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3 HOUSE COUNTY AND MUNICIPAL GOVERNMENT SUBSTITUTE FOR SB107
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8 SYNOPSIS: Under existing law, the police jurisdiction
9 of a municipality having a population of 6,000
10 persons or more may extend for three miles from the
11 corporate limits and the police jurisdiction of a
12 municipality having less than 6,000 persons may
13 extend for a mile and a half from the corporate
14 limits.

15 This bill would provide that the police
16 jurisdiction of a municipality on the effective
17 date of this act would not be extended after the
18 effective date of this act, but would provide that
19 a municipality may reduce its police jurisdiction
20 by any half-mile increment or eliminate its police
21 jurisdiction.

22 Under existing law, the planning
23 jurisdiction of a municipality, including the
24 approval of subdivisions, extends for five miles
25 from the corporate limits.

26 This bill would limit the jurisdiction of a
27 municipal planning commission to the police

1 jurisdiction of a municipality as it relates to
2 subdivision planning, and would limit the other
3 authorities of a municipality relating to zoning to
4 within the corporate limits, except under certain
5 conditions. The bill would provide a method for a
6 county commission and a municipality to mutually
7 agree as to the extent of the power of each to
8 regulate subdivisions, and would provide a method
9 for a county commission to withdraw its subdivision
10 regulating authority.

11 This bill would also provide for the annual
12 reporting by each municipality collecting revenue
13 outside its corporate limits to the Department of
14 Examiners of Public Accounts of revenues and
15 expenditures outside of its corporate limits, and
16 would provide a method by which the Legislative
17 Council can request an audit by the Department of
18 Examiners of Public Accounts of these revenues and
19 expenditures.

20
21 A BILL

22 TO BE ENTITLED

23 AN ACT

24
25 Relating to municipalities; to amend Section
26 11-40-10, Code of Alabama 1975, to limit the police
27 jurisdiction of a municipality to the territory of the police

1 jurisdiction of the municipality on the effective date of this
2 act; to provide for the reduction or elimination by a
3 municipality of its police jurisdiction; to limit municipal
4 authority for the enforcement of certain ordinances in the
5 police jurisdiction; to further provide for and limit a
6 municipality's authority to enforce building codes within its
7 police jurisdiction; to amend Section 11-52-30, Code of
8 Alabama 1975, to reduce the planning jurisdiction of a
9 municipality, to clarify that a municipality may only regulate
10 subdivisions within its planning jurisdiction, and to provide
11 for certain exemptions from subdivision regulation by a
12 municipality in its planning jurisdiction; and to amend
13 Section 11-51-91, Code of Alabama 1975, to further provide for
14 the reporting and auditing of revenue collected within the
15 municipal police jurisdiction.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Section 11-40-10, Code of Alabama 1975,
18 is amended to read as follows:

19 "§11-40-10.

20 "(a) (1) The police jurisdiction in municipalities
21 having 6,000 or more inhabitants shall cover all adjoining
22 territory within three miles of the corporate limits, and in
23 municipalities having less than 6,000 inhabitants and in
24 towns, the police jurisdiction shall extend also to the
25 adjoining territory within a mile and a half of the corporate
26 limits of the municipality or town.

1 ~~"(2) After May 12, 2016, and in addition to any~~
2 ~~other requirements of this section, any extension of the~~
3 ~~police jurisdiction of any municipality as otherwise provided~~
4 ~~in subdivision (1) shall not be effective beyond the corporate~~
5 ~~boundaries of the municipality without an affirmative vote of~~
6 ~~the municipal governing body. Notwithstanding the foregoing,~~
7 ~~this subdivision shall not affect the boundaries of the police~~
8 ~~jurisdiction of a municipality existing on May 12, 2016.~~

9 "(2)a. Except as provided in paragraph b.,
10 notwithstanding any other provisions of this section, the
11 police jurisdiction of a municipality outside of the corporate
12 limits of the municipality shall not extend beyond the police
13 jurisdiction of the municipality on the effective date of the
14 act adding this amendatory language.

