. The vote of a majority of the members of the board present at the time of the vote, if a quorum is present at such time, shall be the act of the board unless the vote of a greater number is required by law or by the bylaws of the board.

(f) No vacancy on an authority shall impair the right of a quorum of the appointed members to exercise all rights and perform all duties of the authority. Each authority shall have perpetual existence. Any change in the name or composition of an authority shall in no way affect the vested rights of any person under this chapter or impair the obligations of any contracts existing under this chapter.

(g) Local jurisdictions shall pay dues for membership in their respective authorities. Such dues may be paid by member jurisdictions, or, at the election of a transit authority, by such transit authority on behalf of a member jurisdiction, in the form of financial instruments or in-kind services, at the discretion of the authority created pursuant to this Title, equal to the monetary value of the assessed dues.

Such dues for jurisdictions levying and collecting the sales tax throughout their entire jurisdiction for a transit authority as authorized by Ga. L. 1965, p. 2243 shall be paid by that transit authority in the form of financial instruments or in-kind services equal to the monetary value of the assessed dues. The structure for dues payment shall be set in the bylaws of the authorities. The amount of dues to be paid shall be sufficient to cover the administrative costs of the authorities and shall be set at the time the authorities adopt an annual budget pursuant to Code Section 50-38-11.

(h) Use and disposition of funds received by any public corporation or authority pursuant to a transit contract, or from any other source, shall be first, for the purposes and in the manner required by any trust indenture or other agreement for the benefit of bondholders, including the payment of the principal of or premium or interest upon bonds or certificates issued by such public corporation or authority or to create a reserve for that purpose, and thereafter shall be governed solely by the terms of such contract.

(i) All transportation agencies or transportation planning agencies in the authority area shall furnish to the authority such information pertaining to public transportation or relevant for plans therefor as it may from time to time require. The executive director, or his or her designee, shall, for the purpose of securing any such information necessary or appropriate to carry out any of the powers and responsibilities of the authority under this chapter, have access to, and the right to examine, all books, documents, papers or records of any transportation agency receiving funds from or through the authority, and such transportation agency shall comply with any such request by the executive director, or his or her designee, within 30 days or such extended time as may be provided for by the executive director.

50-38-5

(a) The board of a regional authority shall include the chief executive officer or chairman of the governing authority of each county within the jurisdiction of the authority, one mayor from each county within the jurisdiction of the authority, one member to be appointed from the residents within the jurisdiction of the authority by the Governor, one member to be appointed from the residents within the jurisdiction of the authority by the Lieutenant Governor, one member to be appointed from the residents within the jurisdiction of the authority by the Speaker

of the House of Representatives, and the chairman of the State Transportation Board or his or her designee, which designee, if any, shall serve a term coterminous with the term of the chairman by whom he or she is designated.

(b) The board of a metropolitan transit authority shall include the chief executive officer or chairman of the governing authority of each transit-supporting county within the jurisdiction of the authority, a mayor of a municipality located wholly or partly within each transit-supporting county other than the mayor of the most populous city within the jurisdiction of the authority selected by a caucus of all mayors representing cities within the transit-supporting county, the mayor of the most populous city within the jurisdiction of the authority, one member to be appointed from the residents within the jurisdiction of the authority by the Governor, one member to be appointed from the residents within the jurisdiction of the authority by the Lieutenant Governor, one member to be appointed from the residents within the jurisdiction of the authority by the Speaker of the House of Representatives, one non-voting member to be appointed by the board of directors of the largest metropolitan area planning and development commission encompassing all or part of the geographical area of the authority from among the officers, employees or members of the board of directors of such commission, one non-voting member to be appointed by the board of directors of the Georgia Regional Transportation Authority from among the officers, employees or members of the board of directors thereof, one non-voting member to be appointed by the board of directors of the Metropolitan Atlanta Rapid Transit Authority from among the officers, employees or members of the board of directors thereof, and one non-voting member to be appointed by the State Transportation Board from among the officers or employees of the Department of Transportation or the members of the State Transportation Board. The board of a metropolitan transit authority may establish through bylaws an executive committee and such procedures and rules for its operation as it deems necessary and convenient. The executive committee may be empowered to perform as the administrative body of the board and may be empowered by the board to act in its stead. The board of a metropolitan transit authority shall be required to meet at least bi-annually. The following shall require a majority vote of a quorum of the board:

- (1) adoption and amendment of the bylaws
- (2) issuance of long-term financial instruments including, but not limited to, notes, bonds, and swaps
- (3) approval of contracts in excess of ten million dollars
- (4) adoption of annual budget

- (5) adoption of all multi-year financial plans
- (6) approval of any collective bargaining agreement
- (7) adoption of any long-term plan
- (8) approval of any multi-year contracting commitment
- (9) appointment of the executive director and the terms and conditions of the executive director's employment

(c) Additional members of the board of any authority may be added under such terms and conditions as provided for in the bylaws thereof, subject to the provisions of this Code section.

