

1 HB66  
2 203761-6  
3 By Representative McClammy  
4 RFD: Ways and Means General Fund  
5 First Read: 04-FEB-20  
6 PFD: 01/28/2020



1 the securities issued by the authority eligible investments  
2 for various governmental bodies and fiduciaries; to provide  
3 procedures for the issuance of bonds by the authority; to  
4 exempt the income of any authority, and all conveyances,  
5 leases, mortgages, and deeds of trust to which the authority  
6 is a party, from all taxation in the state; to exempt the  
7 authority from all license and excise taxes and all charges of  
8 judges of probate; to exempt the authority from all laws of  
9 the state governing usury or prescribing or limiting interest  
10 rates; to authorize political subdivisions, agencies,  
11 instrumentalities, and public corporations of the state to aid  
12 the authority with loans or grants of money, the furnishing of  
13 services, or the transfer of property to the authority without  
14 any public election; and to further provide for the  
15 dissolution of certain county industrial development  
16 authorities.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Legislative Intent.

19 The redevelopment, revitalization, and redevelopment  
20 of land contiguous with a U.S. Air Force military installation  
21 operating within any municipality or county in this state,  
22 whether operational or formerly operational, promotes the  
23 public good by encouraging the initial development,  
24 redevelopment, and revitalization of such land, and the  
25 retention of U.S. Air Force military installations within the  
26 state. It is therefore in the public interest and is vital to  
27 the public welfare of the people of Alabama, and it is hereby

1 declared to be the public purpose of this act, to develop,  
2 revitalize, and redevelop land contiguous with United States  
3 military installations throughout the State of Alabama.

4 Section 2. Definitions.

5 For the purposes of this act, the following words  
6 have the following meanings:

7 (1) APPLICANT. A natural person who files a written  
8 application with the governing body of any authorizing  
9 subdivision in accordance with Section 3.

10 (2) AUTHORITY. Any local redevelopment authority  
11 organized pursuant to this act.

12 (3) AUTHORIZING RESOLUTION. A resolution adopted by  
13 the governing body of any authorizing subdivision in  
14 accordance with Section 3, that authorizes the incorporation  
15 of the authority.

16 (4) AUTHORIZING SUBDIVISION. Any county or  
17 municipality that has adopted an authorizing resolution.

18 (5) BOARD. The board of directors of the authority.

19 (6) BONDS. Any bonds, notes, certificates, or any  
20 other form of indebtedness representing an obligation to pay  
21 money.

22 (7) CONTIGUOUS. Two or more tracts of land if  
23 touching for a continuous distance of not less than 200 feet.  
24 The term shall include tracts of land divided by bodies of  
25 water, streets, railroads, or utility rights-of-way, or by  
26 land owned by a governmental entity. In determining whether

1 land is contiguous with a U.S. Air Force military  
2 installation, either of the following is contiguous:

3 a. Land which is separated by bodies of water,  
4 streets, railroads, or utility rights-of-way shall be deemed  
5 to be contiguous even though such bodies of water, streets,  
6 railroads, or utility rights-of-way are outside of the  
7 geographical area of the applicable U.S. Air Force military  
8 installation.

9 b. Land which is separated by other land which is  
10 owned by a governmental entity.

11 (8) COOPERATIVE DISTRICT. An incorporated capital  
12 improvement cooperative district formed in accordance with and  
13 for the purposes set forth in Chapter 99B of Article 2 of  
14 Title 11 of the Code of Alabama 1975, as amended.

15 (9) COUNTY. Any county in the state.

16 (10) DIRECTOR. A member of the board of the  
17 authority.

18 (11) GOVERNING BODY. With respect to any  
19 municipality, its city council or other governing body; with  
20 respect to any county, its county commission or other  
21 governing body.

22 (12) INCORPORATORS. The persons forming a public  
23 corporation organized pursuant to this act.

24 (13) LOCAL REDEVELOPMENT AREA. Land contiguous with  
25 an active U.S. Air Force military installation located and  
26 operating within this state, totaling not more than 150 square

1 acres in geographical size, all as set forth in the  
2 application required to be filed in accordance with Section 3.

3 (14) MILITARY INSTALLATION. ~~A~~ An active federal  
4 military installation ~~currently~~ on the effective date of this  
5 act funded in whole or in part by the United States Department  
6 of Defense and operated by the U.S. Air Force. Military  
7 installation shall specifically exclude from its definition  
8 any and all armories, buildings, target ranges, and other  
9 necessary facilities for the proper housing, instruction,  
10 training, and administration of all units and headquarters of  
11 the National Guard and Naval Militia of Alabama.

12 (15) MUNICIPALITY. Any incorporated city or town  
13 within this state.

14 (16) PERSON. Unless limited to a natural person by  
15 the context in which it is used, includes a public or private  
16 corporation, a municipality, a county, the state, or an  
17 agency, department, or instrumentality of the state, a county,  
18 or a municipality.

19 (17) PRINCIPAL OFFICE. The place at which the  
20 certificate of incorporation and amendments thereto, the  
21 bylaws and the minutes of the proceedings of the board of the  
22 authority are kept.

23 (18) PRIVATE USER. A lessee, manager,  
24 non-governmental user, or any person relating to the planning,  
25 development, construction, operation, management, or  
26 maintenance of a project.

1           (19) PROJECT. Interests in land, buildings,  
2 structures, facilities, or other improvements located or to be  
3 located within the local redevelopment area, and any fixtures,  
4 machinery, equipment, furniture, or other property of any  
5 nature whatsoever used on, in, or in connection with any such  
6 land, interest in land, building, structure, facility, or  
7 other improvement, all for the essential public purpose of the  
8 development of trade, entertainment, amusement, commerce,  
9 industry, or employment opportunities in the local  
10 redevelopment area. The term includes projects in the local  
11 redevelopment area for any industrial, commercial,  
12 entertainment or amusement, business, office, parking,  
13 utility, residential (including, without limitation, homes,  
14 apartments, town houses, condominiums, hotels, motels, or  
15 assisted living facilities) or other use; provided:

16           a. Capital expenditures for development of the  
17 project within the local redevelopment area equal or exceed  
18 twenty-five million dollars (\$25,000,000)

19           b. A majority of the members of the authority  
20 determine, by a resolution duly adopted, that the project and  
21 use thereof would facilitate the retention, development, or  
22 redevelopment of an active U.S. Air Force military  
23 installation or the area contiguous to such military  
24 installation as well as further the public purpose of this  
25 act.

26           (20) STATE. The State of Alabama.

1                   Section 3. Filing of Application; Authorization of  
2 Incorporation by Governing Body of an Authorizing Subdivision.

3                   (a) An authority may be organized pursuant to this  
4 act. In order to incorporate a public corporation, any number  
5 of natural persons, not less than three, who are duly  
6 qualified electors of the authorizing subdivision, shall first  
7 file a written application with the governing body of the  
8 authorizing subdivision, which shall contain all of the  
9 following:

10                   (1) A statement that the applicants propose to  
11 incorporate the authority pursuant to the provisions of this  
12 act.