15 "b. Notwithstanding paragraph a., a municipality
16 having less than 6,000 inhabitants according to the 2010
17 federal decennial census which has 6,000 or more inhabitants
18 according to the 2020 federal decennial census, not later than
19 180 days following the final release of the 2020 federal
20 decennial census population data by the United States Census
21 Bureau, may extend its police jurisdiction to include all
22 territory within three miles of the corporate limits, pursuant
23 to subdivision (1).

24 ~~"(3)a. Any municipality which has a three mile~~
25 ~~police jurisdiction pursuant to subdivision (1), by ordinance,~~
26 ~~may eliminate or reduce its police jurisdiction ~~to a mile and~~~~
27 ~~a half by ordinance of the municipality by any number of~~

1 half-mile increments, which shall take effect on the first day
2 of January following its adoption on or before the preceding
3 first day of ~~October~~ August. The reduction or elimination of a
4 police jurisdiction as authorized by this subdivision shall be
5 effective the following January 1 only if the municipality
6 provides notice to the County Commission within 30 days of
7 such action. Further, a municipality may reduce its police
8 jurisdiction no more than once during any 24-month period. A
9 municipality's police jurisdiction, at minimum, shall include
10 all territory within the corporate limits of the municipality.
11 Once a municipality has adopted an ordinance to reduce its
12 police jurisdiction ~~to a mile and one-half~~, the municipality
13 may further reduce its police jurisdiction by ordinance, but
14 an ~~that~~ ordinance reducing the police jurisdiction of the
15 municipality cannot otherwise be amended, altered, or repealed
16 except by local law.

17 "b. In no event shall a municipality, its officers,
18 agents, contractors, subcontractors, or employees be liable
19 for the elimination of the municipal police jurisdiction or
20 any police jurisdiction services, including any equitable
21 relief or indirect, incidental, special, punitive, exemplary,
22 or consequential damages whatsoever and arising in any manner
23 as a result of the elimination of the police jurisdiction.

24 "(b) (1) ~~Ordinances~~ Except where otherwise provided
25 by law, ordinances of a city or town enforcing police or
26 sanitary regulations and municipality prescribing fines and
27 penalties for violations thereof which are state misdemeanors

1 adopted as municipal ordinance violations shall have force and
2 effect in the limits of the city or town and on any property
3 or rights-of-way belonging to the city or town police
4 jurisdiction of a municipality.

5 "(2)a. Except as provided in paragraph b., any
6 municipality regulating the construction of buildings in its
7 police jurisdiction on the effective date of the act adding
8 this amendatory language, including the issuance of building
9 permits, the inspection of building construction, and the
10 enforcement of building codes, may continue regulation and
11 enforcement within its police jurisdiction.

12 "b. In those counties where the county commission
13 has assumed the regulation and enforcement of the construction
14 of buildings outside the corporate limits of the municipality
15 as of January 1, 2021, and unless otherwise agreed upon by the
16 county and municipality, a municipality shall discontinue
17 building code enforcement within its police jurisdiction no
18 later than 24 months after the effective date of this act. In
19 order to be effective, any agreement between the county and
20 municipality required by this paragraph shall be approved by
21 an ordinance of the municipal governing body and a resolution
22 adopted by the county commission.

23 "c. No building permit may be collected by a
24 municipality in the police jurisdiction unless building code
25 inspection is conducted. Further, the cost of the permit shall
26 be reasonably related to the cost of providing building code

1 enforcement and inspection and shall not be for general
2 revenue purposes.

3 "(3) In order for an ordinance adopted after
4 ~~September 1, 2015,~~ the effective date of the act adding this
5 amendatory language to have force and effect in a police
6 jurisdiction of a municipality or town, the municipal
7 governing body shall provide a 30-day notice that the
8 ordinance shall be effective in the police jurisdiction. The
9 notice given shall be the same as required for adoption of an
10 ordinance under Section 11-45-8. Additionally, if available at
11 no cost to the municipality, the notice shall be submitted to
12 ~~the Atlas Alabama state website or any successor~~
13 state-operated website providing information to businesses, as
14 directed by the Department of Revenue. No ordinance adopted
15 after ~~September 1, 2015,~~ the effective date of the act adding
16 this amendatory language may be enforced against an individual
17 or entity in the police jurisdiction affected by the ordinance
18 until and unless the municipality has complied with the notice
19 requirements provided for in this section.