(d) All members of the board shall serve until the qualification of a successor. No person holding any other office of profit or trust under the state shall be appointed to membership except as provided in this Code section. The chair of the board shall be selected by majority vote of the members of the board.

(e) All successors shall be appointed in the same manner as original appointments. Vacancies in office shall be filled within 90 days in the same manner as original appointments. A person appointed to fill a vacancy shall serve for the unexpired term. No vacancy on the board shall impair the right of the quorum of the remaining members then in office to exercise all rights and perform all duties of the board.

(f) The members of the board shall be entitled to and shall be reimbursed for their actual travel expenses necessarily incurred in the performance of their duties and, for each day actually spent in the performance of their duties, members of the board not employed by the state or a local government or any subdivision, agency, authority or instrumentality thereof shall receive the same per diem as do members of the General Assembly.

(g) The members of an authority shall be subject to the applicable provisions of Chapter 10 of Title 45, including without limitation Code Sections 45-10-3 through 45-10-5. Members of an authority shall be public officers who are members of a state board for purposes of the financial disclosure requirements of Article 3 of Chapter 5 of Title 21. The members of an authority shall be accountable in all respects as trustees. Each authority shall keep suitable books and records of all actions and transactions and shall submit such books together with a statement of the authority's financial position to the state auditor on or about the close of the state's fiscal year. The books and records shall be inspected and audited at least once in each year.

(h) Meetings of a board , regular or special, shall be held at the time and place fixed by or under the bylaws, with no less than five days' public notice for regular meetings as prescribed in the bylaws, and such notice as the bylaws may prescribe for special meetings. Each member shall be given written notice of all meetings as prescribed in the bylaws. Meetings of a board may be called by the chairperson or by such other person or persons as the bylaws may authorize. All meetings of a board shall be subject to the provisions of Chapter 14 of this title.

(i) Each authority is assigned to the Department of Community Affairs for administrative purposes only.

50-38-6

(a) Until such time as the board of directors of a metropolitan transit authority meets for the first time, the chair of the county commission of the most populous county within the jurisdiction of the authority shall as act as the interim chair of the authority's board. At the first meeting of the board, a chair shall be elected by simple majority vote of those board members present.

(b) Within 30 days of the enactment of this law, the interim board chair will issue notification to all county commission chairs and mayors within the jurisdiction of the authority as well as the governor, lieutenant governor, and speaker of the house of the date of the first meeting of the authority. This first meeting of the authority shall occur within 90 days of the enactment of this law. Should the interim chair fail to meet this requirement, two or more members of the board may call the first meeting of the authority.

(c) The board of a metropolitan transit authority shall, within 90 days of the first meeting of the authority, establish a set of bylaws that govern the operation of the authority. The bylaws shall at a minimum establish board voting protocols that rely on existing regional policy and use population and local financial contributions to the regional transit system as factors. The adoption of the initial set of bylaws will require a two-thirds vote of the board members present.

50-38-7

(a) Each authority shall have the following general powers:

(1) To sue and be sued in all courts of this state, the original jurisdiction and venue of any such action being the superior court of any county wherein a substantial part of the business was transacted, the tortious act, omission, or injury occurred, or the real property is located;

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

(3) To plan, design, acquire, construct, add to, extend, improve, equip, operate, and maintain or cause to be operated and maintained projects and all facilities and appurtenances necessary or beneficial thereto, within or servicing the geographic area over which the authority has jurisdiction, and to enter into contracts and agreements with any federal, state, regional, or local government agency, department, or instrumentality, or with any private person, firm, or corporation, for those purposes;

(4) To make and execute contracts, lease agreements, and all other instruments necessary or convenient to exercise the powers of the authority or to further the public purpose for which the authority is created, such contracts, leases, or instruments to include contracts for acquisition, construction, operation, management, or maintenance of projects and facilities owned by local government, the authority, a transportation agency, or by the state or any political subdivision, department, agency, or authority thereof, and to include contracts relating to the execution of the powers of the authority and the disposal of the property of the authority from time to time; and any and all transportation agencies, local governments, departments, institutions, authorities, or agencies of the state are authorized to enter into contracts, leases, agreements, or other instruments with the authority upon such terms and to transfer real and personal property to the authority for such consideration and for such purposes as they deem advisable;