13                   (2) A statement of the proposed location of the  
14 principal office of the authority, which shall be within the  
15 corporate limits of a municipality or geographical limits of a  
16 county.

17                   (3) A general description of the proposed project.

18                   (4) A map or legal description or other description  
19 of the proposed local redevelopment area.

20                   (5) A statement that each of the applicants is a  
21 duly qualified elector residing in the authorizing  
22 subdivision.

23                   (6) A request that the governing body of the  
24 authorizing subdivision adopt a resolution declaring that it  
25 is wise, expedient, and necessary that the proposed authority  
26 be formed and authorizing the applicants to proceed to form



1 the proposed authority by the filing for record of a  
2 certificate of incorporation in accordance with Section 4.

3 (7) A signed letter of authorization from the  
4 Governor and the Chair of the Alabama Job Creation and  
5 Military Stability Commission designating the project as a  
6 project eligible for the benefits of this act.

7 (b) (1) Every application shall be accompanied by  
8 supporting documents or evidence as the applicants may  
9 consider appropriate. As promptly as may be practicable after  
10 the filing of the application in accordance with the  
11 provisions of this section, the governing body of the  
12 authorizing subdivision shall review the contents of the  
13 application, and shall adopt a resolution either:

14 a. Denying the application.

15 b. Declaring that its approval of the application  
16 will benefit the authorizing subdivision, as applicable, and  
17 will facilitate the retention, development, or redevelopment  
18 of an existing military installation or area contiguous to the  
19 military installation, and that the proposed authority be  
20 formed and authorizing the applicants to proceed to form the  
21 proposed authority by filing for record of a certificate of  
22 incorporation in accordance with Section 4.

23 (2) The governing body with which the application is  
24 filed shall also include a copy of the application in the  
25 minutes of the meeting of the governing body at which final  
26 action upon the application is taken.

1                   Section 4. Procedure to Incorporate; Contents and  
2 Execution of Certificate of Incorporation.

3                   (a) Within 40 days following the adoption of the  
4 authorizing resolution, the applicants shall proceed to  
5 incorporate the authority by filing for record in the office  
6 of the judge of probate of the county wherein the proposed  
7 local redevelopment area is located a certificate of  
8 incorporation which shall comply in form and substance with  
9 the requirements of this section and which shall be in the  
10 form and executed in the manner provided in this section.

11                   (b) The certificate of incorporation of the  
12 authority shall state all of the following:

13                   (1) The names of the persons forming the authority,  
14 and that each of them is a duly qualified elector residing in  
15 the authorizing subdivision.

16                   (2) The name of the authority, which shall include  
17 the local redevelopment authority.

18                   (3) A general description of the proposed project.

19                   (4) The period for the duration of the authority, if  
20 the duration is to be perpetual, subject to Section 19, that  
21 fact shall be stated.

22                   (5) The name of the authorizing subdivision,  
23 together with the date on which the governing body thereof  
24 adopted the authorizing resolution.

25                   (6) The location of the principal office of the  
26 authority, which shall be within the corporate limits of the

1 municipality or within the geographical limits of the county,  
2 as applicable.

3 (7) That the authority is organized pursuant to the  
4 provisions of this act.

5 (8) A map, legal description, or other description  
6 describing the geographical area of the local redevelopment  
7 area.

8 (9) Any other matters relating to the authority that  
9 the incorporators may choose to insert and that are not  
10 inconsistent with this act or with the laws of this state.

11 (c) The certificate of incorporation shall be signed  
12 and acknowledged by the incorporators before an officer  
13 authorized by the laws of this state to take acknowledgments  
14 to deeds. When the certificate of incorporation is filed for  
15 record, there shall be attached to it the following:

16 (1) A copy of the application as filed with the  
17 governing body of the authorizing subdivision in accordance  
18 with Section 3.

19 (2) A certified copy of the authorizing resolution  
20 adopted by the governing body of the authorizing subdivision.

21 (3) A certificate by the Secretary of State that the  
22 name proposed for the authority is not identical to that of  
23 any other corporation organized under the laws of this state  
24 or so nearly similar thereto as to lead to confusion and  
25 uncertainty.

26 (d) Upon the filing for record of the certificate of  
27 incorporation and the documents required by subsection (c),

1 the authority shall come into existence and shall constitute a  
2 public corporation under the name set forth in the certificate  
3 of incorporation. The judge of probate shall send notice to  
4 the Secretary of State that the certificate of incorporation  
5 of the authority has been filed for record.

6 Section 5. Amendments to Certificate of  
7 Incorporation.

8 (a) The certificate of incorporation of the  
9 authority incorporated under this act may at any time and from  
10 time to time be amended in the manner provided in this  
11 section. The board shall first adopt a resolution proposing an  
12 amendment to the certificate of incorporation which shall set  
13 forth in full in the resolution, and which amendment may  
14 include any matters which might have been included in the  
15 original certificate of incorporation.

16 (b) After the adoption by the board of a resolution  
17 proposing an amendment to the certificate of incorporation of  
18 the authority, the chair of the board and the secretary of the  
19 authority shall sign and file a written application in the  
20 name of and on behalf of the authority, under its seal, with  
21 the governing body of the authorizing subdivision, requesting  
22 the governing body to adopt a resolution approving the  
23 proposed amendment, and accompanied by a certified copy of the  
24 resolution adopted by the board proposing the amendment to the  
25 certificate of incorporation, together with documents in  
26 support of the application as the chair may consider  
27 appropriate. As promptly as may be practicable after the

1 filing of the application with the governing body of the  
2 authorizing subdivision pursuant to the foregoing provisions  
3 of this section, the governing body shall review the  
4 application and shall adopt a resolution either denying the  
5 application or authorizing the proposed amendment. The  
6 governing body shall also cause to be made a part of the  
7 minutes of the meeting of the governing body at which final  
8 action upon the application is taken.

9 (c) Within 40 days following the adoption by the  
10 governing body of the authorizing subdivision of a resolution  
11 approving the proposed amendment the chair of the board of the  
12 authority and the secretary of the authority shall sign, and  
13 file a certificate for record in the office of the judge of  
14 probate of the county of incorporation in the name of and on  
15 behalf of the authority under its seal reciting the adoption  
16 of the respective resolutions by the board and by the  
17 governing body and setting forth the proposed amendment. The  
18 judge of probate for the county shall record the certificate  
19 in an appropriate book in his or her office. When the  
20 certificate has been filed and recorded, the amendment shall  
21 become effective and the certificate of incorporation shall be  
22 amended to the extent provided in the amendment. No  
23 certificate of incorporation of the authority shall be amended  
24 except in the manner provided in this section.

25 Section 6. Each authority shall be Governed by a  
26 Board of Directors.

1           (a) All powers of the authority shall be exercised  
2 by the board or pursuant to its authorization. The board shall  
3 consist of any number of directors, not less than three, who  
4 shall be elected by the governing body of the authorizing  
5 subdivision for staggered terms as provided in this section.

6           (b) At the time of the election of the first board,  
7 the governing body of the authorizing subdivision shall divide  
8 the directors into three groups containing as nearly equal  
9 whole numbers as may be possible. The governing body of the  
10 authorizing subdivision shall specify for which term each  
11 director is elected. The initial term of office of the first  
12 group shall be two years. The initial terms of office of the  
13 second group shall be four years. The initial term of office  
14 of the third group shall be six years.

