

1 HB232
2 126184-5
3 By Representative Poole
4 RFD: County and Municipal Government
5 First Read: 10-MAR-11

1 the state or a charge against the credit or taxing powers of
2 any of them.

3 "(b) Bonds of any authority may be executed and
4 delivered by the authority at any time and from time to time,
5 may be in such form and denominations and of such tenor and
6 maturities, may be in registered or bearer form, either as to
7 principal or interest or both, may be payable at such time or
8 times not exceeding forty years from their date, may be made
9 subject to redemption, may be payable at such place or places
10 whether within or without the State of Alabama, may bear
11 interest at such rate or rates (including variable rates),
12 payable at such time or times and at such place or places and
13 evidenced in such manner, and may contain such other
14 provisions not inconsistent with this chapter, all as shall be
15 provided in the proceedings of its board whereunder the bonds
16 shall be authorized to be issued. Any bond having a stated
17 maturity more than 10 years after its date shall state that it
18 is subject to redemption at the option of the authority at the
19 expiration of ten years from its date and on any interest
20 payment date thereafter at such price or prices and after such
21 notice or notices and on such terms and in such manner as may
22 be provided in the proceedings wherein such bond is authorized
23 to be issued.

24 "(c) Any bonds of an authority may be sold at public
25 or private sale in such manner and from time to time as may be
26 determined by its board to be most advantageous and the
27 authority may pay all expenses, premiums, fees and commissions

1 that its board may deem necessary or advantageous in
2 connection with the issuance thereof.

3 "(d) The issuance by an authority of one or more
4 series of bonds for one or more purposes shall not preclude it
5 from issuing other bonds in connection with the same project
6 or other projects, but the proceedings whereunder any
7 subsequent bonds may be issued shall recognize and protect any
8 prior assignment, lien or indenture for any prior issue of
9 bonds unless in the proceedings authorizing such prior issue
10 the right was reserved to issue subsequent bonds on a parity
11 with such prior issue.

12 "(e) All bonds shall contain a recital that they are
13 issued pursuant to the provisions of this chapter, which
14 recitals shall be conclusive that they have been duly
15 authorized pursuant to the provisions of this chapter.

16 "(f) All bonds issued hereunder and any interest
17 coupons applicable thereto are hereby made and shall be
18 construed to be negotiable instruments.

19 "(g) Upon the adoption by the board of directors of
20 any resolution for the issuance of bonds, an authority, in
21 its discretion, may shall cause to be published once a week
22 for two consecutive weeks, in a newspaper or newspapers of
23 general circulation published in each county within its
24 authorized operational area, and on the Internet website of
25 the newspaper if the newspaper has an Internet website, a
26 notice in substantially the following form (the blanks being

1 properly filled in) at the end which shall be printed the name
2 and title of either the chair or secretary of the authority:

3 "_____ , a public corporation organized under the
4 laws of the State of Alabama, on the _____ day of _____ ,
5 authorized the issuance of not more than \$_____ principal
6 amount of [revenue, general obligation, or other appropriate
7 designation] bonds of the authority for purposes authorized in
8 the act of the Legislature of Alabama under which the
9 authority was organized. Any action or proceeding questioning
10 the validity of the bonds, any pledge or mortgage to secure
11 the same, any lease or sale of any project to be financed by
12 the bonds, or the proceedings authorizing the same must be
13 commenced within 20 days after first publication of this
14 notice."

15 "Any action or proceeding in any court to set aside
16 or question the proceedings for the issuance of the bonds
17 referred to in this notice or to contest the validity of such
18 bonds or the validity of any pledge or mortgage made therefor
19 or any lease or sale of any project to be financed by the
20 bonds must be commenced within 20 days after the first
21 publication of the notice. After the expiration of the period,
22 no cause of action, counterclaim, setoff, or defense
23 questioning or attacking the validity of the proceeding or of
24 the bonds or the pledge or mortgage or the lease or sale of
25 the project to be financed by bonds shall be asserted, nor
26 shall the validity of the proceedings or of the bonds or the
27 pledge or mortgage or the lease or sale of the project to be

1 financed by the bonds be open to question in any court on any
2 ground whatsoever except in an action or proceeding commenced
3 within that period."

4 Section 2. This act shall become effective on the
5 first day of the third month following its passage and
6 approval by the 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 County and Mu-
nicipal Government..... 10-MAR-11

Read for the second time and placed
on the calendar 1 amendment 31-MAR-11

Read for the third time and passed
as amended..... 21-APR-11

Yeas 93, Nays 0, Abstains 0

Greg Pappas
Clerk