(5) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real or personal property of every kind and character, or any interest therein, in furtherance of the public purpose of the authority, in compliance, where required, with applicable federal law including without limitation the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. Section 4601, et seq., 23 C.F.R. Section 1.23, and 23 C.F.R. Section 713(c);

(6) To appoint an executive director who shall be executive officer and administrative head of the authority. The executive director shall be appointed and

serve at the pleasure of the authority. The executive director shall hire officers, agents, and employees, prescribe their duties and qualifications and fix their compensation, and perform such other duties as may be prescribed by the authority. Such officers, agents, and employees shall serve at the pleasure of the executive director;

(7) To acquire or contract to acquire from any person, firm, corporation, local government, federal or state agency, transportation agency or corporation by grant, purchase, or otherwise, leaseholds, real or personal property, or any interest therein; and to sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber the same; and every transportation agency and local government is authorized to grant, sell, or otherwise alienate leaseholds, real and personal property, or any interest therein to the authority;

(8) To provide advisory, technical, consultative, training, educational, and project assistance services to the state, local governments, and transportation agencies and to enter into contracts with such entities to provide such services, which are authorized to enter into contracts with the authority for such services and to pay for such services as may be provided them;

(9) To apply for and to accept any gifts or grants or loan guarantees or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality thereof, or from the state or any agency or instrumentality thereof, or from any other source for any or all of the purposes specified in this chapter and to comply, subject to the provisions of this chapter, with the terms and conditions thereof;

(10) To lease to local governments and transportation agencies any authority owned facilities or property or any state owned facilities or property which the authority is managing under contract with the state;

(11) To contract with state agencies or any local government or transportation agency for the use by the authority of any property or facilities or services of the state or any such state agency or local government or for the use by any state agency, local government or transportation agency of any facilities or services of the authority and such entities are authorized to enter into such contracts;

(12) To cooperate and act in conjunction with industrial, commercial, medical, scientific, public interest, or educational organizations; with agencies of the federal government and this state and local government; with other states and their political subdivisions; and with joint agencies thereof and such state agencies, local government, and joint agencies are authorized and empowered to cooperate and act in conjunction, and to enter into contracts or agreements with the authority and local government to achieve or further the purposes of the authority;

(13) To coordinate and assist in planning for projects within the geographic area over which the authority has jurisdiction pursuant to this chapter, between and among all federal, state, regional, and local authorities and transportation agencies charged with planning responsibilities for such purposes by state or federal law, and to adopt a regional transit plan or plans based in whole or in part on such planning;

(14) To the extent permissible under federal law, to operate as a receiver of federal and state grants, loans, and other moneys intended to be used for projects within the geographic area over which the authority has jurisdiction;

(15) To exercise any power granted by the laws of this state to public or private corporations which is not in conflict with the public purpose of the authority;

(16) To do all things necessary or convenient to carry out the powers conferred by this chapter;

(17) To procure insurance against any loss in connection with its property and other assets or obligations or to establish cash reserves to enable it to act as self-insurer against any and all such losses;

(18) To accept and use federal funds; to enter into any contracts or agreements with the United States or its agencies or subdivisions relating to the planning, financing, construction, improvement, operation, and maintenance of any project; and to do all things necessary, proper, or expedient to achieve compliance with the provisions and requirements of all applicable federal-aid acts and programs. Nothing in this chapter is intended to conflict with any federal law; and, in case of such conflict, such portion as may be in conflict with such federal law is declared of no effect to the extent of the conflict;

(19) To fund, in whole or in part, with State or federal-aid funds only those projects included in approved transportation improvement programs adopted and approved by designated metropolitan planning organizations and the Governor and in the land transportation plan adopted and approved by the designated metropolitan planning organization, if such project lies within the jurisdiction of a metropolitan planning organization and is in compliance with the requirements of relevant portions of the regulations implementing the Clean Air Act including without limitation 40 C.F.R. Section 93.105(c)(1)(ii) and 40 C.F.R. Section 93.122(a)(1), where such inclusion, approval, designation, or compliance is required by applicable federal law or regulation;

(20) To appoint and select officers, agents, and employees, including engineering, architectural, and construction experts and attorneys, and to fix their compensation; and

(21) To contract with any public authority, including without limitation any authority created pursuant to the provisions of this chapter, created for the acquisition, establishment, operation and administration of a system for public transportation of passengers for hire on behalf of any county, municipality, or any combination thereof to provide public transportation services and facilities by contract for, to or within any county, municipality, or combination thereof pursuant to the provisions of section (9) of subparagraph (a) of Paragraph III of Section II of Article IX of the Constitution of the State of Georgia, subject to the provisions of subparagraph (b) of said Paragraph; and all such counties, municipalities, and combinations thereof are authorized to contract with any transit authority for such facilities and public transportation services.