15           (c) Thereafter, the term of office of each director  
16 shall be six years. If at the expiration of any term of office  
17 of any director, a successor has not been elected, the  
18 director whose term of office has expired shall continue to  
19 hold office until his or her successor has been elected. If at  
20 any time there is be a vacancy on the board, a successor  
21 director shall be elected by the governing body of the  
22 authorizing subdivision to serve for the unexpired term  
23 applicable to the vacancy.

24           (d) Each director shall be a duly qualified elector  
25 residing in the authorizing subdivision. Directors shall be  
26 eligible for reelection. Each director shall be reimbursed for  
27 expenses actually incurred by him or her in and about the

1 performance of his or her duties. Except as provided in the  
2 preceding sentence, no director shall be compensated for  
3 serving as a director of the authority.

4 (e) Any director of the authority may be impeached  
5 and removed from office in the same manner and on the same  
6 grounds provided in Section 175 of the Constitution of Alabama  
7 of 1901, and the general laws of the state for impeachment and  
8 removal of the officers provided in Section 175 of the  
9 Constitution of Alabama of 1901.

10 Section 7. Officers of the Authority.

11 The officers of the authority shall consist of a  
12 chair, vice chair, secretary, treasurer, and other officers as  
13 its board shall deem necessary or appropriate. The offices of  
14 secretary and treasurer may, but need not, be held by the same  
15 person. The chair and vice chair of the authority shall be  
16 elected by the board from the membership thereof; the  
17 secretary, the treasurer, and any other officers of the  
18 authority may, but need not, be members of the board and shall  
19 also be elected by the board. The chair, vice chair,  
20 secretary, and treasurer of the authority shall also be the  
21 chair, vice chair, secretary, and treasurer of the board,  
22 respectively.

23 Section 8. Powers of Authority.

24 The authority shall have the following powers,  
25 together with all powers incidental thereto or necessary to  
26 the discharge thereof in corporate form:

1           (1) To have succession by its corporate name for the  
2 duration of time, which may be in perpetuity, subject to  
3 Section 19, specified in its certificate of incorporation.

4           (2) To sue and be sued in its own name and to  
5 prosecute and defend civil actions in any court having  
6 jurisdiction of the subject matter and of the parties;  
7 provided that the authority shall be deemed to be a  
8 governmental entity as defined in Chapter 93 of Title 11, Code  
9 of Alabama 1975, for the purpose of limiting the damages for  
10 which the authority may be liable.

11           (3) To adopt and make use of a corporate seal and to  
12 alter the seal at its pleasure.

13           (4) To adopt and alter bylaws for the regulation and  
14 conduct of its affairs and business.

15           (5) To acquire, whether by purchase, construction,  
16 exchange, gift, lease, or otherwise, and to refinance existing  
17 indebtedness on, improve, maintain, equip, and furnish one or  
18 more projects, including all real and personal properties  
19 which the board of the authority may deem necessary in  
20 connection therewith, regardless of whether or not such  
21 projects shall then be in existence.

22           (6) To lease to others any or all of its projects  
23 and to share and collect rent thereof, and to terminate any  
24 lease upon the failure of the lessee to comply with any of the  
25 obligations thereof.

26           (7) To sell, exchange, donate, or convey and to  
27 grant options to any lessee to acquire any of its projects and



1 any or all of its properties if the board finds that action is  
2 in furtherance of the purposes for which the authority was  
3 organized.

4 (8) To issue its bonds for the purpose of carrying  
5 out any of its powers.

6 (9) To mortgage and pledge any or all of its  
7 projects or any part or parts thereof, as security for the  
8 payment of the principal of and interest on any bonds so  
9 issued and any agreements made in connection therewith,  
10 whether then owned or thereafter acquired, and to pledge the  
11 revenues and receipts therefrom or from any thereof.

12 (10) To execute and deliver, in accordance with the  
13 provisions of this section and Section 9, mortgages and deeds  
14 of trust and trust indentures, or either.

15 (11) To finance, by loan, bond, grant, lease, or  
16 otherwise, construct, erect, assemble, purchase, acquire, own,  
17 repair, remodel, renovate, rehabilitate, modify, maintain,  
18 extend, improve, install, sell, equip, expand, add to,  
19 operate, or manage projects and to pay the costs of any  
20 project from the proceeds of bonds, or any other funds of the  
21 authority, or from any contributions or loans by persons,  
22 corporations, partnerships, either general or limited, or  
23 other entities, all of which the authority is hereby  
24 authorized to receive, accept, and use.

25 (12) To issue and use the proceeds of any bonds or  
26 other indebtedness thereof for the purpose of paying or  
27 loaning the proceeds thereof to pay all or any part of the

1 cost of any project and otherwise to further or carry out the  
2 public purpose of the authority and to pay all costs of the  
3 authority incident to, or necessary and appropriate to,  
4 furthering or carrying out such purpose.

5 (13) To make application directly or indirectly to  
6 any federal, state, county, or municipal government or agency  
7 or to any other source, public or private, for loans, grants,  
8 guarantees, or other financial assistance in furtherance of  
9 the authority's public purpose and to accept and use the same  
10 upon the terms and conditions as are prescribed by the  
11 federal, state, county, or municipal government or agency or  
12 other source.

13 (14) To enter into agreements with the federal  
14 government or any agency thereof to use facilities or the  
15 services of the federal government or any agency thereof in  
16 order to further carry out the purposes of the authority.

17 (15) To contract for any period with this state,  
18 state institutions, or any city, town, municipality, or county  
19 of the state for the use by the authority of any facilities or  
20 services of the state or any state institution, city, town,  
21 municipality, or county, or for the use by any state  
22 institution or any city, town, municipality, or county of any  
23 facilities or services of the authority, provided such  
24 contracts shall deal with activities and transactions as the  
25 authority and any political subdivision with which the  
26 authority contracts are by law authorized to undertake.

1           (16) To extend credit or make loans to any person,  
2 corporation, partnership, either general or limited, or other  
3 entity for the costs of any project or any part of the costs  
4 of any project, which credit or loans may be evidenced or  
5 secured by loan agreements, notes, mortgages, deeds to secure  
6 debt, trust deeds, security agreements, assignments, or other  
7 instruments, or by rentals, revenues, fees, or charges, upon  
8 the terms and conditions as the authority shall determine to  
9 be reasonable in connection with such extension of credit or  
10 loans, including provision for the establishment and  
11 maintenance of reserve funds, and, in the exercise of powers  
12 granted hereby in connection with any project, the authority  
13 may require the inclusion in any loan agreement, note,  
14 mortgage, deed to secure debt, trust deed, security agreement,  
15 assignment, or other instrument of the provisions or  
16 requirements for guaranty of any obligations, insurance,  
17 construction, use, operation, maintenance, and financing of a  
18 project, and other terms and conditions, as the authority may  
19 deem necessary or desirable.