20 "(c) The police jurisdiction of any municipality
21 which pursuant to this section extends to include part of any
22 island which has water immediately offshore adjacent to the
23 boundary of the State of Florida, upon approval of the council
24 of the municipality, shall extend to include the entire island
25 including the water adjacent to the island extending to the
26 existing police jurisdiction of the municipality and extending
27 to the Florida state boundary where applicable.

1 ~~"(d) Any alterations to a police jurisdiction based~~
2 ~~upon the annexation or deannexation of property after~~
3 ~~September 1, 2015, shall take effect the first day of January~~
4 ~~and shall take effect for any annexation or deannexation which~~
5 ~~was finalized on or before the preceding first day of October.~~
6 ~~No later than the first day of January in each year, a map~~
7 ~~showing the boundaries of the municipal limits and police~~
8 ~~jurisdiction of the municipality shall be submitted to, if~~
9 ~~available at no cost to the municipality, the Atlas Alabama~~
10 ~~state website or any successor state-operated website~~
11 ~~providing information to businesses. No ordinance, license,~~
12 ~~permit, or tax levy may be enforced against an individual or~~
13 ~~entity included in the alteration of the police jurisdiction~~
14 ~~unless the municipality has complied with the notice~~
15 ~~requirements provided for in this section.~~

16 ~~"(e) (d) The annexation of property by general or~~
17 ~~local law may shall not extend the police jurisdiction of a~~
18 ~~municipality except as expressly provided in general or local~~
19 ~~law. Any extension of a police jurisdiction expressly provided~~
20 ~~for in general or local law is subject to subsection (d) and~~
21 ~~(f) and shall take effect only on the next January 1 following~~
22 ~~the annexation by general or local law after the effective~~
23 ~~date of the act adding this amendatory language.~~

24 ~~"(f) When any noncontiguous property has been~~
25 ~~annexed or is annexed into a municipality, the municipal~~
26 ~~governing body shall not exercise any jurisdiction or~~
27 ~~authority in any portion of the police jurisdiction extended~~

1 ~~as a result of the annexation, notwithstanding any other law~~
2 ~~to the contrary."~~

3 Section 2. Section 11-52-30, Code of Alabama 1975,
4 is amended to read as follows:

5 "§11-52-30.

6 "(a) Except as otherwise provided herein, the
7 ~~territorial~~ planning jurisdiction of any municipal planning
8 commission shall include ~~all land located in the municipality~~
9 the following:

10 "(1) All land located in the municipal corporate
11 limits.

12 "(2) Except as provided in subdivision (3), all land
13 not located in any other municipality within either up to
14 three miles or a mile and a half outside the corporate limits
15 as the distance is determined in Section 11-40-10(a)(1),
16 relating to police jurisdictions ~~and all land lying within~~
17 ~~five miles of the corporate limits of the municipality and not~~
18 ~~located in any other municipality;~~ except that, in the case of
19 any nonmunicipal land lying within ~~five miles~~ the planning
20 jurisdiction outside of the corporate limits of more than one
21 municipality having a municipal planning commission, the
22 jurisdiction of each municipal planning commission shall
23 terminate at a boundary line equidistant from the respective
24 corporate limits of ~~such~~ the municipalities. Any alterations
25 of a municipal planning ~~commission~~ jurisdiction based upon
26 annexation or deannexation of property within the corporate
27 limits of a municipality shall occur once a year on the first

1 day of January and shall take effect for any annexations which
2 were finalized on or before the preceding first day of
3 October.

4 "(3) Notwithstanding subsection (2) and except as
5 otherwise provided by local law, beginning January 1, 2023,
6 the planning jurisdiction for all municipalities shall include
7 all land not located in any other municipality within up to a
8 mile and a half outside the corporate limits.