(22) In its discretion to contract for or to provide and maintain, with respect to the facilities and property owned, leased, operated or under its control a security force to protect persons and property, disperse unlawful or dangerous assemblages and assemblages which obstruct full and free passage, control pedestrian and vehicular traffic, and otherwise preserve and protect the public peace, health and safety. Any transit authority that currently has a security force is authorized to contract with an authority to provide a security force for the entire authority jurisdiction. For these purposes a member of such force shall be a peace officer and, as such, shall have authority and immunities equivalent to those of a peace officer of the municipality or county in which that person is discharging the duties of a member of such force. The authority, and, if such security force is provided contractually, the transit authority providing the security force, shall enjoy governmental immunity for all

actions resulting from the lawful exercise of such police power. The chief of police or chief executive officer of such force shall be authorized to administer an oath of office to any individual employed by the authority as a member of such force who has met the requirements for certification as a peace officer under the laws of this state.

50-38-8

(a) In order to accomplish the purposes of this chapter, the responsibility for planning, operating, and funding new public transit projects in an authority area shall be allocated as described in this Code section.

(b) The authority shall not have the power to direct or manage the operations of a transportation agency, or to acquire assets of a transportation agency except with the consent of such agency. However, the authority shall be the primary public entity which participates in the continuing, cooperative and comprehensive transportation planning process in accordance with 23 U.S.C. 134 and 135 and 49 U.S.C. 5303 and 5304. The authority, to the extent that all Federal law requirements for the receipt of federal transportation funds are met, shall, at the discretion of the authority, be the recipient of such funds. For new projects, each transportation agency participating in such project shall participate as an agent of the authority for all purposes involving funding provided by or through the authority. Ownership of a share of any such project proportional to such funding shall be retained by the authority unless transferred by agreement with one or more such transportation agency, but such project shall be operated by the authority through the agency of such transportation agency or agencies, which shall have the power to direct or manage such project.

(c) All funds appropriated or otherwise provided for purposes of financing in whole or in part any new project by the state, any of its agencies or instrumentalities, or pursuant to provisions of general law, including funds provided to or accessible to any metropolitan planning organization for such purposes and any multi-jurisdictional revenues provided through special districts or otherwise, shall be provided through an authority, where such an authority exists, to the transportation agencies designated as the recipients of such funds as agents of the authority and in such manner and for such purposes as deemed appropriate by the authority in its sole discretion, notwithstanding any other provision of law.

50-38-9

(a) Each authority shall adopt a public transit system plan designed to implement the public policy of the state to provide adequate, efficient, and coordinated public transportation throughout its authority area. Such plan shall identify goals and objectives with respect to:

(i) increasing ridership and passenger miles on public transportation funded by the authority;

(ii) coordination of public transportation services and the investment in public transportation facilities to enhance the integration of public transportation throughout the authority area;

(iii) coordination of fare and transfer policies to promote transfers by riders among transportation agencies and public transportation modes, which may include goals and objectives for development of a universal fare instrument that riders may use interchangeably on all projects funded by or through the authority, and methods to be used to allocate revenues from transfers;

(iv) improvements in public transportation facilities to bring those facilities into a state of good repair, including proposing enhancements to attract ridership and improve customer service, and expansions needed to serve areas with sufficient demand for public transportation;

(v) access for transit-dependent populations, including access by low-income communities to places of employment, and giving consideration to the location of employment centers in each county and the availability of public transportation at off-peak hours and on weekends;

(vi) the financial viability of the public transportation system in the authority area, including both operating and capital programs;

(vii) enhancing transit options to improve mobility; and

(viii) such other goals and objectives that advance the policy of the state to provide adequate, efficient, and coordinated public transportation in the authority area.

The authority shall take action to ensure the citizens in the region are adequately informed about and are able to provide comments on the proposed plan. The executive director of the authority shall review the plan on an ongoing basis and make recommendations to the board with respect to any update or amendment of the plan. The plan shall describe the specific actions to be taken by the authority

and the transportation agencies to provide adequate, efficient, and coordinated public transportation.