20           (17) To acquire, accept, or retain equitable  
21 interests, security interests, or other interests in any real  
22 property, personal property, or fixtures by loan agreement,  
23 note, mortgage, deed to secure debt, trust deed, security  
24 agreement, assignment, pledge, conveyance, contract, lien,  
25 loan agreement, or other consensual transfer in order to  
26 secure the repayment of any moneys loaned or credit extended  
27 by the authority.

1           (18) To appoint, employ, contract with, and provide  
2 for the compensation of, officers, employees, and agents,  
3 including, without limitation, engineers, attorneys,  
4 contractors, consultants, and fiscal advisors, as the board  
5 shall deem necessary for the conduct of the business of the  
6 authority.

7           (19) To provide the insurance as the board may deem  
8 advisable.

9           (20) To make, enter into, and execute contracts,  
10 agreements, leases, and other instruments and to take other  
11 actions as may be necessary or convenient to accomplish any  
12 purpose for which the authority was organized or to exercise  
13 any power expressly granted in this act.

14           (21) To require payments in lieu of tax, to be  
15 administered in a parallel manner to state ad valorem, income,  
16 sales, and use taxes, to be made by any private user of the  
17 project to the authority, a cooperative district of which the  
18 authority is a member, any municipality, or any county, as the  
19 case may be. To enter into any agreements requiring any person  
20 to make a payment in lieu of taxes and to enforce the payment  
21 in lieu of taxes with all rights of a tax assessor or tax  
22 collector within this state collecting ad valorem taxes, sales  
23 taxes, or income taxes due to the governing body establishing  
24 the authority.

25           (22) To receive and use the proceeds of any tax,  
26 fee, charge, or payment in lieu of tax to pay the costs of any

1 project or for any other purpose for which the authority may  
2 use its own funds pursuant to this act.

3 (23) To encourage and promote the retention,  
4 development and redevelopment of any military installation, or  
5 the improvement and revitalization of the local redevelopment  
6 area and to make, contract for, or otherwise cause to be made  
7 long-range plans or proposals for the local redevelopment area  
8 in cooperation with the authorizing subdivision.

9 (24) To exercise any power granted by the laws of  
10 this state to public or private corporations, not to include  
11 the power of eminent domain, which is not in conflict with the  
12 public purpose of the authority.

13 (25) To do all things necessary or convenient to  
14 carry out the powers conferred by this act. Nothing in this  
15 act shall affect any right, title, or interest in real or  
16 personal property, whether recorded or unrecorded, that is  
17 held by any person or entity engaged in providing utility  
18 services.

19 (26) To enter into agreements with a private user.

20 (27) To pursue any tax liens relating to the failure  
21 of any person to make any payments in lieu of tax.

22 (28) To acquire, receive, and take, by purchase,  
23 gift, lease, devise, or otherwise, and to hold property of  
24 every description, whether located in one or more counties or  
25 municipalities.

26 (29) To make, enter into, and execute licenses,  
27 contracts, agreements, leases, and other instruments and to

1 take other actions as may be necessary or convenient to  
2 accomplish any purpose for which the authority was organized  
3 or to exercise any power expressly granted under this section.

4 (30) To plan, establish, develop, acquire, purchase,  
5 lease, construct, reconstruct, enlarge, improve, maintain,  
6 equip, and operate a project or projects or any part or  
7 combination of any thereof, whether located in one or more  
8 counties or municipalities, and to acquire franchises and  
9 easements deemed necessary or desirable in connection  
10 therewith.

11 (31) To assume obligations secured by a lien on or  
12 payable out of or secured by a pledge of the revenues from any  
13 project or any part of any thereof that may be acquired by the  
14 authority, any obligation so assumed to be payable by the  
15 authority solely out of the revenues derived from the  
16 operation of any project or any thereof of the authority, or  
17 any other sources of revenue, taxes, fees, or payments in lieu  
18 of tax.

19 (32) To pledge for payment of any bonds issued or  
20 obligations assumed by the authority any revenues from which  
21 those bonds or obligations are made payable as provided in  
22 this act.

23 (33) To execute and deliver trust indentures in  
24 accordance with the provisions of this act.

25 (34) To appoint, employ, contract with, and provide  
26 for the compensation of officers, employees, and agents,  
27 including, but without limitation to, engineers, attorneys,

1 accountants, architects, management consultants, and fiscal  
2 advisers as the business of the authority may require.

3 (35) To make and enforce reasonable rules governing  
4 the use of any project managed, leased, owned, or controlled  
5 by the authority, a cooperative district of which the  
6 authority is a member, or any private users.

7 (36) To cooperate with the United States of America,  
8 any agency or instrumentality thereof, this state, any county,  
9 municipality, or other political subdivision of the state and  
10 any public corporation, and to make contracts with them or any  
11 of them, as the board may deem advisable to accomplish the  
12 purpose for which the authority was established.

13 (37) To sell and convey any of its properties that  
14 may have become obsolete or worn out or that may no longer be  
15 needed or useful as a part of any project of the authority.

16 (38) To sell and convey, with or without valuable  
17 consideration, any of its projects or any portion thereof to  
18 any one or more counties, municipalities, or public  
19 corporations which have the corporate power to operate the  
20 project or portions thereof so conveyed and the property and  
21 income of which are not subject to taxation.

22 (39) To enter into a management agreement or  
23 agreements with any person for the management by the authority  
24 of any project or any part thereof upon such terms and  
25 conditions as may be mutually agreeable.

26 (40) To fix and revise from time to time reasonable  
27 rentals, licenses, rates, fees, and other charges for the use

1 of any project or portion thereof owned, managed, leased, or  
2 operated by the authority, a cooperative district of which the  
3 authority is a member, or any private users, and to collect  
4 all charges imposed by the foregoing.

5 (41) To require any users of any of its projects any  
6 part thereof to make a reasonable deposit with the authority  
7 in advance to insure the payment of rentals, licenses, rates,  
8 fees or charges, or costs of repair to any damage to the  
9 project and to be subject to the application to the payment  
10 thereof if and when delinquent.

11 (42) All projects of the authority shall be located  
12 wholly within the local redevelopment area.

13 Section 9. Bonds of Authority.

14 (a) Source of Payment. All bonds issued by the  
15 authority shall be payable solely out of the revenues and  
16 receipts derived from the leasing or sale by the board of its  
17 projects, or from any other source as may be designated in the  
18 proceedings of the board under which the bonds are authorized  
19 to be issued.

20 (b) Pledge of Revenues, Receipts, and Other  
21 Security. The principal and interest on any bonds issued by  
22 the authority shall be secured by a pledge of the revenues and  
23 receipts out of which the principal and interest may be  
24 payable and may be secured by a mortgage and deed of trust or  
25 trust indenture conveying as security for the bonds all or any  
26 part of the property of the authority from which the revenues  
27 or receipts so pledged may be derived.



