House Bill 602 (AS PASSED HOUSE AND SENATE)
By: Representatives Dempsey of the 13th, Lumsden of the 12th, and Scoggins of the 14th

A BILL TO BE ENTITLED
AN ACT

To create the Rome Building Authority; to provide for a short title; to provide for members of the authority; to provide for definitions; to confer powers upon the authority; to authorize the issuance of revenue bonds; to provide for the form, denomination, registration, and place of payment; to provide for negotiable bonds and exemption from taxation; to provide for the sale, price, and proceeds of revenue bonds; to provide for interim receipts and certificates or temporary bonds; to provide for replacement of lost or mutilated bonds; to provide for conditions precedent to issuance of revenue bonds; to authorize the execution of resolutions; to provide for credit not pledged; to provide for a trust indenture as a security; to provide for whom the proceeds of the bonds shall be paid; to provide for a sinking fund; to provide for remedies of bondholders; to provide for validation of revenue bonds; to provide for venue and jurisdiction of actions relating to any provisions of this Act; to provide for the protection of bondholders' interest; to provide for trust funds; to provide for purpose; to provide for rates, charges, revenues, and use; to provide for rules, regulations, service policies, and procedures for the operation of projects; to provide for tort immunity; to provide for tax-exempt status; to provide for effect on other governments; to provide for liberal construction; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.
Short title.

This Act shall be known and may be cited as the "City of Rome Building Authority Act."
SECTION 2.

Rome Building Authority.

(a) There is hereby created a public body corporate and politic to be known as the "Rome Building Authority," which shall be deemed to be a political subdivision of the state and a public corporation, and by that name, style, and title said body may contract and be contracted with, sue and be sued, implead and be impleaded, and complain and defend in all courts of law and equity. Such corporation shall be separate and distinct from any public corporation heretofore created by the General Assembly and shall be an instrumentality of the State of Georgia exercising governmental powers.

(b) The authority shall consist of three members who shall be the mayor of the City of Rome, the city manager of the City of Rome, and the superintendent of the City of Rome School System. Immediately upon the passage and approval of this Act, the members of the authority shall enter upon their duties.

(c) The members of the authority shall elect one of their number as chairperson and shall elect a secretary and treasurer who need not necessarily be a member of the authority. If the secretary and treasurer is not a member of the authority, such officer shall have no voting rights. Each of such officers shall serve for a period of one year and until their successors are duly elected and qualified.

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

(e) The members of the authority shall not be entitled to compensation for their services but shall be entitled to and shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties.

(f) The authority shall make rules and regulations for its own governance. It shall have perpetual existence. Any change in the name or composition of the authority shall in no way affect the vested rights of any person under the provisions of this Act or impair the obligations of any contracts under this Act.

SECTION 3.

Definitions.

As used in this Act, the term:

(1) "Authority" means the Rome Building Authority created by this Act.

(2) "Costs of the project" means and embraces the cost of construction; the cost of all lands, properties, rights, easements, and franchises acquired; the cost of all machinery and
equipment; financing charges; interest prior to and during construction and for six months
after completion of construction; the cost of engineering, architectural, fiscal agents'
expenses, legal expenses, plans and specifications, and other expenses necessary or
incidental to determining the feasibility or practicability of the project; administrative
expenses and such other expenses as may be necessary or incident to the financing
authorized in this Act; working capital; and all other costs necessary to acquire, construct,
add to, extend, improve, equip, operate, and maintain the project.

(3) "Project" means:

(A) All buildings, facilities, and equipment necessary or convenient for the efficient
operation of the City of Rome, or any department, agency, division, or commission
thereof; or

(B) Any "undertaking" permitted by the "Revenue Bond Law."

(4) "Revenue Bond Law" means the Revenue Bond Law of the State of Georgia, codified
at Article 3 of Chapter 82 of Title 36 of the O. C. G. A., as amended, the "Revenue Bond
Law."

(5) "Revenue bonds" means revenue bonds authorized to be issued pursuant to the terms
of this Act and Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond
Law."

(6) "Self-liquidating" means any project from which the revenues and earnings to be
derived by the authority therefrom, including but not limited to any contractual payments
with governmental or private entities, and all properties used, leased, and sold in
connection therewith, together with any grants, will be sufficient to pay the costs of
operating, maintaining, and repairing the project and to pay the principal and interest on
the revenue bonds or other obligations which may be issued for the purpose of paying the
costs of the project.

(7) "State" means the State of Georgia.

SECTION 4.

Powers.

