

House Bill 1492

By: Representative Jasperse of the 11th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4 of Title 6 of the Official Code of Georgia Annotated, relating to the
2 Georgia Airport Development Authority, so as to expand the purpose, function, and powers
3 of such authority; to authorize such authority to make loans to local governments for the
4 construction of appurtenant buildings or structures at airports in this state; to provide for and
5 revise definitions; to provide for the development of projects by such authority; to provide
6 for related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 4 of Title 6 of the Official Code of Georgia Annotated, relating to the Georgia
10 Airport Development Authority, is amended by revising Code Section 6-4-2, relating to
11 authority created and purposes, as follows:

12 "6-4-2.

13 There is created the Georgia Airport Development Authority for the purposes of
14 determination of location, construction, financing, acquisition of property, operation, and
15 development of any new airports that are planned to accommodate aircraft operating under
16 the provisions of 14 C.F.R. Part 121 within and outside the State of Georgia and the

17 financing of the construction of appurtenant buildings or structures located upon land of
18 airports."

19 **SECTION 2.**

20 Said chapter is further amended in Code Section 6-4-3, relating to definitions, by adding a
21 new paragraph and revising paragraph (4) as follows:

22 "(3.1) 'Local government' or 'local governing authority' means any municipal corporation
23 or county or any local airport authority.

24 (4) 'Project' means ~~the~~:

25 (A) The construction, installation, operation, or lease of any new airports in the state
26 that are planned to be certificated under 14 C.F.R. Part 139 or any appurtenance thereto
27 or the subsequent renovation or rehabilitation of such facility;

28 (B) The construction of any appurtenant buildings or structures at airports in this state
29 for aviation and non-aviation purposes; and

30 (C) ~~Any A project may also include any fixtures, machinery, or equipment used on or~~
31 in connection with any airport facilities."

32 **SECTION 3.**

33 Said chapter is further amended in Code Section 6-4-7, relating to general powers, by adding
34 new paragraphs to read as follows:

35 "(12.1) To make loan commitments and loans to local governments and to enter into
36 option arrangements with local governments for the purchase of said revenue bonds,
37 notes, or other obligations;"

38 "(16.1) To extend credit or make loans, including the acquisition of revenue bonds, notes,
39 or other obligations, to the state, any local government, or other entity, including the
40 federal government, for the cost or expense of any project or any part of the cost or
41 expense of any project, which credit or loans may be evidenced or secured by trust

42 indentures, loan agreements, notes, mortgages, deeds to secure debt, trust deeds, security
43 agreements, or assignments, on such terms and conditions as the authority shall determine
44 to be reasonable in connection with such extension of credit or loans, including provision
45 for the establishment and maintenance of reserve funds; and, in the exercise of powers
46 granted by this chapter in connection with any project, the authority shall have the right
47 and power to require the inclusion of such provisions or requirements in any such trust
48 indentures, loan agreement, note, mortgage, deed to secure debt, trust deed, security
49 agreement, assignment, or other instrument for guaranty of any obligations, insurance,
50 construction, use, operation, maintenance, and financing of a project and such other terms
51 and conditions as the authority may deem necessary or desirable;"

52 **SECTION 4.**

53 Said chapter is further amended by adding a new Code section to read as follows:

54 "6-4-9.1.

55 (a) The authority may make loans to a local government to pay all or any part of the cost
56 of a project. The authority may require the local government to issue bonds or revenue
57 bonds as evidence of such loans. The authority and a local government may enter into such
58 loan commitments and option agreements as may be determined appropriate by the
59 authority.

60 (b) The authority may require as a condition of any loan to a local government that such
61 local government shall perform any or all of the following:

62 (1) As appropriate and permitted by law, establish and collect taxes, rents, rates, fees,
63 and charges so as to produce revenues sufficient to pay all or a specified portion of:

64 (A) Costs of operation, maintenance, and repairs; and

65 (B) Outstanding indebtedness incurred for the purposes of such project, including the
66 principal of and interest on the bonds, revenue bonds, notes, or other obligations issued

67 by the local government, as the same shall become due and payable, and to create and
68 maintain any required reserves;

69 (2) Create and maintain a special fund or funds as additional security for the payment of
70 the principal revenue bonds and the interest thereon and any other amounts becoming due
71 under any agreement entered into in connection with such bonds and for the deposit of
72 such revenues as shall be sufficient to make such payment as the same shall become due
73 and payable;

74 (3) Create and maintain such other special funds as may be required by the authority; and

75 (4) Such other acts, including the conveyance of real and personal property together with
76 all right, title, or interest therein to the authority, as may be deemed necessary or desirable
77 by the authority to secure the payment of the principal of and interest on bonds, revenue
78 bonds, notes, or other obligations and to provide for the remedies of the authority in the
79 event of any default by such local government in such payment.

80 (c) All local governments issuing and selling bonds, revenue bonds, notes, or other
81 obligations to the authority are authorized to perform such acts, take such action, adopt
82 such proceedings, and make and carry out such contracts with the authority as may be
83 contemplated by this chapter.

84 (d) In connection with the making of any loan authorized by this chapter, the authority
85 may fix and collect such fees and charges, including but not limited to reimbursement of
86 all costs of financing by the authority, as the authority shall determine to be reasonable.
87 Neither the Public Service Commission nor any local government or state agency shall
88 have jurisdiction over the authority's power over the regulation of such fees or charges.

89 (e) A mutual undertaking by a local government to borrow and an undertaking by the
90 authority to lend funds from and to each other for projects shall be a provision for services
91 and an activity within the meaning of Article IX, Section III, Paragraph I(a) of the
92 Constitution."

93 **SECTION 5.**

94 Said chapter is further amended by revising Code Section 6-4-10, relating to development
95 of air transportation projects, as follows:

96 "6-4-10.

97 The implementation of new air transportation projects that are planned to accommodate
98 14 C.F.R. Part 121 aircraft operations within the State of Georgia develops and promotes
99 for the public good and general welfare, trade, commerce, tourism, industry, and
100 employment opportunities and promotes the general welfare of the state by creating a
101 favorable climate for the location of new industry, trade, and commerce and the
102 development of existing industry, trade, and commerce within the State of Georgia.
103 Ensuring that existing airports in this state can provide adequate storage for aircraft is
104 necessary to maintain efficient travel and commerce and to allow existing airports to
105 continue operations. It is therefore in the public interest and is vital to the public welfare
106 of the people of Georgia and it is declared to be the public purpose of this chapter to so
107 develop such new air transportation projects within this state and fund projects that provide
108 local governments with options for financing appurtenant structures upon land of existing
109 airports. No bonds, notes, or other obligations, except refunding bonds, shall be issued by
110 the authority pursuant to this chapter unless its membership adopts a resolution finding that
111 the project for which such bonds, notes, or other obligations are to be issued will promote
112 the foregoing objectives."

113 **SECTION 6.**

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