1           (c) Resolutions. The resolution under which the  
2 bonds are authorized to be issued and any mortgage and deed of  
3 trust or trust indenture may contain any agreements and  
4 provisions respecting the operation, maintenance, and  
5 insurance of the property covered by the mortgage and deed of  
6 trust or trust indenture, the use of the revenues and receipts  
7 subject to the mortgage and deed of trust or trust indenture,  
8 the creation and maintenance of special funds from the  
9 revenues and receipts, the rights, duties, and remedies of the  
10 parties to any instrument and the parties for the benefit of  
11 whom the instrument is made and the rights and remedies  
12 available in the event of default as the board shall deem  
13 advisable and which are not in conflict with the provisions of  
14 this act. Each pledge, agreement, mortgage, and deed of trust  
15 or trust indenture made for the benefit or security of any of  
16 the bonds of the authority shall continue effective until the  
17 principal of and interest on the bonds for the benefit of  
18 which the same were made shall have been fully paid.

19           (d) Defaults. In the event of default in payment or  
20 in any agreements of the authority made as a part of the  
21 contract under which the bonds were issued, whether contained  
22 in the proceedings authorizing the bonds or in any mortgage  
23 and deed of trust or trust indenture executed as security  
24 therefor, the rights of any holder of the bonds may be  
25 enforced by mandamus, the appointment of a receiver, or either  
26 of the remedies, and, if provided in the instrument, the

1 mortgage, and the deed of trust, or trust indenture, may be  
2 foreclosed.

3 (e) Execution. All bonds issued by the authority  
4 shall be signed by the chair of its board and attested by its  
5 secretary, and the seal of the authority shall be affixed  
6 thereto, and any interest coupons applicable to the bonds of  
7 the authority shall be signed by the chair of its board;  
8 provided, that as long as the registrar of the bonds has  
9 manually signed an authentication certificate for the bonds,  
10 facsimile signatures of both of the officers may be printed or  
11 otherwise reproduced on any bonds in lieu of each manually  
12 signing the same, a facsimile of the seal of the authority may  
13 be printed or otherwise reproduced on any bonds in lieu of  
14 being manually affixed thereto, and a facsimile of the  
15 signature of the chair of the board may be printed or  
16 otherwise reproduced on any such interest coupons in lieu of  
17 his or her manually signing the same.

18 (f) General provisions respecting form, interest  
19 rate, maturities, sale, and negotiability. Any bonds may be  
20 executed and delivered by the authority at any time and from  
21 time to time, shall be in the form and denominations and of  
22 the tenor and maturities, shall contain provisions not  
23 inconsistent with the provisions of this act, and shall bear  
24 the rate or rates of interest, payable and evidenced in the  
25 manner, as may be provided by resolution of its board. Bonds  
26 of the authority may be sold at either public or private sale  
27 in the manner and at the price or prices and at such time or

1 times as may be determined by the board to be most  
2 advantageous. The authority may pay all expenses, premiums,  
3 and commissions in connection with any financing performed by  
4 it. All bonds, except bonds registered as to principal or as  
5 to both principal and interest, and any interest coupons  
6 applicable thereto issued by the authority shall be construed  
7 to be negotiable instruments although payable solely from a  
8 specified source.

9 (g) Nature of obligation and source of payment. All  
10 obligations created or assumed and all bonds issued or assumed  
11 by the authority shall be solely an obligation of the  
12 authority and shall not create an obligation or debt of the  
13 state or of any county or of any city; provided that this  
14 sentence shall not be construed to release the original  
15 obligor from liability on any bond or other obligation assumed  
16 by the authority. Any bonds issued by the authority shall be  
17 limited or special obligations of the authority payable solely  
18 out of its revenues and receipts of the authority specified in  
19 the proceedings authorizing those bonds.

20 (h) Eligibility for investment. Bonds of the  
21 authority are made legal investments for executors,  
22 administrators, trustees, and other fiduciaries, unless  
23 otherwise directed by the court having jurisdiction of the  
24 fiduciary relation or by the document that is the source of  
25 the fiduciary's authority, and for savings banks and insurance  
26 companies organized under the laws of the state.

1 (i) Contracts to secure payment of principal and  
2 interest. As security for payment of the principal of and the  
3 interest on bonds issued or obligations assumed by it, the  
4 authority may enter into a contract or contracts binding  
5 itself for the proper application of the proceeds of bonds and  
6 other funds, for the continued operation and maintenance of  
7 any project owned by it or any part or parts thereof, for the  
8 imposition and collection of reasonable rates, licenses,  
9 rentals, fees, and charges for and the promulgation of  
10 reasonable regulations respecting any project, for the  
11 disposition and application of its gross revenues or any part  
12 thereof, and for any other act or series of acts not  
13 inconsistent with the provisions of this act for the  
14 protection of the bonds and other obligations being secured  
15 and the assurance that the revenues from the project will be  
16 sufficient to operate the project, maintain the same in good  
17 repair and in good operating condition, pay the principal of  
18 and the interest on any bonds payable from the revenues and  
19 maintain the reserves as may be deemed appropriate for the  
20 protection of the bonds, the efficient operation of the  
21 project, and the making of replacements thereof and capital  
22 improvements thereto. Any contract pursuant to the provisions  
23 of this section may be set forth in any resolution of the  
24 board authorizing the issuance of bonds or the assumption of  
25 obligations or in any trust indenture made by the authority  
26 under this act.

27 Section 10. Proceeds from the Sale of Bonds.

1 All moneys derived from the sale of any bonds issued  
2 by the authority shall be used solely for the purpose or  
3 purposes for which the same are authorized, including, but  
4 limited to, the use of bond proceeds to establish reserve  
5 funds as security for the payment of the principal, premium,  
6 as applicable, and interest on the bonds, and any costs and  
7 expenses incidental thereto. The costs and expenses may  
8 include, but shall not be limited to the following:

9 (1) The underwriting, fiscal, engineering, legal,  
10 and other expenses incurred in connection with the issuance of  
11 the bonds.

12 (2) Except in the case of refunding bonds, interest  
13 to accrue on the bonds for a period ending not later than two  
14 years from their date.

15 Section 11. Refunding Bonds.

16 Any bonds issued by the authority may from time to  
17 time be refunded by the issuance, by sale or exchange, of  
18 refunding bonds payable from the same or different sources for  
19 the purpose of paying all or any part of the principal of the  
20 bonds to be refunded, any redemption premium required to be  
21 paid as a condition to the redemption prior to maturity of any  
22 bonds that are to be so redeemed in connection with refunding,  
23 any accrued and unpaid interest on the bonds to be refunded,  
24 any interest to accrue on each bond to be refunded to the date  
25 on which it is to be paid, whether at maturity or by  
26 redemption prior to maturity, and the expenses incurred in  
27 connection with refunding; provided, that unless duly called

1 for redemption pursuant to provisions contained therein; the  
2 holders of any bonds then outstanding and proposed to be  
3 refunded shall not be compelled without their consent to  
4 surrender their outstanding bonds for refunding. Any refunding  
5 bonds may be sold by the authority at public or private sale  
6 at the price or prices as may be determined by its board to be  
7 most advantageous, or may be exchanged for the bonds or other  
8 obligations to be refunded. Any refunding bonds may be  
9 executed and delivered by the authority at any time and from  
10 time to time, shall be in the form and denominations and have  
11 the tenor and maturities, shall contain provisions not  
12 inconsistent with this act, and shall bear the rate or rates  
13 of interest, payable and evidenced in the manner, as may be  
14 provided by resolution of its board. Any refunding bonds  
15 issued by the authority shall be issued and may be secured in  
16 accordance with Section 9.