The authority shall have the power:

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

(2) To acquire by purchase, lease, gift, or otherwise and to hold, operate, maintain, lease,
and dispose of real and personal property of every kind and character for its corporate
purposes;

(3) To acquire in its own name by purchase, lease, gift, or otherwise on such terms and
conditions and in such manner as it may deem proper, real property and personal property
to use the same so long as its corporate existence shall continue, to lease or make contracts with respect to the use of the same, or to dispose of the same in any manner it deems to the best advantage of the authority. No property shall be acquired under the provisions of this Act upon which any lien or encumbrance exists, unless, at the time such property is so acquired, a sufficient sum of money is to be deposited in trust to pay and redeem the fair value of such lien or encumbrance. If the authority shall deem it expedient to construct any project on lands which are subject to the control of the City of Rome, the City of Rome is authorized to convey such lands to the authority for such consideration as may be agreed upon by the authority and the City of Rome, taking into consideration the public benefit to be derived from such conveyance;

(4) To exercise the powers conferred upon a public corporation or public authority by Article IX, Section III, Paragraph I of the Constitution of Georgia, such authority being hereby expressly declared to be a "public corporation" or "public authority" within the meaning of such provision of the Constitution of Georgia;

(5) To appoint, select, and employ officers, agents, and employees, including engineering, architectural, and construction experts, fiscal agents, and attorneys, and fix their respective compensations;

(6) To execute contracts, leases, agreements, and instruments necessary or convenient in connection with the acquisition, construction, addition, extension, improvement, equipping, operation, or maintenance of the project; and any and all persons, firms, corporations, and the City of Rome are authorized to enter into contracts, leases, agreements, or instruments with the authority upon such terms and for such purposes as they may deem advisable and as they are authorized to enter into by law;

(7) To acquire, construct, add to, extend, improve, equip, operate, and maintain a project;

(8) To pay the costs of the project with the proceeds of revenue bonds or other obligations issued by the authority or from any grant or contribution from the United States of America or any agency or instrumentality thereof or from the state or any agency or instrumentality or other political subdivision thereof or from any other source whatsoever;

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

(10) To accept loans or grants of money or materials or property of any kind from the state or any agency or instrumentality or political subdivision thereof upon such terms
and conditions as the state or such agency or instrumentality or political subdivision may require;

(11) To borrow money for any of its corporate purposes, to issue revenue bonds, and to provide for the payment of the same and for the rights of the holders thereof;

(12) To exercise any power usually possessed by private corporations performing similar functions, including the power to incur short-term debt and to approve, execute, and deliver appropriate evidence of any such indebtedness; and

(13) To do all things necessary or convenient to carry out the powers expressly given in this Act.

SECTION 5.

Revenue bonds.

The authority, or any authority or body which has or which may in the future succeed to the powers, duties, and liabilities vested in the authority created by this Act, shall have power and is authorized to provide by resolution for the issuance of revenue bonds of the authority for the purpose of paying all or any part of the costs of the project and for the purpose of refunding revenue bonds or other obligations previously issued. The principal of and interest on such revenue bonds shall be payable solely from the special fund provided for such payment. The revenue bonds of each issue shall be dated, shall bear interest at such rate or rates per annum payable at such time or times, shall mature at such time or times not exceeding 40 years from their date or dates, shall be payable in such medium of payment as to both principal and interest as may be determined by the authority, and may be 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 for the issuance of such revenue bonds. Revenue bonds shall be undertaken, issued, priced, validated, sold, paid, redeemed, refunded, secured, and replaced in accordance with provisions of the "Revenue Bond Law."

SECTION 6.

Form; denomination; registration; place of payment.

The authority shall determine the form of the revenue bonds and shall fix the denomination or denominations of the revenue bonds. The revenue bonds may be issued in coupon or registered form, or both, as the authority may determine, and provision may be made for registration and exchangeability privileges. The authority shall fix the place or places of
payment of principal and interest thereon, which may be at any bank or trust company within
or outside the state.

SECTION 7.
Signatures; seal.

All such revenue bonds shall bear the manual or facsimile signature of the authority's
chairperson and secretary and the official seal of the authority shall be impressed or
imprinted thereon. Any revenue bonds may bear the manual or facsimile signatures of such
persons as at the actual time of the execution of such revenue bonds or coupons shall be duly
authorized or hold the proper office, although at the date of issuance of such revenue bonds
such persons may not have been so authorized or shall not have held such office. In case any
officer whose signature shall appear on any revenue bond shall cease to be such officer
before the delivery of such revenue bond, such signature shall nevertheless be valid and
sufficient for all purposes in the same manner as if that person had remained in office until
such delivery.

