

1 HB119  
2 147010-1  
3 By Representative Wood  
4 RFD: County and Municipal Government  
5 First Read: 05-FEB-13

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8 SYNOPSIS: Under existing law, the governing body of a  
9 municipality may contract with a private company  
10 for the construction, extension, or repair of a  
11 municipal building plant, waterworks system, or  
12 electric light and power plant.

13 This bill would authorize the governing body  
14 of a municipality to enter into agreements with  
15 private companies, registered as service contract  
16 providers pursuant to statute, to provide ancillary  
17 service contracts to residential utility customers  
18 with the endorsement of the municipality. This bill  
19 would also authorize the governing body to apply  
20 any fees it receives pursuant to such an agreement  
21 to its general revenue fund.

22  
23 A BILL  
24 TO BE ENTITLED  
25 AN ACT  
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1           To amend Section 11-47-3, Code of Alabama 1975,  
2 relating to contracts for municipal buildings and public  
3 utilities systems; to authorize municipalities to enter into  
4 agreements with private companies that are registered as  
5 service contract providers to provide ancillary service  
6 contracts to customers of the utilities system; and to  
7 authorize the municipality to apply to its general revenue  
8 fund any fees it services pursuant to the agreement.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10           Section 1. Section 11-47-3, Code of Alabama 1975, is  
11 amended to read as follows:

12           "§11-47-3.

13           "(a) The governing body of any city or town may  
14 contract for the construction, reconstruction, extension, or  
15 repair of any municipal building, plant, waterworks system, or  
16 electric light and power plant or system or may on credit  
17 employ labor and purchase on credit all materials and supplies  
18 needed in such construction, reconstruction, extension, or  
19 repair and may, without an election, issue evidences of  
20 indebtedness in the forms and of the maturities described in  
21 Section 11-47-2 to the extent of any indebtedness incurred in  
22 such contract or purchase or construction, reconstruction or  
23 extension and may secure such evidences of indebtedness by  
24 mortgage or deed of trust (in such form and with such  
25 provisions as such governing body may determine) on such  
26 municipal building, plant, waterworks system, or electric  
27 light and power plant or system.

1           " (b) ~~Such~~ The governing body may consolidate or  
2 combine their waterworks systems or plants with their lighting  
3 or power plants and systems and use any part of the one system  
4 or plant for the operation of the other plant or system, and  
5 may use the net proceeds, receipts and revenues from the  
6 lighting or power plant for the payment or security of any  
7 debt incurred in the construction, maintenance, extension, or  
8 operation of the waterworks system.

9           "(c) The governing body may enter into agreements  
10 with companies duly registered as service contract providers  
11 under Title 8 of Chapter 32 to make available ancillary  
12 service contracts to residential utility customers, including,  
13 but not limited to, residential water, sewer, gas, and  
14 electric utility services customers, with the endorsement of  
15 the city or town if deemed appropriate, and the governing body  
16 may apply any fees it receives pursuant to the agreements to  
17 its general revenue fund."

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