- 1 HB571
- 2 159266-2
- 3 By Representative Burdine (N & P)
- 4 RFD: Local Legislation
- 5 First Read: 04-MAR-14

A BILL

TO BE ENTITLED

AN ACT

Relating to Lauderdale County; to authorize and provide for the organization as a public corporation of a tourism board in and for Lauderdale County; to provide for the government of such tourism board by a board of directors, and for the election and terms of office of the members of such board of directors; to provide for the termination or dissolution of any then existing public body formed to promote or develop tourism in either Lauderdale County or the City of Florence, and for the disposition or transfer to such tourism board of the assets and liabilities of such public body; to provide for the officers of such tourism board; to specify the general powers of such tourism board and its board of directors; to deny to such tourism board any power of taxation or eminent domain; to provide that agreements and obligations undertaken by such tourism board shall not create any

obligation or debt of the State of Alabama, Lauderdale County, or any of certain municipalities in the county; to apply to such tourism board certain provisions of the Code of Alabama 1975, as amended, pertaining to tort claims and judgments against local governmental entities; to authorize Lauderdale County, certain municipalities in the county, and certain public agencies, authorities, or bodies to convey to such tourism board, with or without consideration, certain properties and funds owned by any of them; to provide for the continuing distribution to such tourism board, Lauderdale County, and certain municipalities in the county, of certain specified portions of the proceeds of that certain county lodging tax now being levied and collected in Lauderdale County pursuant to Act No. 86-411, as amended, and to provide for the use of the tax proceeds by the recipients thereof; to provide further for the distribution and use of the proceeds of the tax prior to the formation of the tourism board; to exempt such tourism board and the property, income, securities, and certain conveyances and documents thereof from all taxation by the state or any political subdivision thereof; to exempt the gross proceeds of sales of property used by such tourism board from all sales and similar excise taxes in the state, and to exempt such property from all use and similar excise taxes in the state; to exempt such tourism board from all laws of the state governing usury or prescribing or limiting interest rates; to provide for the disposition of the earnings of such tourism board, its

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

- dissolution and the disposition thereupon of its assets and properties; and to provide an effective date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Definitions. (a) The following words and phrases used in this act, and others evidently intended as the equivalent thereof, in the absence of clear implication herein otherwise, shall be given the following respective interpretations herein:

- (1) Authorizing Resolution. The resolution adopted by the governing body of the City of Florence or the county, in accordance with the provisions of this act, that authorizes the organization of the tourism board.
- (2) Board. The board of directors of the tourism board.
- (3) Code. The Code of Alabama 1975 and all amendments thereto and, with respect to any particular title, chapter, article, division, section, or other portion thereof, any act of the Legislature or other code preceding such portion of the Code or subsequently replacing the same.
 - (4) County. Lauderdale County, Alabama.
- (5) County Lodging Tax. That certain tax levied by Act No. 86-441 enacted at the 1986 Regular Session of the Legislature, as heretofore amended.
 - (6) Director. A member of the Board.
- 25 (7) Florence. The City of Florence, Alabama.
 - (8) Governing Body. With respect to the county, its county commission, and, with respect to a municipality, its

- city or town council, board of commissioners, or other like governing body.
- 3 (9) Legislature. The Legislature of the state.

- 4 (10) Municipality. Any incorporated municipality located wholly within the county.
 - (11) Planning Jurisdiction. A municipality's planning jurisdiction but excludes any portion of such planning jurisdiction located outside of the county.
 - (12) State. The State of Alabama.
 - (13) Tourism Board. The public corporation organized pursuant to the provisions of this act.
 - (b) The terms "herein," "hereby," "hereunder,"

 "hereof," and other equivalent words refer to this act as an entirety and not solely to the particular section or portion hereof in which any such word is used. The definitions set forth herein shall be deemed applicable whether the words defined are used in the singular or plural. Whenever used herein any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. Organization of Tourism Board. (a) The governing bodies of Florence and the county may form a tourism board as a public corporation pursuant to this act by each adopting a resolution that does both of the following:

(1) Recites that the county and the City of Florence propose to form the tourism board pursuant to the provisions of this act.

(2) States the name of the tourism board, which may be a name indicating in a general way the function of the tourism board and the geographical area proposed to be served by it, and shall include the word "authority," "bureau," or "board," unless the Secretary of State shall determine that such name is identical to the name of another corporation organized under the laws of the state or so nearly similar thereto as to lead to confusion and uncertainty, in which case there may be inserted additional identifying words so as to eliminate said duplication or similarity or to adopt some other similar name that is available.