17 Section 12. Notice of Bond Resolution.

18 (a) Upon the adoption by the board of the authority  
19 of any resolution providing for the issuance of bonds, the  
20 authority may cause to be published once a week for two  
21 consecutive weeks, in a newspaper published and having general  
22 circulation in the geographical area of the authorizing  
23 subdivision, a notice in substantially the following form (the  
24 blanks being properly filled in) at the end of which shall be  
25 printed the name and title of either the chair or secretary of  
26 the authority.

1           "The \_\_\_\_\_ Local Redevelopment authority, a public  
2 corporation under the laws of the State of Alabama, on the  
3 \_\_\_\_\_ day of \_\_\_\_\_ authorized the issuance of \$\_\_\_\_\_ principal  
4 amount of bonds of the public corporation for purposes  
5 authorized in the act of the Legislature of Alabama under  
6 which the public corporation was organized. Any action or  
7 proceeding questioning the validity of the bonds, or the  
8 pledge and the mortgage and deed of trust or trust indenture  
9 to secure the same, or the proceedings authorizing the same,  
10 must be commenced within 30 days after the first publication  
11 of this notice."

12           (b) A newspaper shall be deemed to be published in  
13 the geographical area of the authorizing subdivision, within  
14 the meaning of this section, if its principal editorial office  
15 is located in the geographical area of the authorizing  
16 subdivision.

17           (c) Any action or proceeding in any court to set  
18 aside or question the proceedings for the issuance of the  
19 bonds referred to in the notice or to contest the validity of  
20 any bonds, or the validity of any agreements relating to any  
21 payment in lieu of taxes, fees, charges, and any pledge and  
22 mortgage and deed of trust or trust indenture made therefor,  
23 must be commenced within 30 days after the first publication  
24 of the notice. After the expiration of that period, no right  
25 of action or defense questioning or attacking the validity of  
26 the proceedings or of the bonds or the pledge or mortgage and  
27 deed of trust or trust indenture shall be asserted, nor shall

1 the validity of the proceedings, bonds, pledge, mortgage, and  
2 deed of trust or trust indenture be open to question in any  
3 court on any ground whatsoever except in an action commenced  
4 within that period.

5 Section 13. Exemption from Taxation.

6 (a) Any authority formed under this act, a  
7 cooperative district of which the authority is a constituent  
8 member, the sales, property, and income of the authority or  
9 cooperative district, whether used by it or leased to others,  
10 all bonds issued by the authority or cooperative district, the  
11 income from the bonds or from other sources, the interest and  
12 other profits from the bonds inuring to and received by the  
13 holders thereof, conveyances by and to the authority or  
14 cooperative district of which the authority is a member, and  
15 leases, mortgages, and deeds of trust by and to the authority  
16 or the cooperative district shall be exempt from all taxation  
17 in the state, inclusive of any ad valorem taxes or lodgings  
18 taxes imposed by the State of Alabama, a municipality, or  
19 county. The authority shall be exempt from the payment of any  
20 fees, taxes, or costs to the judge of probate of any county in  
21 connection with its incorporation or with any amendment to its  
22 certificate of incorporation or otherwise or to any judge of  
23 probate of any county in connection with the recording by it  
24 of any document or otherwise. No license or excise tax may be  
25 imposed by any authority with respect to the privilege of  
26 engaging in any of the activities authorized by this article.



1 (b) An authority, any cooperative district of which  
2 an authority is a member, and any private user is exempt from  
3 the payment of all state, county, and municipal sales and use  
4 taxes relating in any way to the construction, operation, and  
5 maintenance of the project. The exemption set forth in this  
6 section may be conditioned (1) by the authorizing subdivision  
7 on a payment by the exempt party of a payment in lieu of tax,  
8 or (2) by the authority on a payment by the private user of a  
9 payment in lieu of tax pursuant to subdivision (21) of Section  
10 8, or by both subdivisions (1) and (2) which shall be subject  
11 to enforcement and collection like any sales and use taxes and  
12 which shall constitute a first lien on the project and shall  
13 be foreclosable in the same manner as a past due assessment  
14 pursuant to Section 15. The exemption provided in this  
15 subsection shall apply to any cooperative district of which  
16 the authority is a constituent member, and any private user  
17 which leases, operates, or manages a project owned by the  
18 authority or cooperative district of which the authority is a  
19 member.

20 (c) Notwithstanding subsections (a) and (b), an  
21 authority or a cooperative district of which an authority is a  
22 member shall be subject to sales and use taxes, income tax,  
23 and ad valorem tax ~~after all bonds financing or refinancing~~  
24 ~~the projects have been paid~~ upon the first day of the third  
25 calendar month following 20 years after the date of the  
26 incorporation of the authority.

1 (d) Any payments in lieu of tax received by the  
2 authority, as set forth in this section, shall be dedicated to  
3 the payment of bonds financing or refinancing the projects of  
4 the authority, including, but not limited to, accelerated  
5 payments and reserve payments. Any funds from the in-lieu-of  
6 tax payments remaining with the authority after all bonds  
7 financing or refinancing the projects are fully paid, in  
8 excess of the amounts necessary to fully repay the bonds,  
9 shall be transferred to the governmental entity or entities  
10 that would have received the tax revenue if not for the tax  
11 exemption and corresponding in lieu of tax payment.

12 Section 14. Liability of the Authorizing  
13 Subdivision.

14 The authorizing subdivision shall not in any event  
15 be liable for the payment of the principal of, or interest on,  
16 any bonds of the authority or for the performance of any  
17 pledge, mortgage, obligation, or agreement of any kind  
18 whatsoever which may be undertaken by the authority, and none  
19 of the bonds of the authority or any of its agreements or  
20 obligations shall be construed to constitute indebtedness of  
21 the authorizing subdivision within the meaning of any  
22 constitutional or statutory provision.

23 Section 15. Failure to Pay Past Due Assessments.

24 If any user, lessee, or owner of the project fails  
25 to pay when due, with time being of the essence, any  
26 assessments or fees due under this act, including, but without  
27 limitation, any payments in lieu of taxes, collectively the

1 "past due assessment," then the authorizing subdivision or  
2 authority, or their designated agents, hereinafter  
3 collectively referred to as the "fee collector," may commence  
4 proceedings to foreclose on the land and improvements of the  
5 user, lessee, or owner of the project having land within the  
6 State of Alabama, subject to the terms of any executed  
7 agreement between the fee collector and the user, lessee, or  
8 owner of the project, as follows:

9 (1) The fee collector shall send a letter by means  
10 of United States certified mail, return receipt requested, to  
11 the last known address of the user, owner, or lessee of the  
12 project. The address of the user, owner, or lessee as shown in  
13 the tax assessment records of the tax assessor or revenue  
14 commissioner for the county in which land of the user, owner,  
15 or lessee is located shall be sufficient.

16 (2) The letter shall specify that if payment of the  
17 past due assessment is not made within 10 days of the date of  
18 the letter, foreclosure proceedings may be commenced against  
19 the land of the user, owner, or lessee.