9 "(b) (1) Except as otherwise provided by law on the
10 effective date of the act adding this amendatory language,
11 nothing in this section shall be interpreted as allowing the
12 municipal planning commission of a municipality to exercise
13 any authority outside the corporate limits of the municipality
14 other than the regulation of subdivisions.

15 "(2) Outside of the corporate limits of the
16 municipality, subdivision regulations shall not be applied to
17 the direct sale, deed, or transfer of land by the owner to any
18 individual who may be eligible to inherit that land from the
19 owner under Article 3 of Chapter 8 of Title 43, relating to
20 intestate succession. Any land subject to this exception shall
21 be subject to the jurisdiction of the municipal planning
22 commission if it is sold or transferred within 24 months of
23 the excepted transfer.

24 "(c) In all counties having a population of 600,000
25 or more according to the 1950 federal census or any succeeding
26 decennial federal census, the county planning and zoning
27 commission shall be invested with the authority , ~~except and~~

1 ~~unless the municipality or municipalities in question are~~
2 ~~actively exercising zoning jurisdiction and control within the~~
3 ~~police or five mile jurisdiction or, in the case of a~~
4 ~~municipality subsequently incorporated, within 180 days from~~
5 ~~the date of its incorporation~~ to zone property outside of
6 municipal corporate limits, except where that authority has
7 previously been provided to a municipality by general or local
8 law on or before the effective date of the act adding this
9 amendatory language; provided, further, that in all counties
10 having a population of 600,000 or more inhabitants according
11 to the 1950 federal census or any succeeding decennial federal
12 census, the county commission of the county may establish
13 minimum specifications and regulations governing the lay-out,
14 grading, and paving of all streets, avenues, and alleys and
15 the construction or installation of all water, sewer, or
16 drainage pipes or lines in any subdivision lying wholly or
17 partly in areas outside the corporate limits of any
18 municipality in the counties and relating to subdivisions
19 lying within the corporate limits of any municipality in the
20 counties which has declined or failed to exercise zoning
21 jurisdiction and control as provided in this section.

22 ~~"(b)~~ (d) A municipal planning commission, by
23 resolution properly adopted no later than the first day of
24 October of any year, may provide that, effective on the first
25 day of January, the ~~territorial~~ planning jurisdiction of the
26 municipal planning commission shall include all land lying
27 within a radius less than the ~~five miles~~ distances permitted

1 by this section. The resolution shall establish the territory
2 within which the municipal planning commission will exercise
3 jurisdiction to a boundary line equidistant from the corporate
4 limits of the municipality, except, that in the case of any
5 nonmunicipal land lying within the ~~territorial~~ planning
6 jurisdiction of more than one municipality with a municipal
7 planning commission exercising jurisdiction outside the
8 municipal corporate limits, the jurisdiction of each municipal
9 planning commission shall terminate at a boundary line
10 equidistant from the respective corporate limits of each
11 municipality. A copy of the resolution altering the
12 territorial jurisdiction shall be forwarded to the county
13 commission within five days of adoption. Additionally, nothing
14 in this subsection shall be construed to alter the provisions
15 of Article 5 of Chapter 49, which require a municipality to
16 assume responsibility for roads annexed into the municipality
17 under certain circumstances.

18 "(e) (1) If a county commission has adopted
19 subdivision regulations pursuant to Chapter 24, those
20 subdivision regulations shall apply to the development of
21 subdivisions within the ~~territorial~~ planning jurisdiction of a
22 municipal planning commission outside the corporate limits of
23 a municipality and shall be regulated and enforced by the
24 county commission in the same manner and to the same extent as
25 other subdivision development governed by the county's
26 subdivision regulations. Notwithstanding the foregoing, a
27 county commission and the municipal planning commission may

1 enter into a written agreement providing that the municipal
2 planning commission shall be responsible for the regulation
3 and enforcement of the development of subdivisions within the
4 ~~territorial~~ planning jurisdiction of the municipal planning
5 commission under the terms and conditions of the agreement. In
6 order to be effective, the agreement shall be approved by a
7 resolution adopted by the county commission, an ordinance
8 adopted by the municipal governing body, and a resolution
9 adopted by the municipal planning commission of the
10 municipality, respectively.

