

1 SB153
2 147010-1
3 By Senators Beasley, Reed, Glover, and Holley
4 RFD: Governmental Affairs
5 First Read: 07-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
26

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.