While it shall not be necessary that any such resolution be published in any newspaper or posted, the governing body of the county or the City of Florence, as the case may be, shall cause such resolution to be spread upon or made a part of the minutes of the meeting thereof at which final action thereon is taken.

- (b) Upon the adoption of both authorizing resolutions, the tourism board shall come into existence and shall constitute a public corporation under the name set forth in each such authorizing resolution. The authorizing resolutions shall both be filed, not more than 15 days after the date on which the latter thereof was adopted, for record in the office of the judge of probate of the county.
- (c) The governing bodies of the county and the City of Florence may from time to time adopt resolutions amending the authorizing resolutions theretofore adopted by them with

respect to the tourism board; and such amendatory resolutions shall be filed, not more than 15 days after the date on which the latter thereof was adopted, for record in the office of the judge of probate of the county.

(d) Notwithstanding any provision to the contrary in any law enacted by the Legislature, whether general, special, or local, or in any ordinance, resolution, or resolution and order previously adopted by the county and the City of Florence, the governing bodies of the county and the City of Florence, in the authorizing resolutions or any amendatory resolutions hereinabove authorized, may terminate or dissolve any public body that was theretofore formed for the purpose of promoting or developing tourism in either or both the City of Florence and the county. If such a public body is dissolved, the county and the City of Florence, whether in the authorizing resolutions or in any amendatory resolutions adopted by them, may establish the tourism board as the successor in interest to all of the assets and liabilities of the public body so dissolved.

Section 3. Board of Directors. (a) The tourism board shall have a board of directors composed of five directors, two of whom shall be elected by the governing body of the City of Florence, two of whom shall be elected by the governing body of the county, and one of whom shall be elected jointly by the governing body of the City of Florence and the governing body of the county. Each director must be 21 years of age or older and must be a resident and qualified elector

of the county. Both of the directors first so elected by the governing body of the City of Florence after the organization of the tourism board shall be elected for an initial term of six months. Both of the directors first so elected by the governing body of the county after the organization of the tourism board shall be elected for an initial term of 18 months. The director first so elected jointly by the governing body of the City of Florence and the governing body of the county after the organization of the tourism board shall be elected for an initial term of 42 months. Thereafter the term of office of each director elected by the governing body of the City of Florence, the governing body of the county, or jointly by the governing body of the City of Florence and the governing body of the county shall be four years.

(b) If, at the expiration of any term of office of any director, a successor thereto shall not have been elected or appointed, the director whose term of office shall have expired shall continue to hold office until his or her successor shall be so elected or appointed. If at any time there should be a vacancy on the board, whether by death, resignation, incapacity, disqualification, or otherwise, a successor director to serve for the unexpired term applicable to such vacancy shall be elected or appointed by the governing body of the entity that appointed the director who vacated his or her position on the board. Any director shall be eligible for reelection or reappointment.

(c) Each director shall serve as such without compensation but shall be reimbursed for expenses actually incurred by him or her in and about the performance of his or her duties as a director.

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

(d) A majority of the directors shall constitute a quorum for the transaction of business. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the powers and perform all the duties of the board. Whenever any notice is required by the by-laws of the tourism board to be given of any meeting of the board, a waiver thereof in writing, signed, whether before or after such meeting, by the person or persons entitled to such notice, shall be the equivalent to the giving of such notice. Any matter on which the board is authorized to act may be acted upon at any regular, special or called meeting. All resolutions adopted by the board shall constitute actions of the tourism board, and all proceedings of the board shall be reduced to writing and signed by the secretary of the tourism board and shall be recorded in a well-bound book. Copies of such proceedings, when certified by the secretary of the tourism board, under the seal of the tourism board, shall be received in all courts as prima facie evidence of the matters and things therein certified.

Section 4. Powers of Tourism Board. (a) The tourism board may conduct programs and events, including, but not limited to, programs of information and publicity, sporting events, and other public events to attract tourists and

visitors to the county. The tourism board may conduct programs or events in the state and elsewhere and expend its funds in the furtherance of such programs and events in the state and elsewhere.

