

1 SB260
2 148812-3
3 By Senators Whatley, Dial, Ward, Taylor, Holtzclaw, Williams,
4 Brewbaker and Blackwell (Constitutional Amendment)
5 RFD: Fiscal Responsibility and Accountability
6 First Read: 26-FEB-13

2
3
4
5
6
7
8 SYNOPSIS: This bill would propose an amendment to the
9 Constitution of Alabama of 1901, to increase the
10 total amount of bonding authority granted under
11 Amendment 666 to the Constitution of Alabama of
12 1901, as amended; to provide for additional
13 payments from the Alabama Trust Fund to fund any
14 bonds issued; to provide for competitive bidding of
15 the bonds; to require the Bond Commission to
16 contract with businesses or individuals which
17 reflect the racial and ethnic diversity of the
18 state; and to provide for the use of the proceeds
19 for maintenance of Alabama National Guard armories.

20
21 A BILL
22 TO BE ENTITLED
23 AN ACT

24
25 To propose an amendment to the Constitution of
26 Alabama of 1901, to increase the total amount of bonding
27 authority granted under Amendment 666 to the Constitution of

1 Alabama of 1901, as amended; to provide for additional
2 payments from the Alabama Trust Fund to fund any bond issued;
3 to provide for competitive bidding of the bonds; to require
4 the Bond Commission to contract with businesses or individuals
5 which reflect the racial and ethnic diversity of the state;
6 and to provide for the use of the proceeds for maintenance of
7 Alabama National Guard armories.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. The following amendment to the
10 Constitution of Alabama of 1901, as amended, is proposed and
11 shall become valid as a part thereof when approved by a
12 majority of the qualified electors voting thereon and in
13 accordance with Sections 284, 285, and 287 of the Constitution
14 of Alabama of 1901, as amended:

15 PROPOSED AMENDMENT

16 (a) The authority granted to the State of Alabama to
17 become indebted and to sell and issue its interest-bearing
18 General Obligation bonds, in addition to all other bonds of
19 the state, under Amendment 666 to the Constitution of Alabama
20 of 1901, as amended, is hereby increased by an additional
21 amount of fifty million dollars (\$50,000,000).

22 (b) All of the bonds shall be sold only at public
23 sale or sales, either on sealed bids or at public auction,
24 after such advertisement as may be prescribed by the Bond
25 Commission, to the bidder whose bid reflects the lowest true
26 interest cost to the state computed to the respective
27 maturities of the bonds sold; provided, that if no bid deemed

1 acceptable by the commission is received all bids may be
2 rejected.

3 (c) Relative to issuance expenses, contracts, and
4 appointments incurred in connection with the issuance of
5 bonds, the Bond Commission created in Section IX of Amendment
6 666 to the Constitution of 1901, shall contract with
7 businesses or individuals which reflect the racial and ethnic
8 diversity of the state.

9 (d) Bonds issued pursuant to this amendment shall be
10 issued for a maturity of 20 years or less.

11 (e) All of the proceeds from the bonds shall be
12 distributed to the Armory Commission of Alabama for
13 maintenance of Alabama National Guard armories.

14 (f) In addition to any Oil and Gas Capital Payments
15 received by the Alabama Trust Fund paid into the Alabama
16 Capital Improvement Trust Fund pursuant to Amendment 666, so
17 much as shall be necessary of all Oil and Gas Capital Payments
18 received by the Alabama Trust Fund during any fiscal year
19 shall be paid into the Alabama Capital Improvement Trust Fund
20 to pay the principal and interest on the bonds authorized by
21 this amendment.

22 (g) In all other respects regarding the Alabama
23 Trust Fund, the terms and provisions of Amendment 666 and
24 Amendment 856 to the Constitution of Alabama of 1901, as
25 amended, are unchanged and remain in full force and effect.

26 Section 2. An election upon the proposed amendment
27 shall be held in accordance with Sections 284 and 285 of the

1 Constitution of Alabama of 1901, now appearing as Sections 284
2 and 285 of the Official ReCompilation of the Constitution of
3 Alabama of 1901, as amended, and the election laws of this
4 state.

5 Section 3. The appropriate election official shall
6 assign a ballot number for the proposed constitutional
7 amendment on the election ballot and shall set forth the
8 following description of the substance or subject matter of
9 the proposed constitutional amendment:

10 "Proposing an amendment to the Constitution of
11 Alabama of 1901, as amended, relating to the Capital
12 Improvement Trust Fund, to increase the amount of the General
13 Obligation Bonds authorized herein; to provide for additional
14 payments from the Alabama Trust Fund to fund any bond issued;
15 to provide for competitive bidding of the bonds; and to
16 provide for the distribution of the proceeds for maintenance
17 of Alabama National Guard armories.

18 "Proposed by Act _____."

19 This description shall be followed by the following
20 language:

21 "Yes () No ()."