

1 HB2  
2 197584-1  
3 By Representative Poole  
4 RFD: Transportation, Utilities and Infrastructure  
5 First Read: 06-MAR-19

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8 SYNOPSIS: This bill would enact the Rebuild Alabama  
9 Act, to levy an additional excise tax on gasoline  
10 and diesel fuel and provide for the collection and  
11 distribution of the proceeds for state, county,  
12 municipal and State Port Authority transportation  
13 infrastructure purposes.

14 This bill also provides for an additional  
15 registration fee for certain motor vehicles and the  
16 distribution of the proceeds of the additional fee.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT  
21

22 To levy an additional excise tax on gasoline and  
23 diesel fuel; to provide for the collection and distribution of  
24 the proceeds from the additional excise tax for state, county,  
25 municipal and Alabama State Port Authority transportation  
26 infrastructure purposes; to amend Sections 11-6-4 and 11-6-23,  
27 Code of Alabama 1975, to require the Department of

1 Transportation contribute to the salary of the county engineer  
2 or chief engineer and modify the Department's reimbursement  
3 cap for the county engineer trainee's salary; to amend Section  
4 40-12-242, Code of Alabama 1975, to levy an additional  
5 registration fee for certain motor vehicles and provide for  
6 the distribution of the proceeds from the additional  
7 registration fee to the Rebuild Alabama Fund; to amend Section  
8 40-17-331, Code of Alabama 1975, to levy a floor stocks tax;  
9 and to repeal Section 11-6-6, Code of Alabama 1975.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. This act shall be known and may be cited  
12 as the Rebuild Alabama Act.

13 Section 2. The Legislature finds all of the  
14 following:

15 (a) That consistent with the constitutional mandate  
16 that navigable waterways are public highways, the Legislature  
17 hereby finds as a fact that a portion of the gasoline and  
18 diesel fuel sold in this state is used for marine purposes to  
19 propel vessels on coastal and inland waterways of this state.

20 (b) That it is the policy of this state to use a  
21 portion of the funds derived from the additional excise tax  
22 levied by this act on each net gallon of gasoline and diesel  
23 fuel for the programs and activities of the Alabama State Port  
24 Authority.

25 (c) That the development and growth of electric  
26 vehicle transportation infrastructure are considerations in  
27 the construction, reconstruction, maintenance, and repair of a

1 modern-day public road, highway, and bridge system in this  
2 state.

3 (d) That the State Department of Transportation is  
4 the appropriate agency to initiate the comprehensive planning  
5 and administrative duties associated with the development of  
6 electric vehicle transportation infrastructure as a part of  
7 its regular duties.

8 (e) That the development of electric vehicle  
9 transportation infrastructure is a cost of construction,  
10 reconstruction, maintenance, and repair of public roads,  
11 highways, and bridges in this state and that the moneys of the  
12 Rebuild Alabama Fund may be lawfully used for such purpose.

13 (f) It is the intention of the Legislature to  
14 authorize the creation of, and to hereby create, the Electric  
15 Transportation Charging Infrastructure Grant Program as a  
16 program of the State Department of Transportation for the  
17 purpose of providing grants, funds, and support for the  
18 construction, reconstruction, maintenance, and repair of the  
19 public roads, highways, and bridges in this state through the  
20 procurement, installation, and implementation of electric  
21 vehicle transportation infrastructure.

22 Section 3. Sections 11-6-4, 11-6-23, 40-12-242, and  
23 40-17-331, Code of Alabama 1975, are amended to read as  
24 follows:

25 "§11-6-4.

26 "When any county has established the office of  
27 county engineer or chief engineer of the division of public

1 roads the Director of the Department of Transportation ~~may~~  
2 shall, upon application of the county commission, authorize  
3 the expenditure out of the available funds of the State  
4 Department of Transportation , of an amount equal to 70  
5 percent of the annual salary of said engineer to such county,  
6 which shall apply to the payment of the annual salary of said  
7 engineer, with such payments to be made in equal monthly  
8 installments; provided, that the amount contributed or paid by  
9 the State Department of Transportation to any county, not  
10 including retirement contributions, shall not exceed 70  
11 percent of step 18, or the top step, whichever is greater, of  
12 the salary schedule under the pProfessional Civil Engineer II, L  
13 Senior classification in any one year. ~~The Director of the~~  
14 ~~Department of Transportation may discontinue such payment~~  
15 ~~after 30 days' notice in writing to the county commission and~~  
16 ~~to the county engineer or chief engineer of the division of~~  
17 ~~public roads, unless otherwise agreed to in writing with the~~  
18 ~~county by contract made and entered upon the records of the~~  
19 ~~county commission.~~

20 "§11-6-23.