20 (3) Any late payment received within the 10-day  
21 period will accrue a late fee of the greater of five percent  
22 of the payment or fifty dollars (\$50).

23 (4) If payment is not made within the 10-day period,  
24 the entire past due assessment shall become immediately due  
25 and payable, and the fee collector may do either of the  
26 following:

1           a. File a complaint in the circuit court for the  
2 county in which the property of the user, owner, or lessee is  
3 located requesting that the property be foreclosed. Thirty  
4 days following service of process, unless the past due  
5 assessment is paid in the meantime, the court shall enter a  
6 decree declaring that the property shall be sold to the  
7 highest bidder.

8           b. Proceed to sell the property of the user, owner,  
9 or lessee against which the past due assessment is made to the  
10 highest bidder for cash.

11           c. In either case, the property of the user, owner,  
12 or lessee shall be sold in the same manner and upon the same  
13 notice as provided by law for the sale of lands or property by  
14 foreclosure by power of sale for mortgages. The proceeds from  
15 the sale shall first be applied to the amount of the past due  
16 assessment and all accrued interest thereon, plus penalties  
17 specified in subdivision (3), plus the attorneys' fees and  
18 other expenses incurred by the fee collector in the  
19 foreclosure and suit.

20           (5) If the fee collector concludes that no bidders  
21 are present or that all bids are insufficient, the fee  
22 collector may announce that the sale shall be continued to a  
23 later date to be announced by public notice.

24           (6) Upon declaring the highest bidder and receipt of  
25 the purchase price, the fee collector shall deliver a  
26 foreclosure deed to the highest bidder which shall vest  
27 therein legal title to the property sold by this foreclosure,

1 subject to easement or other rights in such property of  
2 persons other than the user, owner or lessee that has failed  
3 to pay the past due assessment. The user, owner, or lessee of  
4 the property shall have no right of redemption unless  
5 otherwise provided in the certificate of incorporation of the  
6 authority with respect to the past due assessment.

7 (7) The purchase price shall be used first for the  
8 payment of the past due assessment, then for the cost of  
9 collection, suit, foreclosure, and deed preparation, then for  
10 penalties, then for accrued interest and interest until the  
11 next principal payment date of bonds as provided in any  
12 agreement relating to the payments in lieu of tax or as set  
13 forth in this act with respect to prepayments of potentially  
14 past due assessments, and then as a reserve fund until any  
15 bonds are fully paid, and only then any remaining portion  
16 shall be paid to the user, owner, or lessee of the land at  
17 user's, owner's, or lessee's last known address as shown in  
18 the records of the tax assessor or revenue commissioner with  
19 respect to the tract of land.

20 (8) The fee collector may bid on any sale the same  
21 as any other person, and may credit any portion of the past  
22 due assessment and other costs as a part of its bid.

23 (9) If the highest amount bid and accepted is  
24 insufficient to pay the entire past due assessment and to fund  
25 a reserve to fully pay any bonds of the authority, the fee  
26 collector and holders of the bonds shall have no further claim

1 against the user, owner, or lessee of the land assessed by  
2 virtue of the past due assessment.

3 (10) Any foreclosure deed shall make no warranty  
4 with respect to the title to the land other than as expressly  
5 stated therein.

6 (11) At any point in the foreclosure proceedings,  
7 until a bid is accepted, the fee collector may waive the  
8 default on the past due assessment on terms as the fee  
9 collector may consider proper and reinstate the past due  
10 assessment, subject to any contrary terms of the fee  
11 collector's proceedings with respect to any bonds.

12 (12) No suit may be brought or maintained to enjoin  
13 the collection of any past due assessments under this act.

14 Section 16. Exemption from Usury Laws.

15 The authority shall be exempt from the laws of the  
16 State of Alabama governing usury or prescribing or limiting  
17 interest rates, including, but without limitation to, the  
18 provisions of Chapter 8 of Title 8 of the Code of Alabama  
19 1975, as it may at any time be amended.

20 Section 17. Exemption from Competitive Bid Laws.

21 The authority, cooperative district of which the  
22 authority is a member, and any private user, and all contracts  
23 made by them shall be exempt from the laws of the State of  
24 Alabama requiring competitive bids for any contract to be  
25 entered into by municipalities or public corporations  
26 authorized by them or any public works, including, but without  
27 limitation to, the provisions of Article 3 of Chapter 16 of

1 Title 41, commencing at Section 41-16-50, of the Code of  
2 Alabama 1975, as amended from time to time, and Chapter 2 of  
3 Title 39, commencing at Section 39-2-1 of the Code of Alabama  
4 1975, as amended from time to time.

5 Section 18. Freedom of Authority from State  
6 Supervision and Control.

7 This act is intended to aid the state through the  
8 furtherance of the purposes of this act by providing an  
9 appropriate and independent instrumentality of the state with  
10 full and adequate powers to fulfill its functions. Except as  
11 expressly provided in this act, no proceeding, notice, or  
12 approval shall be required for the incorporation of the  
13 authority or the amendment of its certificate of  
14 incorporation, the issuance of any bonds, the execution of any  
15 mortgage and deed of trust or trust indenture, or the exercise  
16 of any other of its powers. Neither a public hearing nor the  
17 consent of the State Department of Finance shall be a  
18 prerequisite to the issuance of bonds by the authority.

19 Section 19. Earnings of the Authority.

20 The authority shall be a nonprofit corporation and  
21 no part of its net earnings remaining after payment of its  
22 expenses shall inure to the benefit of any individual, firm,  
23 or corporation, except that in the event the board shall  
24 determine that sufficient provision has been made for the full  
25 payment of the expenses, bonds, and other obligations of the  
26 authority, then any net earnings of the authority thereafter

1 accruing shall be paid to the authorizing subdivision or  
2 private user for the creation and maintenance of the project.

3 Section 20. Dissolution of Corporation and Vesting  
4 of Title to Property.

5 At any time when the authority has no bonds or other  
6 obligations outstanding, its board may adopt a resolution,  
7 which shall be duly entered upon its minutes, declaring that  
8 the authority shall be dissolved. Upon filing for record of a  
9 certified copy of the resolution in the office of the judge of  
10 probate of the county in which the authority was formed  
11 pursuant to Section 4, the authority shall thereupon stand  
12 dissolved and in the event it owned any property at the time  
13 of its dissolution, the title to all its properties shall  
14 thereupon pass to the authorizing subdivision or private user  
15 as required by any agreement with any private user.

16 Section 21. Existence of Authority Not to Prevent  
17 Subsequent Incorporation of Another Authority.

18 The existence of one or more authorities  
19 incorporated under this act shall not prevent the subsequent  
20 incorporation under this act of another authority or the  
21 amendment of the certificate of incorporation of another  
22 authority pursuant to authority granted by the same county,  
23 counties, municipality or municipalities, public corporation  
24 or public corporations, or by the same combination thereof,  
25 even though the project described in the certificate of  
26 incorporation, as originally filed or amended, of any existing  
27 authority may include a project proposed by an authority that



1 is proposed to be incorporated under this act or that proposes  
2 to amend its certificate of incorporation under this act.