(b) The public transit system plan shall establish the process and criteria by which proposals for projects by transportation agencies will be evaluated by the authority for inclusion in the five-year capital program, which may include criteria for:

- (i) allocating funds among maintenance, enhancement, and expansion improvements;
- (ii) projects intended to improve or enhance ridership or customer service;
- (iii) design and location of station or transit improvements intended to promote transfers and increase ridership;
- (iv) assessing the impact of projects on the ability to operate and maintain the existing transit system; and
- (v) other criteria that advance the goals and objectives of the strategic plan.

(c) The public transit system plan shall establish performance standards and measurements regarding the adequacy, efficiency, and coordination of public transportation services in the region and the implementation of the goals and objectives in the plan. At a minimum, such standards and measures shall include customer-related performance data measured by line, route, or sub-region, as determined solely by the authority, on the following:

- (i) travel times and on-time performance;
- (ii) ridership data;
- (iii) equipment failure rates;
- (iv) employee and customer safety; and
- (v) customer satisfaction.

Transportation agencies that receive funding from or through an authority shall prepare, publish, and submit to the authority such reports with regard to these standards and measurements in the frequency and form required by the authority; however, the frequency of such reporting shall be no less than annual. The authority shall compile and publish such reports in a publicly-accessible manner.

(d) The public transit system plan shall identify innovations to improve the delivery of public transportation and the construction of public transportation facilities.

(e) The public transit system plan shall describe the expected financial condition of public transportation in the authority area prospectively over three successive 10-year periods.

(f) In developing the public transit system plan, an authority shall rely on such demographic and other data, forecasts, and assumptions developed by the metropolitan planning organization or regional commission for its authority area with respect to the patterns of population density and growth, projected commercial and residential development, and environmental factors within its authority area and in areas outside its authority area that may impact public transportation utilization in its authority area.

(g) An authority may adopt sub-regional or corridor plans for specific geographic areas of the authority area in order to improve the adequacy, efficiency, and coordination of existing, or the delivery of new, public transportation. Such plans may also address areas outside the authority area that may impact public transportation utilization in the authority area. In preparing a sub-regional or corridor plan, an authority may identify changes in operating practices or capital investment in the sub-region or corridor that could increase ridership, reduce costs, or improve coordination.

(h) If an authority determines that, with respect to any proposed new public transit service or facility, (i) multiple transportation agencies are potential service providers or (ii) the public transit facilities to be constructed or purchased constitute, in the judgment of the authority as provided for by rules or regulations promulgated thereby, a significant regional transit investment, the authority shall have sole responsibility for conducting any alternatives analysis and preliminary environmental assessment required by federal or state law.

50-38-10.

Each authority, after consultation with any metropolitan planning and development organization representing any part of its jurisdiction, the Georgia Department of Transportation, the transportation agencies within its jurisdiction, and the applicable regional commission shall annually adopt, after public notice and hearing, a five-year capital program that shall include each capital improvement proposed to be undertaken by or on behalf of a transportation agency within its

jurisdiction. In reviewing proposals for improvements to be included in a five-year capital program, the authority may give priority to improvements that are intended to bring public transportation facilities into a state of good repair. No transportation agency shall undertake any significant regional transportation investment funded in whole or in part by or through the authority that is not identified in such five-year capital program.

50-38-11

Each authority shall adopt an annual budget and five-year financial plan for the authority, containing a statement of the funds estimated to be on hand for the authority at the beginning of each fiscal year, the funds estimated to be received from all sources for such year, the estimated expenses and obligations of the authority, and the funds estimated to be on hand at the end of such year. The authority shall submit a copy of its annual budget and five-year financial plan to the General Assembly and the Governor after its adoption. Before the proposed annual budget and five-year financial plan is adopted, the authority shall hold at least one public hearing thereon in its jurisdiction, and shall meet with the county commission or its designee of each of the several counties in its jurisdiction.

50-38-12

An authority, at the request of two or more transportation agencies, may designate itself or a transportation agency to:

- (1) Serve as a centralized purchasing agent for the transportation agencies;
- (2) Perform other centralized services, including without limitation maintenance, repair, and fare collection;
- (3) Construct or acquire any public transportation facility or service for use by a transportation agency and may acquire any such facilities or services from any transportation agency; and
- (4) Develop locally or regionally coordinated and consolidated sales, marketing, advertising, and public information programs that promote the use and coordination of, and transfers among, public transportation services in the authority area.
- (5) Perform any other regionalized service necessary and proper to the good functioning of a regional transit system.