21 "(a) Upon application of the county commission or  
22 like governing body of the several counties of the state, the  
23 Department of Transportation, ~~upon approval of the Director of~~  
24 ~~Transportation,~~ shall participate in the salary of the  
25 engineer trainee in the county in an amount equal to 50  
26 percent of the annual salary of the engineer trainee. The  
27 amount is to be paid to the county in equal monthly

1 installments to reimburse the fund of the county from which  
2 the salary of the engineer trainee is paid.

3 "(b) The amount contributed or paid by the  
4 Department of Transportation to any county under this article  
5 shall not include retirement contributions, Social Security,  
6 unemployment compensation, or other employee benefits, nor  
7 shall the amount contributed or paid exceed ~~(1)~~ 50 percent of  
8 the annual salary schedule of the Department of Transportation  
9 under the ~~graduate~~ Professional ~~c~~Civil ~~e~~Engineer I  
10 classification, step 18, or the top step, whichever is  
11 greater, as established by the Department of Transportation  
12 for the year in which applied, ~~or (2), in the case of an~~  
13 ~~assistant to the county engineer who has served at least one~~  
14 ~~year as an engineer trainee under this article and has~~  
15 ~~qualified as a registered engineer in this state, 50 percent~~  
16 ~~of the annual salary schedule of the Department of~~  
17 ~~Transportation under the graduate registered engineer~~  
18 ~~classification as established by the Department of~~  
19 ~~Transportation for the year in which applied.~~

20 "§40-12-242.

21 "(a) The following annual license taxes and regis-  
22 tration fees are hereby imposed and shall be charged on each  
23 private passenger automobile operated on the public highways  
24 of this state and on each motorcycle operated on the said pub-  
25 lic highways:

- 1 (1) For each private passenger automobile \$13.00  
2 (2) For each motorcycle \$7.00

3 " No private passenger automobile and no motorcycle  
4 shall be used on any public highway in the state unless the  
5 proper license tag therefor has been procured and is securely  
6 attached to the rear end thereof, such tag to be so attached  
7 right side up with the number thereof in an upright position  
8 and plainly visible.

9 "(b) In addition to the annual license taxes and  
10 registration fees imposed in subsection (a) above and  
11 elsewhere in Article 5 of Chapter 12 of Title 40, there is  
12 hereby imposed and shall be charged;

13 "(1) an annual license tax and registration fee of  
14 \$200.00 on each battery electric vehicle operated on the  
15 public highways of this state, and

16 "(2) an annual license tax and registration fee of  
17 \$100.00 on each plug-in hybrid electric vehicle operated on  
18 the public highways of this state.

19 " A battery electric vehicle is defined as any motor  
20 vehicle which draws propulsion energy solely or primarily from  
21 onboard sources of stored electric energy from a plug-in  
22 rechargeable electric energy storage system and which does not  
23 include an internal combustion or heat engine using  
24 combustible fuel. A plug-in hybrid electric vehicle is defined  
25 as any motor vehicle which draws propulsion energy from

1 onboard sources of stored electric energy that can be plugged  
2 into an outlet or charging station, and which includes an  
3 internal combustion or heat engine using combustible fuel.

4 "(c) Beginning on July 1, 2023 and every fourth year  
5 thereafter, the additional license tax and registration fee  
6 specified in this act shall increase by three dollars (\$3).

7 "(d) The annual battery electric vehicle fee imposed  
8 in subsection (b) (1) shall be reduced by the amount of any  
9 future additional annual federal surcharge or registration fee  
10 placed on a battery electric vehicle, and the annual plug-in  
11 hybrid electric vehicle fee imposed in subsection (b) (2) shall  
12 be reduced by the amount of any future annual federal  
13 surcharge or registration fee placed on a plug-in hybrid  
14 electric vehicle, if the federal surcharge or registration fee  
15 is used solely for highway transportation purposes in the  
16 state of Alabama, but in no case shall the battery electric  
17 vehicle fee be reduced to less than \$150 and the plug-in  
18 hybrid electric vehicle fee be reduced to less than \$75.

19 "(e) The Electric Transportation Infrastructure  
20 Grant Program is created within the State Department of  
21 Transportation. The program shall be administered, conducted,  
22 and managed, and its funds shall be dispersed by, the State  
23 Department of Transportation, which shall have all the powers,  
24 authorities, rights, privileges, and titles necessary to  
25 enable it to accomplish the purpose of the Electric  
26 Transportation Infrastructure Grant Program. The State  
27 Department of Transportation is authorized and directed to



1 promulgate rules for the Electric Transportation  
2 Infrastructure Grant Program including the solicitation,  
3 application, evaluation, and selection of grant applicants,  
4 the distribution of grants for electric vehicle charging  
5 infrastructure, and the use of grant funds through the Alabama  
6 Administrative Procedures Act.