3 Section 22. Establishment and Revision of Rentals,  
4 Licenses, Rates, Fees, and Charges for Services or Facilities  
5 Rendered by Authority.

6 Rates, fees, charges, rentals, and licenses for  
7 services rendered by the authority, a cooperative district of  
8 which the authority is a member, or a private user or  
9 facilities provided by the authority, a cooperative district  
10 of which the authority is a member, or a private user from any  
11 of their projects shall be so fixed and, from time to time,  
12 revised as at all times to provide funds at least sufficient,  
13 taking into account other sources for the payment thereof, to:

14 (1) Pay the cost of operating, maintaining,  
15 repairing, replacing, extending, and improving the project or  
16 projects of the authority, a cooperative district of which the  
17 authority is a member, or any private user.

18 (2) Pay the principal of and the interest on all  
19 bonds issued and obligations assumed by the authority, a  
20 cooperative district of which the authority is a member, or  
21 any private user that are payable out of the revenues derived  
22 from operation of the project or projects of the authority, a  
23 cooperative district of which the authority is a member, or  
24 any private user as the principal and interest become due and  
25 payable.

26 (3) Create and maintain such reserves for the  
27 foregoing purposes or any of them as may be provided in any

1 trust indenture executed by the authority, a cooperative  
2 district of which the authority is a member, or any private  
3 user under this act or in any resolutions or agreements of the  
4 board authorizing the issuance of bonds, the assumption of any  
5 obligation, or the acquisition of the project.

6 (4) Make annual payments, if any, to the United  
7 States of America or any agency or instrumentality thereof,  
8 the state, municipalities, counties, departments, authorities,  
9 agencies, and political subdivisions of the state, and any  
10 public corporations organized under the laws of the state as  
11 the authority, a cooperative district of which the authority  
12 is a member, or any private user may have contracted to make.

13 Section 23. Loans, sales, grants, guarantees,  
14 contractual or lease obligations of money or property, to an  
15 authority, a cooperative district of which the authority is a  
16 member, or any private user by counties, municipalities, and  
17 public corporations.

18 (a) For the purpose of securing services of or the  
19 right to use or the use by its citizens or customers of one or  
20 more projects of an authority, a cooperative district of which  
21 the authority is a member, or any private user, or aiding or  
22 cooperating with the authority, a cooperative district of  
23 which the authority is a member, or any private user in the  
24 planning, development, undertaking, acquisition, construction,  
25 extension, improvement, financing, operation, or protection of  
26 a project, any county, municipality, or other political  
27 subdivision, public corporation, agency, or instrumentality of

1 this state, upon such terms and with or without consideration,  
2 as it determines, may do all of the following:

3 (1) Lend or donate money to, guarantee all or any  
4 part of the indebtedness or operating expense of, or perform  
5 services for the benefit of, the authority, a cooperative  
6 district of which the authority is a member, or any private  
7 user.

8 (2) Donate, sell, convey, transfer, lease, or grant  
9 to the authority, a cooperative district of which the  
10 authority is a member, or any private user, without the  
11 necessity of authorization at any election of qualified  
12 voters, any property of any kind, including, but without  
13 limitation, any project, any interest in any thereof, and any  
14 franchise.

15 (3) Contract with the authority, a cooperative  
16 district of which the authority is a member, or any private  
17 user, or enter into a lease or management agreement under  
18 terms as may be mutually agreeable, including a contract  
19 obligating it to purchase a certain service or product from  
20 the authority, a cooperative district of which the authority  
21 is a member, or any private user for a stipulated price in a  
22 stipulated period of time, to pay for the service or product  
23 whether or not it receives it, to lease all or a part of a  
24 project for a stipulated rental for a stipulated period of  
25 time, to pay the rental whether or not the leased facilities  
26 are available to it, or to make a management fee payment.

1           (4) Do any and all things, whether or not  
2 specifically authorized in this section, not otherwise  
3 prohibited by law, that are necessary or convenient to aid and  
4 cooperate with the authority, a cooperative district of which  
5 the authority is a member, or any private user in the  
6 planning, undertaking, acquisition, construction, financing,  
7 or operation of its projects.

8           (5) Pay, or provide for the payment of, the  
9 principal of or interest on any then outstanding bonds  
10 theretofore issued by the authority, a cooperative district of  
11 which the authority is a member, or any private user, whether  
12 or not the principal and interest shall have then matured or  
13 become due, and any premium that may be payable upon  
14 redemption prior to maturity.

15           (6) Issue its bonds, warrants, or other evidences of  
16 indebtedness in order to provide moneys to make any loan,  
17 donation, or payment authorized in this subsection.

18           (7) Provide for payment of the bonds of the  
19 authority, a cooperative district of which the authority is a  
20 member, or any private user by an irrevocable trust fund  
21 created by agreement with a bank or trust company.

22           (b) Any bonds, warrants, or other evidences of  
23 indebtedness issued by an authorizing subdivision pursuant to  
24 authorization in this section may be either general  
25 obligations or special obligations payable solely from a  
26 specified source or sources, which source or sources may  
27 include any public revenues, or portions thereof, which the

1 authorizing subdivision may lawfully use for the purpose. The  
2 county or municipality may pledge for payment of the principal  
3 of and interest on any bonds that are general obligations any  
4 public revenues that may lawfully be used for that purpose and  
5 may pledge for the benefit of any special obligations issued  
6 by it so much as may be necessary for the payment of the  
7 public revenues from which the special obligations are made  
8 payable.

9 (c) The proceeds of any bonds issued by an  
10 authorizing subdivision for the purpose referred to in this  
11 section may be applied for payment of principal, interest, and  
12 redemption premium with respect to the authority's bonds to be  
13 paid from the proceeds and the expenses of issuing the bonds  
14 of the authorizing subdivision.

15 Section 24. In addition to the requirements for  
16 dissolution under Section 11-92A-22, Code of Alabama 1975,  
17 prior to the dissolution of an authority organized under  
18 Chapter 92A of Title 11, Code of Alabama 1975, the authority  
19 shall provide notice to the Legislature of the authority's  
20 intent to dissolve, as adopted by its board of directors in  
21 accordance with Section 11-92A-22, Code of Alabama 1975. The  
22 articles of dissolution, as required by Section 11-92A-22,  
23 Code of Alabama 1975, may not be effective prior to the 15th  
24 legislative day of the regular session of the Legislature that  
25 commences no sooner than six weeks after the notice of  
26 dissolution is provided to the Legislature as required in this  
27 section.

1                   Section 25. The provisions of this act are  
2                   severable. If any part of this act is declared invalid or  
3                   unconstitutional, that declaration shall not affect the part  
4                   which remains.

5                   Section 26. This act shall become effective  
6                   immediately following its passage and approval by the  
7                   Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-  
ferred to the House of Representa-  
tives committee on Ways and Means  
General Fund..... 04-FEB-20

Read for the second time and placed  
on the calendar 1 amendment ..... 11-FEB-20

Read for the third time and passed  
as amended..... 18-FEB-20

Yeas 90, Nays 6, Abstains 5

Jeff Woodard  
Clerk