

House Bill 521

By: Representative Lim of the 99th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 6A of Title 12 of the Official Code of Georgia Annotated, relating to
2 outdoor stewardship, so as to authorize the Board of Trustees of the Georgia Outdoor
3 Stewardship Trust Fund to issue revenue bonds; to provide for procedures regarding same;
4 to provide for related matters; to provide for a contingent effective date; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 6A of Title 12 of the Official Code of Georgia Annotated, relating to outdoor
9 stewardship, is amended by adding a new Code section to read as follows:

10 "12-6A-7.1.

11 (a) The Board of Trustees of the Georgia Outdoor Stewardship Trust Fund established by
12 Code Section 12-6A-7 is authorized to provide by resolution for the issuance of revenue
13 bonds for the purpose of payment of costs of acquisition. The principal and interest of such
14 revenue bonds shall be payable solely from the Georgia Outdoor Stewardship Trust Fund
15 established by Code Section 12-6A-5. The bonds of each issue shall be dated and shall
16 mature at such times and bear interest at such rates as may be determined by the board,

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17 payable in such medium of payment as to both principal and interest as may be determined
18 by the board, and may be made redeemable before maturity, at the option of the board, at
19 such price or prices and under such terms and conditions as may be fixed by the board in the
20 resolution providing for the issuance of the bonds.

21 (b) The board shall determine the form of the bonds, including any interest coupons to be
22 attached thereto, and shall fix the denomination or denominations of the bonds and the
23 place or places of payment of principal and interest thereof, which may be at any bank or
24 trust company inside or outside the state. The bonds may be issued in coupon or registered
25 form, or both, as the board may determine, and provision may be made for the registration
26 of any coupon bond as to principal alone and also as to both principal and interest.

27 (c) In case any officer whose signature appears on any bonds or whose facsimile signature
28 appears on any coupon ceases to be such officer before the delivery of such bonds, such
29 signature shall nevertheless be valid and sufficient for all purposes the same as if he or she
30 had remained in office until such delivery. All such bonds shall be signed by the chairman
31 or vice chairman of the board, and the official seal of the board shall be affixed thereto and
32 attested by the secretary or assistant secretary of the board; and any coupons attached
33 thereto shall bear the signature or facsimile signature of the chairman or vice chairman of
34 the board. Any coupon may bear the facsimile signature of such person, and any bond may
35 be signed, sealed, and attested on behalf of the board by such persons as at the actual time
36 of the execution of such bonds shall be duly authorized or hold the proper office, although
37 at the date of such bonds such persons may not have been so authorized or shall not have
38 held such office.

39 (d) All revenue bonds issued under this Code section shall have and are declared to have
40 all the qualities and incidents of negotiable instruments. Such bonds and the income
41 therefrom shall be exempt from all taxation within the state.

42 (e) The board may sell bonds in such manner and for such price as it may determine to be
43 for the best interests of the board.

44 (f) The proceeds of bonds shall be used solely for the payment of the costs of acquisition
45 and shall be disbursed upon requisition or order of the chairman or vice chairman of the
46 board under such restrictions, if any, as provided by the resolution authorizing the issuance
47 of the bonds or by the trust indenture mentioned in subsection (k) of this Code section.

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

51 (h) The board may provide for the replacement of any bond which becomes mutilated or
52 is destroyed or lost.

53 (i) Revenue bonds may be issued without the conducting of any proceedings, the existence
54 of any conditions, or the happening of any events other than those proceedings, conditions,
55 and events which are specified or required by this Code section. In the discretion of the
56 board, revenue bonds of a single issue may be issued for the purpose of paying the costs
57 of any one or more, including a combination of, acquisitions. Any resolution providing for
58 the issuance of revenue bonds under this Code section shall become effective immediately
59 upon its passage and need not be published or posted. Any such resolution may be passed
60 at any regular, special, or adjourned meeting of the board by a majority of its members.

61 (j) Revenue bonds issued under this Code section shall not be deemed to constitute a debt
62 of the State of Georgia or a pledge of the faith and credit of the state. Such bonds shall be
63 payable solely from the fund provided for in subsections (m) through (p) of this Code
64 section, and the issuance of such revenue bonds shall not directly, indirectly, or
65 contingently obligate the state to levy or to pledge any form of taxation whatever therefor
66 or to make any appropriation for their payment. All such bonds shall contain recitals on
67 their faces covering substantially the foregoing provisions of this Code section. Anything

68 in this Code section to the contrary notwithstanding, such funds as may be received from
69 state appropriations or from any other source are declared to be available and may be used
70 by any department, board, commission, or agency of the State of Georgia for the
71 performance of any lease contract entered into by such department, board, commission, or
72 agency with the board.