- (b) The tourism board may enter into contracts with any person, firm, corporation, or association to carry out the purposes set forth herein. No contract entered into by the tourism board shall bind either the state, the county, or any municipality.
- (c) The tourism board shall have the following additional powers, together with all powers incidental thereto or necessary to the discharge thereof in corporate form:
- (1) To sue and be sued in its own name in civil suits and actions, and to defend suits and actions against it, including suits and actions ex delicto and ex contractu, subject, however, to the same limitations that are imposed, by Section 11-93-2 of the Code of Alabama 1975, on the recovery of money damages under any judgment against a governmental entity, as the term "governmental entity" is defined and used in Section 11-93-1 of the Code of Alabama 1975, it being understood and hereby expressly provided that the provisions of Section 11-93-2, Code of Alabama 1975, shall apply, and shall be applied, fully to the tourism board, in all circumstances and instances whatsoever, and in every judicial action or proceeding, whether in state or Federal court, to which the tourism board itself is, or would be, or would be deemed

- to be, a "governmental entity," as that term is defined and used as aforesaid.
- (2) To own, lease, license, operate, purchase,
 acquire, hold, improve, develop, manage, sell, convey,
 transfer, exchange, release, and dispose of, either alone or
 in conjunction with others, real and personal property,
 tangible and intangible, of every kind, character, and
 description.

- (3) To adopt a corporate seal and to alter such seal as necessary or appropriate.
 - (4) To employ agents, employees, consultants, attorneys, and accountants, to fix their compensation, to secure such services and assistance as the board deems necessary to enable the tourism board to conduct and engage in the activities and purposes for which it is created, and, subject to the provisions of Section 5, to appoint officers in addition to those specified in Section 5.
 - (5) To make bylaws for the management and regulation of the tourism board's affairs, including the appointment of committees, upon resolution of the board.
 - (6) To enter into contracts and execute all instruments necessary or convenient to lease, purchase, and own real or personal property used in furtherance of the purposes for the accomplishment of which the tourism board is created.
 - (7) To accept or receive gifts, bequests, devises, and all other types of funds, both public and private,

regardless of the source, subject to all applicable laws, and to expend all such funds to carry out the purposes of the tourism board.

- (8) To provide funds directly or indirectly to third parties in connection with any public program, sporting or other event, or advertising campaign to carry out the purposes herein stated.
- (9) To borrow money, execute notes, and other evidence of indebtedness which may be required by the lender, and pledge anticipated revenue or income to secure payment of loans.
- (10) To mortgage, pledge or otherwise convey its property and its revenues from any source.
- (11) To mortgage or pledge any or all of its assets or properties or any part or parts thereof, whether then owned or thereafter acquired, as security for the payment of the principal of and the interest and premium, if any, on any debt incurred by it.
- (d) At the discretion of the board, the tourism board may operate on the basis of either a calendar year or a fiscal year that is identical to the fiscal year then being used by the county. The tourism board shall each year adopt an annual budget for the then next succeeding calendar or fiscal year, whichever is applicable, which budget may thereafter from time to time be altered, amended or modified, all as the Board may determine to be advisable. The board, not less than 30 days prior to approval by it of any proposed annual budget,

shall cause a copy of such proposed budget to be provided to both of the following:

- (1) The governing body and, if the mayor is not a member of such governing body, the mayor of each municipality in which the county lodging tax is then being collected from persons and businesses operating in the corporate limits or planning jurisdiction of such municipality.
- (2) The governing body of the county, provided that the county lodging tax is then being collected from persons and businesses operating in the county, but not within the corporate limits or planning jurisdiction of any municipality. Any such governing body or mayor may a. submit to the board comments or requests with respect to such proposed annual budget, and b. request from the board such information as is reasonably related to such budget. Before adopting any such proposed annual budget, the board, in its discretion, may alter, amend, or modify such proposed budget on the basis of any such comments or requests submitted to it as provided herein, but the board shall not in any event be required or obligated to do so.
- (e) The tourism board shall have neither the power to levy any tax nor the power of eminent domain, and nothing herein contained shall be construed as granting any such power to the tourism board.
- Section 5. Powers of Board; Officers. (a) All powers of the tourism board shall be exercised, and the tourism board

shall be governed, by the board or pursuant to its

authorization, in accordance with the provisions of this act.