SECTION 8.
Negotiability; exemption from taxation.

All revenue bonds under the provisions of this Act shall have and are declared to have all the
qualities and incidents of negotiable instruments under the laws of the state. All revenue
bonds and their transfer and the income therefrom shall be exempt from all taxation within
the state. Such bonds are declared to be issued for an essential public and governmental
purpose.

SECTION 9.
Sale; price; proceeds.

The authority may sell revenue bonds in such manner and for such price as it may determine
to be in the best interest of the authority. The proceeds derived from the sale of revenue
bonds shall be used solely for the purpose provided in the resolutions and proceedings
authorizing the issuance of such revenue bonds.
SECTION 10.

Interim receipts and certificates or temporary bonds.

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

SECTION 11.

Replacement of lost or mutilated bonds.

The authority may provide for the replacement of any revenue bonds or coupons which shall become mutilated or be destroyed or lost.

SECTION 12.

Conditions precedent to issuance.

The authority shall adopt a resolution authorizing the issuance of the revenue bonds. In the resolution, the authority shall determine that the project financed with the proceeds of the revenue bonds is self-liquidating. Revenue bonds may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions, and things which are specified or required by this Act. Any resolution providing for the issuance of revenue bonds under the provisions of this Act 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.

SECTION 13.

Credit not pledged.

Revenue bonds of the authority shall not be deemed to constitute a debt of the City of Rome, Georgia, nor a pledge of the faith and credit of said city, but such revenue bonds shall be payable solely from the fund hereinafter provided for. The issuance of such revenue bonds shall not directly, indirectly, or contingently obligate said city to levy or to pledge any form of taxation whatsoever for payment of such revenue bonds or to make any appropriation for their payment, and all such revenue bonds shall contain recitals on their face covering substantially the foregoing provisions of this section. Notwithstanding the foregoing provisions, this Act shall not affect the ability of the authority and said city to enter into an
intergovernmental contract pursuant to which said city agrees to pay amounts sufficient to
pay operating charges and other costs of the authority or any project including, without
limitation, the principal of and interest on revenue bonds in consideration for services or
facilities of the authority.

SECTION 14.

Trust indenture as security.

In the discretion of the authority, any issuance of 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 within or outside the state. Either
the resolution providing for the issuance of the revenue bonds or such trust indenture may
contain such provisions for protecting and enforcing the rights and remedies of the
bondholders as may be reasonable and proper and not in violation of law, including
covenants setting forth the duties of the authority in relation to the acquisition and
construction of the project, the maintenance, operation, repair, and insuring of the project,
and the custody, safeguarding, and application of all moneys.

SECTION 15.

To whom proceeds of bonds shall be paid.

In the resolution providing for the issuance of revenue bonds or in the trust indenture, the
authority shall provide for the payment of the proceeds of the sale of the revenue 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 the same to the purposes thereof, subject to such
regulations as this Act and such resolution or trust indenture may provide.

SECTION 16.

Sinking fund.

The moneys received pursuant to an intergovernmental contract and the revenues, fees, tolls,
fines, charges, and earnings derived from any particular project or projects, regardless of
whether or not such revenues, fees, tolls, fines, charges, and earnings were produced by a
particular project for which revenue bonds have been issued, unless otherwise pledged and
allocated, may be pledged and allocated by the authority to the payment of the principal and
interest on revenue bonds of the authority as the resolution authorizing the issuance of the
revenue bonds or the trust indenture may provide. Such funds so pledged from whatever
source received shall be set aside at regular intervals as may be provided in the resolution or
trust indenture into a sinking fund, which sinking fund shall be pledged to and charged with
the payment of:

(1) The interest upon such revenue bonds as the same shall fall due;
(2) The principal or purchase price of such revenue bonds as the same shall fall due;
(3) Any premium upon such revenue bonds as the same shall fall due;
(4) The purchase of such revenue bonds in the open market; and
(5) The necessary charges of the paying agent for paying principal and interest.

The use and disposition of such sinking fund shall be subject to such regulations as may be
provided in the resolution authorizing the issuance of the revenue bonds or in the trust
indenture, but, except as may otherwise be provided in such resolution or trust indenture,
such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
without distinction or priority of one over another.

SECTION 17.
Remedies of bondholders.