11 "(2) In those counties in which the county
12 commission has adopted subdivision regulations pursuant to
13 Chapter 24 and the municipal planning commission has been
14 unsuccessful in reaching an agreement to exercise its
15 jurisdiction as provided in subdivision (1), the municipal
16 planning commission shall discontinue the regulation of
17 subdivisions outside of its corporate limits no later than 24
18 months after the effective date of the act adding this
19 amendatory language. The county commission may thereafter
20 withdraw their exercise of jurisdiction over future
21 subdivisions located in the municipal planning jurisdiction
22 after not less than six months notice to the municipal
23 planning commission. After withdrawal, the municipal planning
24 commission may resume subdivision regulation outside its
25 corporate limits and the county commission may not reinstate
26 subdivision regulation in the municipal planning jurisdiction
27 for 24 months after the effective date of its withdrawal. the

1 governing body of the municipality and the municipal planning
2 commission may override the county's enforcement of the
3 regulation of subdivisions within the planning jurisdiction by
4 fully complying with all of the following requirements:

5 "a. The municipal governing body and the municipal
6 planning commission shall each adopt separate resolutions
7 expressing intent to exercise jurisdiction over the
8 construction of subdivisions initiated after the effective
9 date of the resolutions, despite the county commission's
10 objections to the exercise of that authority.

11 "b. The municipal planning commission shall at all
12 times thereafter employ or contract with a licensed
13 professional engineer who shall notify the county commission
14 of the initiation of subdivisions; conduct inspections of the
15 construction of the subdivision; and shall certify, in
16 writing, the compliance with the subdivision regulations
17 governing the development of the subdivision.

18 "c. The county commission shall retain the authority
19 to require a performance and maintenance bond from the
20 developer, consistent with the requirements for the bonds in
21 the county subdivision regulations, which shall be payable to
22 the county.

23 "d. The county commission shall retain the authority
24 to execute on the bond to make necessary improvements to the
25 public roads and drainage structures of the subdivision while
26 it remains in the unincorporated area of the county.

1 ~~"e. The municipal governing body and the municipal~~
2 ~~planning commission exercising the authority granted in this~~
3 ~~subsection may thereafter withdraw their exercise of~~
4 ~~jurisdiction over future subdivisions located outside the~~
5 ~~corporate limits of the municipality after not less than six~~
6 ~~months' notice to the county commission. After withdrawal, the~~
7 ~~municipal planning commission of the municipality may not~~
8 ~~reinstate the authority granted in this subsection for 24~~
9 ~~months after the effective date of its withdrawal.~~

10 ~~"(d)~~ (f) If a county commission has not adopted
11 subdivision regulations pursuant to Chapter 24, the municipal
12 planning commission shall have sole jurisdiction for the
13 regulation and enforcement of the development of subdivisions
14 within the ~~territorial~~ planning jurisdiction of the municipal
15 planning commission.

16 ~~"(e)~~ (g) If the municipal planning commission
17 ~~accepts~~ has responsibility for the development of a
18 subdivision within its ~~territorial~~ planning jurisdiction ~~as~~
19 ~~provided in subsection (c)~~ outside of its corporate limits,
20 the county commission shall not accept any roads or bridges
21 within the subdivision for county maintenance unless the
22 county engineer certifies to the county commission that the
23 road or bridge meets the minimum road and bridge standards of
24 the county. This section shall not apply to any roads or
25 bridges which the county has accepted for maintenance prior to
26 October 1, 2012.

1 "~~(f)~~ (h) If the county commission is responsible for
2 the regulation and enforcement of a subdivision development
3 within the ~~territorial~~ planning jurisdiction of a municipal
4 planning commission outside the corporate limits of a
5 municipality, the recording of any map or plat related to the
6 subdivision shall be governed by Chapter 24.