73 (k)(1) In the discretion of the board, any issue of revenue bonds may be secured by a
74 trust indenture by and between the board and a corporate trustee, which may be any trust
75 company or bank having the powers of a trust company inside or outside of the state.
76 Such trust indenture may pledge or assign rents, revenues, and earnings to be received by
77 the board.

78 (2) Either the resolution providing for the issuance of revenue bonds or the trust
79 indenture may contain such provisions for protecting and enforcing the rights and
80 remedies of the bondholders as may be reasonable and proper and not in violation of law.
81 The resolution or indenture may also require that the security given by contractors and
82 by any depository of the proceeds of the bonds or revenues or other moneys be
83 satisfactory to such purchasers and may also contain provisions concerning the
84 conditions, if any, upon which additional revenue bonds may be issued.

85 (3) The indenture may set forth the rights and remedies of the bondholders and of the
86 trustee and may restrict the individual right of action of bondholders as is customary in
87 trust indentures securing bonds and debentures of corporations. In addition to the
88 foregoing provisions of this Code section, the trust indenture may contain such other
89 provisions as the authority may deem reasonable and proper for the security of the
90 bondholders.

91 (4) It shall be lawful for any bank or trust company incorporated under the laws of this
92 state to act as such depository and to furnish such indemnifying bonds or pledge such
93 securities as may be required by the authority.

- 94 (5) All expenses incurred in carrying out the trust indenture may be treated as a part of
95 the cost of the acquisition affected by such indenture.
- 96 (l) The board shall, in the resolution providing for issuance of revenue bonds or in the trust
97 indenture, provide for the payment of the proceeds of the sale of the bonds to any officer
98 or person who, or any agency, bank, or trust company which, shall act as trustee of such
99 funds and shall hold and apply the same to the purposes expressed in this Code section,
100 subject to such regulations as this Code section and such resolution or trust indenture may
101 provide.
- 102 (m) Unless otherwise pledged and allocated, any and all revenues, rents, and earnings
103 received by the board, regardless of whether or not such revenues, rents, and earnings were
104 produced by a particular acquisition for which bonds have been issued, may be pledged and
105 allocated by the board to the payment of the principal and interest on revenue bonds of the
106 board as the trust indenture or the resolution authorizing the issuance of the bonds may
107 provide.
- 108 (n) Such funds so pledged from whatever source received, which pledge may include
109 funds received from one or more or all sources, shall be set aside at regular intervals, as
110 may be provided in the resolution or trust indenture, into a sinking fund which shall be
111 pledged to and charged with the payment of:
- 112 (1) The interest upon such revenue bonds as such interest shall fall due;
113 (2) The principal of the bonds as the same shall fall due;
114 (3) The necessary charges of paying agents for paying principal and interest; and
115 (4) Any premium upon bonds retired by call or purchase.
- 116 (o) The use and disposition of such sinking fund shall be subject to such regulations as
117 may be provided in the resolution authorizing the issuance of the revenue bonds or in the
118 trust indenture, but, except as may otherwise be provided in such resolution or trust

119 indenture, such sinking fund shall be a fund for the benefit of all revenue bonds without
120 distinction or priority of one over another.

121 (p) Subject to the provisions of the resolution authorizing the issuance of the bonds, or
122 subject to the trust indenture, surplus moneys in the sinking fund may be applied to the
123 purchasing or redemption of bonds, and any such bonds so purchased or redeemed shall
124 forthwith be canceled and shall not again be issued.