50-38-13

Each authority shall study public transportation problems and developments; encourage experimentation in developing new public transportation technology, financing methods, and management procedures; conduct, in cooperation with other public and private agencies, studies and demonstration and development projects to test and develop methods for improving public transit, for reducing its costs to users or for increasing public use; encourage and facilitate innovative public-private partnerships and opportunities for cost-effective and efficient private sector participation in delivering transit service to the authority's service area and conduct, sponsor, and participate in other studies and experiments, which may include fare demonstration programs, useful to achieving the purposes of this chapter.

50-38-14

There is established for each authority a Citizens Transit Advisory Committee, to be composed of riders of the metropolitan or regional transit system and appointed by the board in consultation with the executive director. The committee shall meet at least quarterly and shall advise the board of the impact of its policies and programs on the communities within the authority area. Members shall serve without compensation, except that members of the committee shall be entitled to reimbursement of reasonable transportation expenses necessarily incurred in the performance of their duties, to be paid from funds available to the authority.

50-38-15

(a) Each authority shall have the power to apply for, receive and expend grants, loans or other funds from the state or any department, agency or instrumentality thereof, from any unit of local government, from the federal government or any department or agency thereof, for use in connection with any of the powers or purposes of the authority. Each authority shall have power to make such studies as may be necessary and to enter into contracts or agreements with the state or any department, agency or instrumentality thereof, with any unit of local government, or with the federal government or any department or agency thereof, concerning such grants, loans or other funds, or any conditions relating thereto, including obligations to repay such funds, not inconsistent with the provisions of this chapter. An authority may make such covenants concerning such grants, loans and funds, not inconsistent with the provisions of this chapter, as it deems proper and necessary in carrying out its responsibilities, purposes and powers as provided in

this chapter.

(b) Each authority shall be the primary public body within its jurisdiction with authority to apply for and receive any grants, loans or other funds relating to projects from the state or any department, agency or instrumentality thereof, or from the federal government or any department or agency thereof. Any unit of local government or transportation agency may apply for and receive any such federal or state capital grants, loans or other funds, provided, however that the terms and conditions governing such grants, loans, or other funds, and the projects provided for thereby, shall be included in or, in the judgment of the authority for its authority area, consistent with the strategic plan and five-year capital program of the authority. Any unit of local government or transportation agency shall notify the authority for its authority area prior to making any such application and shall file a copy thereof with the authority. Nothing in this Code section shall be construed to impose any limitation on the ability of the state or any department, agency or instrumentality thereof, any unit of local government or transportation agency to make any grants or to enter into any agreement or contract with the National Rail Passenger Corporation with regard to intercity rail transportation.

(c) The authority shall have the power and is authorized, at one time or from time to time, to provide by resolution for the issuance of negotiable revenue bonds of the authority for the purpose of paying all or any part of the cost of a project, as defined in paragraph (3) of Code Section 50-38-3, of any one or a combination of projects. The principal and interest of such revenue bonds shall be payable from and may be secured by a pledge revenues of all or any part of the project financed in whole or in part with the proceeds of such issue or with the proceeds of bonds refunded or to be refunded by such issue or by a pledge of any other revenues of the authority that are legally available for such purpose. The bonds of each issue shall be dated, shall bear interest as provided for in Code Section 50-38-16(e), shall mature not later than 40 years from the date of issue, shall be payable in such media of payments as to both principal and interest as may be determined by the authority, and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority in the resolution providing for the issuance of the bonds.

(d) The authority may authorize by resolution the following: the obtaining of loans; the issuance and sale of notes; and the issuance and sale of bonds. The foregoing obligations may be offered at public or private sale in such manner and for such

interest rate and at such price as the authority may determine to be in the best interests of the authority and the state, provided that any offering is subject to the review and approval of the Georgia State Financing and Investment Commission pursuant to the provisions of Article 2 of Chapter 17 of Title 50.

(e) Bonds issued by the authority shall be authorized by resolution of the authority, be in such denominations, bear such date or dates, and mature at such time or times within 40 years from the issuance thereof as the authority determines to be appropriate. Such bonds shall be subject to such terms of redemption, bear interest at such rate or rates payable at such times, be in registered form or book-entry form through a securities depository, or both, as to principal or interest or both principal and interest, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms and conditions as such resolution of the authority may provide; provided, however, in lieu of specifying the rate or rates of interest which the bonds to be issued by an authority are to bear, the resolution of the authority may provide that the bonds when issued will bear interest at a rate not exceeding a maximum per annum rate of interest which may be fixed or may fluctuate or otherwise change from time to time as specified in the resolution or may state that, in the event the bonds are to bear different rates of interest for different maturity dates, none of such rates will exceed the maximum rate, which rate may be fixed or may fluctuate or otherwise change from time to time, as specified. Bonds may be sold at public or private sale for such price or prices as the authority shall determine.