7 "(f) Notwithstanding any other statute or law to the  
8 contrary, all proceeds of the annual license taxes and  
9 registration fees imposed and charged in subsection (b) above,  
10 after deduction pursuant to Section 40-12-269 (a) (1), Code of  
11 Alabama 1975, shall be distributed as follows:

12 "(1) The first \$150 collected from the annual  
13 license tax and registration fee on each battery electric  
14 vehicle and the first \$75 collected from the annual license  
15 tax and registration fee on each plug-in hybrid electric  
16 vehicle shall be distributed sixty-six and sixty-seven one  
17 hundreths percent (66.67%) to the state, twenty-five percent  
18 (25%) to counties, and eight and thirty-three one hundreths  
19 percent (8.33%) to cities.

20 "(2) The remainder shall be deposited in the Rebuild  
21 Alabama Fund established pursuant to the provisions of this  
22 act, and shall be used by the State Department of  
23 Transportation to fund electric vehicle transportation  
24 charging infrastructure through the Electric Transportation  
25 Infrastructure Grant Program established in this act until  
26 such time as the total annual registrations of battery  
27 electric vehicles plus plug-in hybrid electric vehicle exceed

1 four percent (4%) of the total annual registrations of all  
2 motor vehicles within the state of Alabama, except trailers  
3 and semitrailers, for which an annual license tax and  
4 registration fee is paid. Thereafter the annual license taxes  
5 and registration fees imposed by subsection (b) (1) and (b) (2)  
6 shall be reduced to \$150 and \$75, respectively, and after such  
7 reduction the receipts shall be deposited into the Rebuild  
8 Alabama Fund and distributed sixty-six and sixty-seven one  
9 hundreths percent (66.67%) to the state, twenty-five percent  
10 (25%) to the counties, and eight and thirty-three one  
11 hundreths percent (8.33%) to the cities to be used in the  
12 construction, reconstruction, maintenance, and repair of  
13 public roads, highways, and bridges in the state, and for any  
14 other purpose for which moneys in the Rebuild Alabama Fund may  
15 be lawfully used. All previously collected but unspent funds  
16 dedicated to the Electric Transportation Infrastructure Grant  
17 Program shall continue to be used to fund the Electric  
18 Transportation Infrastructure Grant Program.

19 "(g) The annual license taxes and registration fees  
20 pursuant to this act shall be effective January 1, 2020.

21 "§40-17-331.

22 ~~"(a) There is hereby imposed a floor-stocks tax on~~  
23 ~~motor fuel held in inventory outside of the bulk~~  
24 ~~transfer/terminal system on October 1, 2012, if:~~

25 ~~"(1) No tax was imposed on the motor fuel under~~  
26 ~~Sections 40-17-2, 40-17-31, and 40-17-220, as of September 30,~~  
27 ~~2012; and~~

1           ~~"(2) The tax would have been imposed on the motor~~  
2 ~~fuel by this article had it been in effect for the periods~~  
3 ~~prior to October 1, 2012.~~

4           ~~"(b) The rate of the tax imposed by this section~~  
5 ~~shall be the amount of tax imposed under Sections 40-17-2,~~  
6 ~~40-17-31, and 40-17-220, on September 30, 2012.~~

7           ~~"(c) Any person owning motor fuel on October 1,~~  
8 ~~2012, to which the tax imposed by this section applies, shall~~  
9 ~~be liable for the tax. The tax imposed by this section shall~~  
10 ~~be paid on or before December 31, 2012, and shall be paid in~~  
11 ~~the manner prescribed by the department.~~

12           "(a) There is hereby imposed a floor-stocks tax on  
13 motor fuel held in inventory outside of the bulk  
14 transfer/terminal system on the effective date of the tax  
15 increase and on the date of each subsequent tax increase  
16 levied by the amendatory language of this act.

17           "(b) Each rate of the tax imposed by this section  
18 shall be the incremental amount of tax imposed under the  
19 amendatory language of this act.

20           "(c) Any wholesale distributor holding motor fuel in  
21 inventory outside of the bulk transfer/terminal system on the  
22 effective date of each tax increase levied by the amendatory  
23 language of this act shall be liable for the tax.