Any holder of revenue bonds and the trustee under the trust indenture, if any, except to the
extent the rights given in this Act, may be restricted by resolution passed before the issuance
of the revenue bonds or by the trust indenture, may, either at law or in equity, by suit, action,
mandamus, or other proceedings, protect and enforce any and all rights under the laws of the
state, including specifically but without limitation, the "Revenue Bond Law," or granted
under this Act or under such resolution or trust indenture, and may enforce and compel
performance of all duties required by this Act or by such resolution or trust indenture to be
performed by the authority or any officer thereof, including the fixing, charging, and
collecting of revenues, fees, tolls, fines, and other charges for the use of the facilities and
services furnished.

SECTION 18.
Validation.

Revenue bonds and the security therefor shall be confirmed and validated in accordance with
the procedure of the "Revenue Bond Law." The petition for validation shall also make party
defendant to such action the state and any institution, department, or other agency of the state
and any county, municipality, school district, or other political subdivision or authority of the
state which has contracted with the authority for services or facilities relating to the project
for which revenue bonds are to be issued and sought to be validated. Such defendant shall
be required to show cause, if any exists, why such contract or contracts shall not be
adjudicated as a part of the basis for the security for the payment of any such revenue bonds.
The revenue bonds, when validated, and the judgment of validation shall be final and
conclusive with respect to such revenue bonds and the security for the payment thereof and
interest thereon and against the authority and all other defendants.

SECTION 19.
Venue and jurisdiction.

Any action to protect or enforce any rights under the provisions of this Act or any suit or
action against such authority shall be brought in the Superior Court of Floyd County,
Georgia, and any action pertaining to validation of any revenue bonds issued under the
provisions of this Act shall likewise be brought in said court which shall have exclusive,
original jurisdiction of such actions.

SECTION 20.
Interest of bondholders protected.

While any of the revenue bonds issued by the authority remain outstanding, the powers,
duties, or existence of said authority or 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 revenue bonds, and no other entity, department, agency, or authority shall be
created which will compete with the authority to such an extent as to affect adversely the
interest and rights of the holders of such revenue bonds nor shall the state itself so compete
with the authority. The provisions of this Act shall be for the benefit of the authority and the
holders of any such revenue bonds and, upon the issuance of such revenue bonds under the
provisions of this Act, shall constitute a contract with the holders of such revenue bonds.

SECTION 21.
Moneys received considered trust funds.

All moneys received pursuant to the authority of this Act, whether as proceeds from the sale
of revenue bonds, as grants or other contributions, or as revenue, income, fees, and earnings,
shall be deemed to be trust funds to be held and applied solely as provided in this Act.
SECTION 22.
Purpose of the authority.

Without limiting the generality of any provision of this Act, the general purpose of the authority is declared to be that of providing buildings, facilities, equipment, and services for the citizens in the City of Rome, Georgia, but only to the extent that such building, facilities, equipment, and services constitute a project.

SECTION 23.
Rates, charges, and revenues; use.

The authority is authorized to prescribe and fix rates and to revise same from time to time and to collect revenues, tolls, fees, and charges for the services, facilities, and commodities furnished and, in anticipation of the collection of the revenues, to issue revenue bonds or other types of obligations as provided in this Act to finance, in whole or in part, the costs of the project, and to pledge to the punctual payment of said revenue bonds or other obligations all or any part of said revenues.

SECTION 24.
Rules, regulations, service policies, and procedures for operation of projects.

It shall be the duty of the authority to prescribe rules, regulations, service policies, and procedures for the operation of any project or projects constructed or acquired under the provisions of this Act. The authority may adopt bylaws.

SECTION 25.
Tort immunity.

To the extent permitted by law, the authority shall have the same immunity and exemption from liability for torts and negligence as the City of Rome, Georgia; and the officers, agents, and employees of the authority when in the performance of the work of the authority shall have the same immunity and exemption from liability for torts and negligence as the officers, agents, and employees of the City of Rome, Georgia, when in the performance of their public duties or work of the city.
SECTION 26.

Tax-exempt status of authority.

The properties of the authority, both real and personal, are declared to be public properties used for the benefit and welfare of the people of the state and not for purposes of private or corporate benefit and income, and such properties and the authority shall be exempt from all taxes and special assessments of any municipality or county or the state or any political subdivision thereof.

SECTION 27.

Effect on other governments.

This Act shall not and does not in any way take from the City of Rome, Georgia, or any county or municipality the authority to own, operate, and maintain facilities or to issue revenue bonds as provided by the "Revenue Bond Law."

SECTION 28.

Liberal construction of Act.

This Act, being for the welfare of various political subdivisions of the state and its inhabitants, shall be liberally construed to effect the purposes hereof.

SECTION 29.

General repealer.

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