- (b) The board may, if and to the extent such action is consistent with succeeding provisions of this section, delegate to one or more of the directors, or to any one or more of the employees, agents, or officers of the tourism board, such duties as it deems proper.
- (c) The officers of the tourism board shall consist of a chair, a vice chair, a secretary, a treasurer, and such other officers as the board shall deem necessary or desirable. The board shall elect the chair, the vice chair, the secretary, and the treasurer; and the vice chair shall serve as chair in the event of the absence of the chair. The chair and vice chair shall be directors, and the treasurer and secretary may, but need not be, directors. One person may serve as treasurer and secretary. Each officer of the tourism board shall serve as such without compensation but shall be reimbursed for expenses actually incurred by him or her in and about the performance of his or her duties as such officer.
- (d) The board shall provide by resolution for the dates on which the chair, vice chair, secretary, treasurer, or any other officer shall be elected, which resolution shall also specify the term or period for which each such officer shall serve as such.
- (e) The treasurer shall act as custodian of all funds, from whatever sources derived, that are received by the tourism board.

(f) The treasurer shall execute a fidelity bond with a company authorized to write bonds in the state being surety thereon, which bond shall be in an amount approved by the board.

(g) Contracts of the tourism board shall be executed in the name of the tourism board by the chair and attested by the secretary. The board, by resolution, may provide for a different form of the execution of contracts and for the execution by an officer or agent other than the chair and secretary. In no event may a contract, irrespective of its form and of the persons executing it, be binding unless the contract was authorized or ratified by the board.

Section 6. Obligations Not Debts of State, County, or Municipality. All agreements and obligations undertaken by the tourism board shall be solely and exclusively obligations of the tourism board and shall not create any obligation or debt of either the state, the county, or any municipality.

Section 7. Transfer of Funds and Assets to Tourism Board.

- (a) The county, any municipality, and any other public agency, authority, bureau, or body that provides services of any kind or otherwise operates in the county, are authorized to transfer and convey to the tourism board, with or without consideration, both of the following:
- (1) Any properties, real or personal, and any interest therein, and all funds and assets, tangible or intangible, relative to the ownership or operation of any such

that may be owned by the county, such municipality, or such
other public agency, authority, bureau, or body, as the case
may be, or that may be jointly owned by any two or more
thereof.

- (2) Any funds owned or controlled by the county, such municipality, or such other public agency, authority, bureau or body, as the case may be, or jointly by any two or more thereof, that may have been raised or allocated for any of the purposes for which the tourism board shall have been organized, whether or not such property is considered necessary for the conduct of the governmental or public functions of the county, the municipality, or other public agency, authority, bureau, or body.
- (b) Each transfer or conveyance shall be authorized by an ordinance or resolution duly adopted by the governing body of the county or municipality, or by the board of directors or other governing body of the public agency, authority, or body, all as the case may be. It shall not be necessary, any provision of law to the contrary notwithstanding, to obtain any permit for any such transfer or conveyance.
- Section 8. Distribution of County Lodging Tax. The state Department of Revenue shall distribute the net proceeds of the county lodging tax as provided in this section:
- (1) Prior to the organization of the tourism board hereunder, the net proceeds of the county lodging tax collected from persons and businesses operating in the

corporate limits or planning jurisdiction of any municipality shall be distributed to that municipality; and the net proceeds of the county lodging tax collected from persons and businesses operating in the county, but not within the corporate limits or planning jurisdiction of any municipality, shall be distributed to the county. The provisions of this subdivision shall become operative on the first day of the second calendar month next succeeding the effective date of this act, as determined pursuant to Section 16, but subject, however, to the effectuation of the succeeding provisions of this section.

(2) Subsequent to the organization of the tourism board hereunder, there shall be distributed directly to the tourism board 75 percent of the net proceeds of the county lodging tax that are collected from persons and businesses operating in either of the following:

- a. The corporate limits or planning jurisdiction of any municipality.
- b. The county, but not within the corporate limits or planning jurisdiction of any municipality.
- All such proceeds so distributed to the tourism board may be used by it for any purpose for which it is created.
- (3) Subsequent to the organization of the tourism board, there shall be distributed directly to each municipality 25 percent of the net proceeds of the county lodging tax that are collected from persons and businesses

operating in the corporate limits or the planning jurisdiction of that municipality. All such proceeds so distributed to any municipality must be either a. used by it for the promotion of tourism, recreation, conventions, sporting events, and other activities that advertise either or both the county and that municipality or that attract people to visit the county or that municipality, or b. appropriated and paid over by it to the tourism board.