7 "~~(g)~~ (i) If the municipal planning commission is
8 responsible for the regulation and enforcement of a
9 subdivision development within the ~~territorial~~ planning
10 jurisdiction of the municipal planning commission outside the
11 corporate limits of the municipality, no map or plat of any
12 subdivision shall be recorded, and no property shall be sold
13 referenced to the map or plat, until and unless it has been
14 first submitted to and approved by the municipal planning
15 commission, pursuant to Section 11-52-32 and its adopted
16 procedures, and then certified by the county engineer or his
17 or her designee as follows within 30 days of being submitted
18 to the county engineer: "The undersigned, as County Engineer
19 of the County of _____ of Alabama, hereby certifies on
20 this _____ day of _____, 20____, that the _____
21 Planning Commission approved the within plat for the recording
22 of same in the Probate Office of _____ County, Alabama."

23 "~~(h)~~ (j) Approval by the county engineer pursuant to
24 this subsection shall not constitute approval in lieu of or on
25 behalf of any municipality with respect to subdivision
26 development regulated and enforced by the municipal planning
27 commission, wherein all maps or plats must be first submitted

1 to and approved by the municipal planning commission or other
2 appropriate municipal agency exercising jurisdiction over the
3 subdivision.

4 ~~"(i)~~ (k) Nothing in this section shall be
5 interpreted as allowing a municipal planning commission or a
6 municipality to exercise the power of eminent domain outside
7 of its corporate limits.

8 ~~"(j)~~ (l) Nothing in this section shall be
9 interpreted as allowing a municipal planning commission or a
10 municipality to levy taxes or fees outside of its corporate
11 limits.

12 ~~"(k)~~ (m) Nothing in this section shall limit or
13 impair the authority of a municipality to regulate the
14 construction of buildings within the police jurisdiction of
15 the municipality, ~~including, but not limited to, the issuing~~
16 ~~of building permits, the inspection of building construction,~~
17 ~~and the enforcement of building codes~~ as provided in Section
18 11-40-10.

19 ~~"(l)~~ (n) Nothing in this section shall be construed
20 to grant the county commission or county engineer the
21 authority to regulate subdivision development or approve maps
22 or plats for any developments within the corporate limits of a
23 municipality."

24 Section 3. Section 11-51-91, Code of Alabama 1975,
25 is amended to read as follows:

26 "§11-51-91.

1 "(a) Any municipality ~~may adopt~~ with an ordinance in
2 effect on January 1, 2021, to fix and collect licenses for any
3 business, trade, or profession done within the police
4 jurisdiction of the municipality but outside the corporate
5 limits thereof may continue to do so after the effective date
6 of the act adding this amendatory language; provided, that the
7 amount of the licenses shall not be more than one half the
8 amount charged and collected as a license for like business,
9 trade, or profession done within the corporate limits of the
10 municipality, fees and penalties excluded; and provided
11 further, that the total amount of the licenses shall not be in
12 an amount greater than the cost of services provided by the
13 municipality within the police jurisdiction. All licenses
14 adopted pursuant to this section shall be assessed to all
15 businesses, trades, or professionals within the police
16 jurisdiction. ~~No license adopted after September 1, 2015, in~~
17 ~~the police jurisdiction shall take effect until a 30-day~~
18 ~~notice has been given of the adoption of the ordinance;~~
19 ~~provided, however, that no license may be imposed under this~~
20 ~~section in an expanded police jurisdiction until the police~~
21 ~~jurisdiction expansion is effective under subsection (d) of~~
22 ~~Section 11-40-10. The notice given shall be the same as~~
23 ~~required for adoption of an ordinance under Section 11-45-8.~~
24 ~~Additionally, if available at no cost to the municipality, the~~
25 ~~30-day notice shall be submitted to the Atlas Alabama state~~
26 ~~website or any successor state-operated website providing~~
27 ~~information to businesses. No ordinance adopted after~~

1 ~~September 1, 2015, may be enforced against an individual or~~
2 ~~entity affected by the ordinance unless the municipality has~~
3 ~~complied with the notice requirement provided in this section.~~

