

1 HB646  
2 139925-2  
3 By Representatives Tuggle, Todd, Hall, Hill, Wallace, Fincher,  
4 Gaston, Boothe, Hammon, Hubbard (J), Wren, Oden, Thomas,  
5 England, McClammy and Davis  
6 RFD: County and Municipal Government  
7 First Read: 05-APR-12

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8 SYNOPSIS: Under existing law, the governing body of a  
9 city may adopt a resolution declaring the need for  
10 a housing authority in the city. The authority has  
11 the power to issue bonds, from time to time, in its  
12 discretion for its corporate purposes. The bonds of  
13 the authority bear interest at a rate or rates  
14 payable semiannually according to the terms of the  
15 resolution or its trust indenture or mortgage.  
16 These bonds may be sold at public sale after notice  
17 has been published once, at least 10 days prior to  
18 the sale, in a local newspaper and in a financial  
19 newspaper published in New York, New York, or New  
20 Orleans, Louisiana. However, these bonds may be  
21 sold to the federal government or a government  
22 sponsored enterprise at private sale without any  
23 public advertisement.

24 This bill would provide that the bonds would  
25 bear interest at a rate or rates payable at the  
26 time or times provided by the terms of the  
27 resolution or its trust indenture or mortgage.

1                   This bill would provide that the bonds would  
2                   be sold by public or private sale as determined by  
3                   the authority and any public sale of bonds would be  
4                   conducted after notice has been published at least  
5                   10 days prior to the sale in a financial newspaper  
6                   published in the City of New York, New York, or  
7                   posted electronically on a website or other  
8                   electronic or Internet service reasonably expected  
9                   to be available to potential purchasers of the  
10                  bonds.

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12                                   A BILL  
13                                   TO BE ENTITLED  
14                                   AN ACT

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16                   To amend Section 24-1-32, Code of Alabama 1975,  
17                   relating to housing authority bonds; to provide that the bonds  
18                   of the authority shall bear interest at a rate or rates  
19                   payable at the time or times provided by the terms of the  
20                   resolution or its trust indenture or mortgage; and to provide  
21                   that the bonds shall be sold by public or private sale as  
22                   determined by the authority and any public sale of bonds shall  
23                   be conducted after proper notice is published in a financial  
24                   newspaper published in a specified city or posted  
25                   electronically on a website or other electronic or Internet  
26                   service reasonably expected to be available to potential  
27                   purchasers of the bonds.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 24-1-32, Code of Alabama 1975, is  
3 amended to read as follows:

4 "§24-1-32.

5 "The bonds of the authority shall be authorized by  
6 its resolution and shall be issued in one or more series and  
7 shall bear such date or dates, mature at such time or times,  
8 not exceeding 60 years from their respective dates, bear  
9 interest at such rate or rates, per annum payable ~~semiannually~~  
10 at the time or times, be in such denominations, which may be  
11 made interchangeable, be in such form, either coupon or  
12 registered, carry such registration privileges, be executed in  
13 such manner, be payable in such medium of payment, at such  
14 place or places, and be subject to such terms of redemption,  
15 with or without premium, as such resolution or its trust  
16 indenture or mortgage may provide. ~~The bonds may be sold at~~  
17 ~~public sale held after notice published once, at least 10 days~~  
18 ~~prior to such sale, in a newspaper circulating in the city and~~  
19 ~~in a financial newspaper published in the City of New York,~~  
20 ~~New York, or in the City of New Orleans, Louisiana; provided,~~  
21 ~~however, that such bonds may be sold to the federal government~~  
22 ~~or to a government sponsored enterprise at private sale~~  
23 ~~without any public advertisement.~~ The bonds shall be sold by  
24 public or private sale as determined by the authority. Any  
25 public sale of bonds shall be conducted after notice  
26 published, at least 10 days prior to the sale, in a financial  
27 newspaper published in the City of New York, New York, or

1 posted electronically on a website or other electronic or  
2 Internet service reasonably expected to be available to  
3 potential purchasers of the bonds. The bonds may be sold at  
4 such price or prices as the authority shall determine. Pending  
5 the authorization, preparation, execution or delivery of  
6 definitive bonds the authority may issue interim certificates,  
7 or other temporary obligations to the purchaser of such bonds.  
8 Such interim certificates, or other temporary obligations,  
9 shall be in such form, contain such terms, conditions and  
10 provisions, bear such date or dates and evidence such  
11 agreements relating to their discharge or payment or the  
12 delivery of definitive bonds as the authority may by  
13 resolution, trust indenture or mortgage determine. In case any  
14 of the officers whose signatures appear on any bonds or  
15 coupons shall cease to be such officers before the delivery of  
16 such bonds, such signatures shall, nevertheless, be valid and  
17 sufficient for all purposes, the same as if they had remained  
18 in office until such delivery. The authority shall have power,  
19 out of any funds available therefor, to purchase any bonds  
20 issued by it at a price not more than the principal amount  
21 thereof and the accrued interest. All bonds so purchased shall  
22 be cancelled. This section shall not apply to the redemption  
23 of bonds. Any provision of any law to the contrary  
24 notwithstanding, any bonds, interim certificates or other  
25 obligations issued pursuant to this article are hereby  
26 declared to be negotiable instruments."

1                   Section 2. This act shall become effective on the  
2 first day of the third month following its passage and  
3 approval by the Governor, or its otherwise becoming law.