- (4) Subsequent to the organization of the tourism board hereunder, there shall be distributed directly to the county 25 percent of the net proceeds of the county lodging tax that are collected from persons and businesses operating in the county, but not within the corporate limits or planning jurisdiction of any municipality. All proceeds so distributed to the county must be either a. used by it for the promotion of tourism, recreation, conventions, sporting events, and other activities that advertise either or both the county and any municipality or that attract people to visit the county or any municipality, or b. appropriated and paid over by it to the tourism board.
- (5) Notwithstanding anything in subdivision (1) to the contrary, the provisions of subdivisions (2), (3), and (4) shall become operative on the first day of the calendar month next succeeding the date on which the tourism board comes into existence, as determined pursuant to subsection (b) of Section 2.

Section 9. Earnings of Tourism Board. The tourism board shall be a public corporation and no part of its net earnings remaining after payment of its expenses shall inure to the benefit of any individual, firm, or corporation, except that in the event the board determines that sufficient provision has been made for the full payment of the expenses and other obligations of the tourism board, any portion, as determined by the board, of the net earnings of the tourism board thereafter accruing may be paid to the City of Florence.

Section 10. Exemption from Usury and Interest Laws. The tourism board shall be exempt from all laws of the state governing usury or prescribing or limiting interest rates, including, but not limited to, Chapter 8 of Title 8 of the Code of Alabama 1975.

Section 11. Exemption from Taxation. All property of the tourism board, whether real, personal or mixed, and the income therefrom, all notes or other evidences of indebtedness executed or issued by the tourism board and the income therefrom, and all instruments executed as security therefor, all leases made pursuant to the provisions of this act and all revenues derived from any such leases, and all deeds and other documents executed by or delivered to the tourism board, shall be exempt from any and all taxation by the state, or by the county, any municipality, or any other political subdivision of the state, including, but without limitation to, license and excise taxes imposed in respect of the privilege of engaging in any of the activities in which the tourism board

may engage. The tourism board shall not be obligated to pay or allow any fees, taxes or costs to the judge of probate of any county in respect of the recording of any document. Further, the gross proceeds of the sale of any property used in the construction and equipment of any properties for the tourism board, regardless of whether such sale is to the tourism board or to any contractor or agent thereof, shall be exempt from the sales tax imposed by Article 1 of Chapter 23 of Title 40 of the Code of Alabama 1975, and from all other sales and similar excise taxes now or hereafter levied on or with respect to the gross proceeds of any such sale by the state or by the county, any municipality, or any other political subdivision or instrumentality of any thereof; and any property used in the construction and equipment of any property for the tourism board, regardless of whether such property has been purchased by the tourism board or by any contractor or agent thereof, shall be exempt from the use tax imposed by Article 2 of Chapter 23 of Title 40 of the Code of Alabama 1975, and all other use and similar excise taxes now or hereafter levied on or with respect to any such property by the state, the county, any municipality, or any other political subdivision or instrumentality of any thereof. Section 12. Dissolution of Tourism Board. At any time when the tourism board does not have any debt

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

board may adopt a resolution, which shall be duly entered upon

outstanding, and when there shall be no other obligations

assumed by the tourism board that are then outstanding, the

its minutes, declaring that the tourism board should be dissolved; provided, however, that no such resolution may be adopted except upon the affirmative vote of not less than four directors, with such vote having been taken by yeas and nays and entered upon the minutes of the board. After the adoption of such a resolution by the board, and only if the governing bodies of the county and the City of Florence each adopt a resolution, which shall be duly entered upon their respective minutes, approving the dissolution of the tourism board, then, upon the filing for record in the office of the judge of probate of the county of a certified copy of each such resolution, the tourism board shall thereupon stand dissolved; and in the event that it owned any assets or property at the time of its dissolution, the title to all its assets and property shall, subject to any constitutional provision or inhibition to the contrary, thereupon vest in the City of Florence. In no event may the tourism board be dissolved hereunder except upon the adoption of appropriate resolutions by the board and by the respective governing bodies of the county and the City of Florence.

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

Section 13. Formation of Only One Tourism Board.

Nothing in this act shall be construed to authorize the organization or formation hereunder of more than one tourism board.

Section 14. Repeal of Inconsistent Laws. All special or local laws, or parts thereof, which are inconsistent or in

conflict with this act are hereby repealed to the extent of such inconsistency or conflict.

3

5

6

7

8

9

10

Section 15. Severability. In the event that any provision of this act shall be held or declared invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 16. Effective Date. This act shall become effective immediately upon its passage and approval by the Governor, or upon its otherwise becoming a law.