4 "(b) No calculation shall be required to be made by
5 the municipal officials or license officer for the cost of
6 services to any particular business or classification of
7 businesses within the police jurisdiction so long as the total
8 amount of revenues from the licenses collected in the police
9 jurisdiction is not an amount greater than the cost of
10 services provided by the municipality to the police
11 jurisdiction. ~~Each~~

12 "(c) (1) On or before December 31, 2021, any
13 municipality collecting license revenue or other taxes and
14 fees within its police jurisdiction shall notify the
15 Department of Examiners of Public Accounts that it collects
16 license revenue and other taxes and fees in its police
17 jurisdiction. Beginning March 1, 2022, each municipality
18 collecting license revenue and other taxes or fees within its
19 police jurisdiction shall prepare an annual report which shall
20 include an accounting of all license revenues and other taxes
21 or fees collected in the police jurisdiction ~~expanded after~~
22 September 1, 2015, during the preceding fiscal year and
23 provide a list of the services provided by the municipality
24 and a list of providers within the police jurisdiction. If the
25 municipality provides police or fire protection within the
26 police jurisdiction, the report shall include the following
27 information:

1 "a. The total annual budget for the police and fire
2 department.

3 "b. The total number of calls responded to by police
4 or fire departments within the municipal corporate limits and
5 the total number of calls responded to by the police and fire
6 departments within the police jurisdiction. For the police
7 department, the number should include the number of calls
8 responded to as well as the number of citations and arrests
9 made.

10 "(2) A copy of the annual report, which shall be
11 completed ~~within 90 days of the close of~~ by March 1 for the
12 preceding fiscal year, shall be forwarded to the Department of
13 Examiners of Public Accounts and shall be made available to
14 the public.

15 "(3) If a municipality fails to file a report as
16 provided in subdivision (1) within 12 months of the report
17 being due, the municipality may not collect any further
18 license revenue or any other taxes or fees in the police
19 jurisdiction.

20 "(4) A municipality prevented from the further
21 collection of license revenue or other taxes or fees as
22 provided in subdivision (3), shall provide written notice to
23 the Department of Revenue within 30 days of the expiration of
24 the time period.

25 "(5) The Legislative Council, by majority vote,
26 shall have the authority to direct the Examiners of Public
27 Accounts to perform an audit of any municipality collecting

1 revenue in its police jurisdiction. A municipality shall not
2 be responsible for the cost of the audit so directed unless it
3 is determined by the Examiners of Public Accounts that a
4 municipality is not in compliance with the requirements of
5 subsections (a) and (b).

6 "~~(c)~~ (d) When the place at which any business,
7 trade, or profession is done or carried on is within the
8 police jurisdiction of two or more municipalities which levy
9 the licenses thereon authorized by this section, the licenses
10 shall be paid to, issued, and collected by that municipality
11 only whose boundary measured to the nearest point thereof is
12 closest to the business, trade, or profession. This section
13 shall not have the effect of repealing or modifying the
14 limitations in this article relating to railroad, express
15 companies, sleeping car companies, telegraph companies,
16 telephone companies, and public utilities and insurance
17 companies and their agents. This section shall be given a
18 liberal construction to effectuate its purpose and meaning."

19 Section 4. Nothing in this act shall prohibit or
20 restrict a municipality from exercising authority within
21 existing rights-of-way in any public waterway immediately
22 adjacent to territory within its corporate limits, on any
23 uninhabited island that lies directly across a public waterway
24 from territory within the corporate limits and would be
25 contiguous with that territory except for the intervention of
26 that public waterway, or on any public land or beach within
27 its police jurisdiction. For purposes of this section,

1 "uninhabited island" means any land surrounded by water which
2 has no residential or commercial buildings on it.

3 Section 5. This act shall not be construed to affect
4 any public or private contracts, or any mutual aid agreements
5 between law enforcement, fire service, public safety, or
6 emergency service agencies.

7 Section 6. This act shall be effective 90 days
8 following its passage and approval by the Governor, or its
9 otherwise becoming law.