(f) All bonds issued by the authority shall be executed in the name of the authority by the chair of the authority and shall be sealed with the official seal of the authority or a facsimile thereof. The facsimile signatures of the chair of the authority may be imprinted thereon in lieu of the manual signatures if the authority so directs in the resolution authorizing such bonds or otherwise. In case any officer whose manual or facsimile signature shall appear on any bonds shall cease to be such officer before the delivery of such bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery.

(g) All revenue bonds issued under this article shall have and are declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. Such bonds, their transfer, and the income therefrom shall be exempt from all taxation in this state.

(h) The proceeds of the bonds shall be used solely under such restrictions, if any, as the resolution authorizing the issuance of the bonds or the trust indenture may provide. If the proceeds of such bonds, by error of calculation or otherwise, shall be less than the cost of the project or combined projects, unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, additional bonds may in like manner be issued to provide the amount of such deficit, which bonds, unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued for the same purpose. If the proceeds of the bonds of any issue shall exceed the amount required for the purpose for which such bonds are issued, all surplus shall be paid into the sinking fund provided for the payment of principal and interest of such bonds.

(i) Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts, interim certificates, or temporary bonds, with or without coupons exchangeable for definitive bonds upon the issuance of the latter.

(j) The authority may also provide for the replacement of any bond which becomes mutilated or which is destroyed or lost.

(k) Resolutions for the issuance of revenue bonds may be adopted without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, and things which are specified or required by this article. In the discretion of the authority, revenue bonds of a single issue may be issued for the purpose of paying the cost of any one or more, including a combination of, projects at any one location or any number of locations. Any resolution providing for the issuance of revenue bonds under this article shall become effective immediately upon its passage and need not be published or posted; and any such resolution may be passed at any regular or special or adjourned meeting of the authority by a majority of its members.

(l) Revenue bonds issued under this article shall not be deemed to constitute a debt of the State of Georgia or a pledge of the faith and credit of the state, but such bonds shall be payable from the revenues and funds of the authority as provided for in the resolutions or trust indentures authorizing or securing such bond issues; and the issuance of such revenue bonds shall not directly, indirectly, or contingently obligate the state to levy or to pledge any form of taxation whatsoever therefor or to make any appropriation for the payment thereof; and all such bonds

shall contain recitals on their face covering substantially the foregoing provisions of this Code section.

(m)(1) In the discretion of the authority, any issue of such revenue bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company, inside or outside of the state. Such trust indenture may pledge or assign any revenues and earnings to be received by the authority.

(2) Either the resolution providing for the issuance of revenue bonds or such trust indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholder, including the right of the appointment of a receiver upon default in the payment of any principal or interest obligation and the right of any receiver or indenture trustee to enforce collection of revenues or other charges for the use of the project or projects, necessary to pay all costs of operation, all reserves provided for, the principal and interest on all bonds in the given issue, all cost of collection, and all other costs reasonably necessary to accomplish the collection of such sums, in the event of any default by the authority.

(3) Such resolution or trust indenture may include covenants setting forth the duties of the authority in relation to the acquisition of property; the construction of the project; the custody, safeguarding, and application of all moneys; and the operation and maintenance of the project or projects; and may also provide that any project shall be constructed and paid for under the supervision of engineers or others satisfactory to the original purchasers of the bonds issued for such project or projects. Such resolution or trust indenture may also require that the security given by contractors and by any depository of the proceeds of the bonds or revenues or other moneys be satisfactory to such purchasers and may also contain provisions concerning the conditions, if any, upon which additional revenue bonds may be issued.

(4) It shall be lawful for any bank or trust company incorporated under the laws of this state to act as such depository and to furnish such indemnifying bonds or pledge such securities as may be required by the authority. Such indenture may set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations.

(5) In addition to the foregoing, such trust indenture may contain such other provisions as the authority may deem reasonable and proper for the security of the

bondholders. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation, and repair of the project affected by such indenture.

(n) The authority shall, in the resolution providing for issuance of revenue bonds or in the trust indenture, provide for the payment of the proceeds of the sale of the bonds to any officer or person who or any agency, bank, or trust company which shall act as trustee of such funds and shall hold and apply such funds as provided in this article, subject to such regulations as this article and such resolution or trust indenture may provide.