125 (q) Except to the extent the rights given in this Code section may be restricted by
126 resolution passed before the issuance of bonds or by a trust indenture, any holder of
127 revenue bonds or interest coupons issued under this Code section, any receiver for such
128 holders, or any indenture trustee, if any, may either at law or in equity, by action,
129 mandamus, or other proceedings, protect and enforce any and all rights under the laws of
130 the State of Georgia or granted by this Code section or under such resolution or trust
131 indenture. Such holder, receiver, or trustee may enforce and compel performance of all
132 duties required by this Code section, or by resolution or trust indenture, to be performed
133 by the board or any officer thereof. In the event of default of the board upon the principal
134 and interest obligations of any revenue bond issue, such holder, receiver, or trustee shall
135 be subrogated to each and every right which the board may possess and, in the pursuit of
136 his or her or its remedies as subrogee, may proceed either at law or in equity, by action,
137 mandamus, or other proceedings to collect any sums by such proceedings due and owing
138 to the board and pledged or partially pledged directly or indirectly to the benefit of the
139 revenue bond issue of which such holder, receiver, or trustee is representative. No holder,
140 receiver, or trustee shall have the right to compel any exercise of the taxing power of the
141 state to pay any such bond or the interest thereon or to enforce the payment thereof against
142 any property of the state, nor shall any such bond constitute a charge, lien, or encumbrance,
143 legal or equitable, upon the property of the state.

144 (r) The board is authorized to provide by resolution for the issuance of revenue refunding
145 bonds of the board for the purpose of refunding any revenue bonds issued under this Code
146 section and then outstanding, together with accrued interest thereon. The issuance of such
147 revenue refunding bonds, the maturities, and all other details thereof, the rights of the
148 holders thereof, and the duties of the board in respect to the same shall be governed by the
149 foregoing provisions of this Code section insofar as the same may be applicable.

150 (s) While any of the bonds issued by the board remain outstanding, the powers, duties, or
151 existence of the board, or of its officers, employees, or agents, or of any department, board,
152 commission, or agency of the state shall not be diminished or impaired in any manner that
153 will affect adversely the interests and rights of the holders of such bonds. This Code
154 section shall be for the benefit of the state, the board, and the holders of any such bonds
155 and, upon the issuance of bonds under this Code section, shall constitute a contract with
156 the holders of such bonds.

157 (t) Bonds of the board shall be confirmed and validated in accordance with the procedure
158 of Article 3 of Chapter 82 of Title 36. The petition for validation shall also make party
159 defendant to such action any authority, division, subdivision, instrumentality, or agency of
160 the State of Georgia which, or any person who, has contracted with the Georgia
161 Agricultural Exposition Authority for the use of any building, structure, or facilities for
162 which bonds have been issued and sought to be validated. Such authority, division,
163 subdivision, instrumentality, agency, or person shall be required to show cause, if any, as
164 to why such contract or contracts and the terms and conditions thereof should not be
165 inquired into by the court, the validity of the terms thereof determined, and the contract
166 adjudicated as security for the payment of any such bonds of the board. The bonds when
167 validated and the judgment of validation shall be final and conclusive with respect to such
168 bonds and against the board issuing the same and against any authority, division,
169 subdivision, instrumentality, department, agency, or person contracting with the board.

170 (u) No bonds shall be issued by the board under this Code section unless the issuance of
171 such bonds has been reviewed and approved by the Georgia State Financing and
172 Investment Commission.
173 (v) The bonds authorized by this Code section are made securities in which all public
174 officers and bodies of this state; all municipalities and all municipal subdivisions; all
175 insurance companies and associations and other persons carrying on an insurance business;
176 all banks, bankers, trust companies, savings banks, and savings associations, including
177 savings and loan associations, building and loan associations, investment companies, and
178 other persons carrying on a banking business; all administrators, guardians, executors,
179 trustees, and other fiduciaries; and all other persons whatsoever who are now or may
180 hereafter be authorized to invest in bonds or other obligations of the state may properly and
181 legally invest funds, including capital in their control or belonging to them. The bonds are
182 also made securities which may be deposited with and shall be received by all public
183 officers and bodies of this state and all municipalities and municipal subdivisions for any
184 purpose for which the deposit of the bonds or other obligations of this state is now or may
185 hereafter be authorized."

186 **SECTION 2.**

187 This Act shall become effective on January 1, 2023, only if an amendment to the Georgia
188 Constitution authorizing the General Assembly to provide by general law for authorization
189 of the Board of Trustees of the Georgia Outdoor Stewardship Trust Fund to issue revenue
190 bonds, is ratified by the voters at the November, 2022, state-wide general election. If such
191 an amendment is not so ratified, then this Act shall not become effective and shall stand
192 repealed on December 31, 2022.

193

SECTION 3.

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