

1 SB231  
2 127241-3  
3 By Senators Brooks and Glover  
4 RFD: Tourism and Marketing  
5 First Read: 22-MAR-11

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4 ENGROSSED

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7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

10  
11 To authorize one or more municipalities, counties,  
12 or any combination thereof to create a public authority for  
13 the purpose of promoting and developing tourism and  
14 development; to provide for the duties, powers, and board  
15 membership of the authority; to authorize the authority to  
16 create a tourism promotion and development district; and to  
17 provide for the boundaries of the district.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. Any one or more municipalities or  
20 counties, or any combination thereof, by resolution of the  
21 governing body of each participating municipality or county,  
22 may elect to form a public authority for the purpose of  
23 promoting and developing tourism in the geographic area to be  
24 served by the authority. The authority shall be vested with  
25 the powers provided by this act.

26 Section 2. A public authority established pursuant  
27 to this act shall designate a tourism promotion and

1 development district which may be comprised of part or all of  
2 the corporate limits of any participating municipality and all  
3 or part of the unincorporated areas of any participating  
4 county. The governing body of each municipality and each  
5 county participating in the formation of the authority shall  
6 state in its authorizing resolution or by separate resolution  
7 the geographic area within its corporate limits that shall  
8 comprise the tourism promotion and development district.

9 Section 3. (a) A public authority established  
10 pursuant to this act may conduct programs and events,  
11 including, but not limited to, programs of information and  
12 publicity and public events to attract tourists to geographic  
13 areas served by the authority. The authority may conduct  
14 programs or events in Alabama and elsewhere and expend its  
15 funds in the furtherance of such programs and events in  
16 Alabama and elsewhere.

17 (b) The authority may enter into contracts with a  
18 person, firm, corporation, or association to carry out the  
19 purposes set forth herein. No contract entered into by the  
20 council shall bind the State of Alabama or any county or  
21 municipality of the State of Alabama.

22 (c) The authority shall have all of the following  
23 powers:

24 (1) To sue and be sued.

25 (2) To own, lease, license, operate, purchase,  
26 acquire, hold, improve, develop, manage, sell, convey,  
27 transfer, exchange, release, and dispose of, either alone or

1 in conjunction with others, real and personal property,  
2 tangible and intangible, of every kind, character, and  
3 description.

4 (3) To have a seal and alter the seal as necessary  
5 or appropriate.

6 (4) To appoint officers, agents, employees,  
7 attorneys, and accountants and fix their compensation.

8 (5) To make bylaws for the management and regulation  
9 of the authority's affairs, including the appointment of  
10 committees, upon resolution of the board of directors of the  
11 authority.

12 (6) To enter into contracts and execute all  
13 instruments necessary or convenient to lease, purchase, and  
14 own real or personal property used in furtherance of the  
15 purposes for the accomplishment of which the authority is  
16 created.

17 (7) To accept or receive gifts, bequests, devises,  
18 and all other types of funds, both public and private,  
19 regardless of the source, subject to all applicable laws, and  
20 to expend all such funds to carry out the purposes of this  
21 act.

22 (8) To provide funds directly or indirectly to third  
23 parties in connection with any public program, event, or  
24 advertising campaign to carry out the purposes herein stated.

25 (9) To borrow money, execute notes, and other  
26 evidence of indebtedness which may be required by the lender,

1 and pledge anticipated revenue or income to secure payment of  
2 loans.

3 (10) To do all things necessary or convenient to  
4 carry out the powers expressly given herein.

5 (d) The authority shall not have the power of  
6 eminent domain.

7 Section 4. (a) The affairs of the authority shall be  
8 managed by a board of directors, hereinafter called "the  
9 board," which shall consist of the following: At least one and  
10 not more than five board members representing each  
11 incorporated municipality located within the defined tourism  
12 promotion and development district and not more than two board  
13 members from any unincorporated area included in the tourism  
14 promotion and development district, except that the number of  
15 board members from the unincorporated area of the tourism  
16 development district may be increased to not more than four  
17 board members by a two-thirds majority vote of the then  
18 existing board members of the authority.

19 (b) The number of board members representing each  
20 municipality included in the tourism promotion and development  
21 district shall be computed as follows:

22 (1) One board seat for each seventy thousand dollars  
23 (\$70,000) of annual lodging tax collections collected within  
24 the municipality. The minimum board seats per municipality  
25 shall be one and the maximum board seats per municipality  
26 shall be five.

1           (2) The board members representing the incorporated  
2 municipalities shall be appointed by the governing body of  
3 their respective municipality. The board members shall not be  
4 required to reside within any municipality or the tourism  
5 promotion and development district. The initial board member  
6 terms shall be one each for a one, two, and three-year term.  
7 In the event there are more than three board members  
8 representing any incorporated municipality, each additional  
9 board member shall be appointed for a three, two, or one-year  
10 initial term in the order the additional board member is  
11 appointed. Subsequent appointments shall be for a term of  
12 three years. No board member representing any incorporated  
13 municipality shall serve longer than the initial term of the  
14 board member plus two consecutive three-year terms.