(o)(1) The revenues and earnings derived from any particular project or projects and all or any part of the revenues and earnings received by the authority, regardless of whether or not such earnings and revenues were produced by a particular project for which bonds have been issued, unless otherwise pledged or allocated, may be pledged by the authority to the payment of the principal and interest obligations of any revenue bond issues of the authority. All funds so pledged, from whatever source received, which may include funds received from one or more of all sources of the authority's income, shall be set aside at regular intervals, as may be provided in the resolutions or trust indentures, into sinking funds which shall be pledged to and charged with the payment of (i) the interest upon such revenue bonds as such interest shall fall due, (ii) the principal of the bonds as the same shall mature, (iii) the necessary charges of paying agents for paying principal and interest, and (iv) any premium required upon bonds retired by call or purchase as may be provided in the resolutions or trust indentures.

(2) The use and disposition of such sinking funds shall be subject to such regulations as may be provided in the resolutions authorizing the issuance of the revenue bonds or in the trust indentures; but, except as may otherwise be provided in such resolutions or trust indentures, such sinking funds, individually, shall be funds for the benefit of all revenue bonds of the given issue for which they are created without distinction or priority of one over another.

(p) Any holders of revenue bonds issued under this article or any of the coupons appertaining thereto, any duly appointed receiver of such bonds or coupons, and any indenture trustee for bondholders, except to the extent the rights given in this Code section may be restricted by resolution passed before the issuance of the bonds or by the trust indenture, may, either at law or in equity, by action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of Georgia or granted in this Code section or under such resolution or trust

indentures and may enforce and compel performance of all duties required by this article or by such resolution or trust indenture to be performed by the authority or any officer thereof, including the fixing, charging, and collection of revenues, tolls, and other charges for the use of the project or projects. No holder of any such bond or receiver or indenture trustee thereof shall have the right to compel any exercise of the taxing power of the state to pay any such bond or the interest thereon or to enforce the payment thereof against any property of the state; nor shall any such bond constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the state.

(q) The authority is authorized, subject to any prior resolution or trust indenture, to provide by resolution for the issuance of revenue refunding bonds of the authority for the purpose of refunding any revenue bonds issued under this article and then outstanding, together with accrued interest thereon. The issuance of such revenue refunding bonds, the maturities and all other details thereof, the rights of the holders thereof, and the duties of the authority in respect to the same shall be governed by this article insofar as the same may be applicable.

(r) The bonds authorized in this article are deemed securities in which (1) all public officers and bodies of this state and all municipalities and all municipal subdivisions, (2) all insurance companies and associations and other persons carrying on an insurance business, (3) all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, (4) all administrators, guardians, executors, trustees, and other fiduciaries, and (5) all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state may properly and legally invest funds, including capital in their control or belonging to them. The bonds are also deemed securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of the bonds or other obligations of this state is now or may hereafter be authorized.

(s) While any of the bonds issued by the authority remain outstanding, the powers, duties, or existence of the authority or of its officers, employees, or agents shall not be diminished or impaired in any manner that will affect adversely the interests and rights of the holders of such bonds.

(t) Bonds of the authority shall be confirmed and validated in accordance with Article 3 of Chapter 82 of Title 36, the "Revenue Bond Law." The bonds, when

validated, and the judgment of validation shall be final and conclusive with respect to such bonds and against the authority issuing the same.

50-38-16

It is found, determined, and declared that the creation of each authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the state and that each authority is an institution of purely public charity and will be performing an essential governmental function in the exercise of the power conferred upon it by this chapter. For such reasons the state covenants with the owners from time to time of the bonds, notes, and other obligations issued under this chapter that no authority shall be required to pay any taxes or assessments imposed by the state or any of its counties, municipal corporations, political subdivisions, or taxing districts upon any property acquired by the authority or under its jurisdiction, control, possession, or supervision or leased by it to others, or upon its activities in the operation or maintenance of any such property or on any income derived by the authority in the form of fees, recording fees, rentals, charges, purchase price, installments, or otherwise, and that the bonds, notes, and other obligations of the authority, their transfer, and the income therefrom shall at all times be exempt from taxation within the state. The tax exemption provided in this chapter shall include an exemption from sales and use tax on property purchased by an authority or for use by the authority. Any public authority that provides transit services shall be exempted from the motor fuel tax.

## **SECTION 2.**

If any provision, section, subsection, sentence, clause or phrase of this Act is found by a court of competent jurisdiction to be invalid or unconstitutional, the remaining provisions, sections, subsections, sentences, clauses and phrases of this Act shall remain valid, unless the court determines that the valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

## **SECTION 3.**

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

**SECTION 4.**

All laws and parts of laws in conflict with this act are hereby repealed.

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