15           (3) Appointed board members shall represent the  
16 following from within their respective municipality:

17           a. No more than one board member from each  
18 municipality may be a member of the elected body of the  
19 municipality.

20           b. No more than two board members from each  
21 municipality may be engaged in the lodging business within the  
22 tourism promotion and development district.

23           c. No more than two board members from each  
24 municipality may be engaged in a business within the tourism  
25 promotion and development district, other than a lodging  
26 business, whose customers or clients are primarily tourists or  
27 visitors.

1           d. Any other board members from each municipality  
2 shall have a background and experience in a tourist-related  
3 industry or attraction, in the field of marketing,  
4 advertising, or public relations, or other field or industry  
5 directly related to the purposes for which the authority is  
6 created and established.

7           (c) The number of board members representing any  
8 unincorporated area of the defined tourism promotion and  
9 development district shall be determined as follows:

10           (1) There shall be two board members from the  
11 unincorporated area of the tourism promotion and development  
12 district, except that the number of board members from the  
13 unincorporated area of the tourism promotion and development  
14 district may be increased to not more than four board members  
15 by a two-thirds majority vote of the then existing board  
16 members of the authority.

17           (2) The board members representing the  
18 unincorporated area of the defined tourism promotion and  
19 development district shall be appointed by a majority vote of  
20 the members of the county commission of the county in which  
21 the unincorporated area is located. The board members shall be  
22 required to reside within the county. The initial board member  
23 terms shall be one each for a two and three-year term.  
24 Subsequent appointments shall be for a term of three years. No  
25 board member representing the unincorporated area of the  
26 tourism promotion and development district shall serve longer  
27 than the initial term of the board member plus two consecutive

1 three-year terms. At least one of the board members shall be  
2 engaged in either the lodging business or a major tourist  
3 attraction within the unincorporated area. Any additional  
4 board members representing the unincorporated area of the  
5 tourism promotion and development district that may be  
6 appointed pursuant to subdivision (1) of this subsection shall  
7 have a background and experience in a tourist-related industry  
8 or attraction, in the field of marketing, advertising, or  
9 public relations, or other field or industry directly related  
10 to the purposes for which the authority is created and  
11 established.

12 (3) Board members whose terms have expired shall  
13 continue to serve until either replaced or reappointed by the  
14 appropriate governing body.

15 (4) The members of the board shall serve without  
16 compensation, but they may be reimbursed for actual expenses  
17 incurred in the performance of their duties for the authority.

18 Section 5. (a) The power of the authority shall be  
19 vested in and exercised by the board of directors pursuant to  
20 this act.

21 (b) The board may employ agents, employees,  
22 officers, consultants, attorneys, and secure services and  
23 assistance the board deems necessary to enable it to conduct  
24 and engage in the activities and purposes for which the  
25 authority is created.



1 (c) The board may delegate to one or more of its  
2 members, employees, agents, or officers, the duties it deems  
3 proper.

4 (d) The board shall elect a chair and a treasurer,  
5 and may elect a vice chair of the board who shall serve as  
6 chair in the event of the absence of the chair, and a  
7 secretary. One person may serve as treasurer and secretary.  
8 The treasurer and secretary may, but need not be, a member of  
9 the board.

10 (e) The board shall provide by resolution for the  
11 dates on which the chair, vice chair, treasurer, secretary, or  
12 any other officers shall be elected, which resolution shall  
13 also specify the term or period for which each of the offices  
14 shall serve.

15 (f) The treasurer shall act as custodian of all  
16 funds from whatever sources derived received by the authority.

17 (g) The treasurer of the board shall execute a  
18 fidelity bond with a company authorized to write bonds in the  
19 State of Alabama being surety thereon, which bond shall be in  
20 an amount approved by the board.

21 (h) Contracts of the authority shall be executed in  
22 the name of the authority by the chair of the board and  
23 attested by the secretary of the board. The board, by  
24 resolution, may provide for a different form for the execution  
25 of contracts and for the execution by an officer or agent  
26 other than the chair and secretary. In no event may a  
27 contract, irrespective of its form and of the persons

1       executing it, be binding unless the contract was authorized or  
2       ratified by the board.

3               (i) Any member of the board may be removed without  
4       cause upon a two-thirds majority vote of the then existing  
5       board members of the authority.

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

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Senate

Read for the first time and referred to the Senate  
committee on Tourism and Marketing..... 22-MAR-11

Read for the second time and placed on the calen-  
dar..... 07-APR-11

Read for the third time and passed as amended .... 27-APR-11

Yeas 30  
Nays 1

Patrick Harris  
Secretary