24           "(d) The tax imposed by the amendatory language of  
25 this act shall be paid on or before the last day of the third  
26 month following each tax increase and shall be paid in the  
27 manner prescribed by the department."

1           Section 4. Definitions. When used in this act, the  
2 following words and phrases shall have the following  
3 respective meanings unless the context clearly indicates  
4 otherwise:

5           (1) ALDOT. The Alabama State Department of  
6 Transportation provided for in Section 23-1-20, Code of  
7 Alabama 1975, as amended.

8           (2) ATRIP-II COMMITTEE. The Alabama Transportation  
9 Rehabilitation and Improvement Program Committee-II  
10 established pursuant to this act.

11           (3) ATRIP-II PROJECTS. Those Road and Bridge  
12 Rehabilitation and Improvement Projects submitted to and  
13 received by the ATRIP-II Committee for funding in accordance  
14 with the provisions of this act.

15           (4) COSTS. As applied to any road and bridge  
16 project, all costs of construction or acquisition of any part  
17 thereof, including, but without limitation to, the costs of  
18 supervising, inspecting and constructing any such project and  
19 all costs and expenses incidental thereto, the costs of  
20 locating, surveying and mapping, development of engineering  
21 plans and specifications, resurfacing, restoration and  
22 rehabilitation, acquisition of rights-of-way, utility  
23 relocation, and improvements which directly facilitate and  
24 control traffic flow, including grade separation of  
25 intersections, widening of lanes, channelization of traffic,  
26 and traffic-control systems.

27           (5) LEGISLATURE. The Legislature of Alabama.

1           (6) SPECIAL TAXES. (a) The excise taxes levied under  
2 subdivisions (1), (2) and (3) of subsection (a) of Section  
3 40-17-325, as amended hereby, with the exception of those  
4 portions of those taxes levied on aviation fuel and marine  
5 gasoline, and;

6           (b) the additional annual registration fees imposed  
7 pursuant to Section 40-12-275, as herein provided.

8           (7) STATE. The State of Alabama.

9           Section 5. There is hereby created the Rebuild  
10 Alabama Fund in the State Treasury. All proceeds from the  
11 revenues designated to the fund pursuant to this act less the  
12 cost of collection authorized by law shall be deposited into  
13 the fund to be expended only as provided in this act.

14           Section 6. (a) Effective for tax periods beginning  
15 after August 31, 2019, an additional excise tax of six cents  
16 (\$.06) is imposed on each net gallon of gasoline and diesel  
17 fuel.

18           (b) Effective October 1, 2020, this additional  
19 excise tax is increased by two cents (\$.02) to eight cents  
20 (\$.08) on each net gallon of gasoline and diesel fuel.

21           (c) Effective October 1, 2021, this additional  
22 excise tax is increased by two cents (\$.02) to ten cents  
23 (\$.10) on each net gallon of gasoline and diesel fuel.

24           (d) Beginning October 1, 2023, and on June 1 of  
25 every other year thereafter, the excise tax rate provided in  
26 this section shall be adjusted by the percentage change in the  
27 yearly average of the National Highway Construction Cost Index

1 (NHCCI) issued by the U. S. Federal Highway Administration  
2 (FHWA) for the most recent 12-month period ending December 31,  
3 compared to the base year average, which is the average for  
4 the 12-month period ending December 31, 2020 and rounded to  
5 the nearest whole cent. The maximum amount of increase or  
6 decrease in the excise tax rate shall not exceed \$.01 per net  
7 gallon of gasoline or diesel fuel and shall take effect every  
8 other year. The Department of Revenue shall notify each  
9 terminal supplier, position holder, licensed distributors, and  
10 importer of the tax rate applicable under this paragraph for  
11 the 12-month period beginning March 1.

12 (e) This additional excise tax shall be levied,  
13 administered, and collected in accordance with the provisions  
14 of Article 12 of Chapter 17 of Title 40 of the Code of Alabama  
15 1975, provided that the due date for payment and filing of  
16 returns for all motor fuel taxes, including the additional  
17 amounts levied in this act, shall be the 20th day of the month  
18 following the month in which the tax accrues, except as  
19 otherwise provided in Section 40-17-340 (d), and the bond  
20 required under Section 40-17-335 (a) (1) shall not exceed three  
21 million dollars (\$3,000,000). The net tax proceeds, after the  
22 cost of collection and distribution to the Alabama Highway  
23 Finance Corporation authorized by this act shall be  
24 distributed to the state and to each county and municipality  
25 for transportation infrastructure purposes in accordance with  
26 the provisions this act.

1           Section 7. (a) The Alabama Department of Revenue  
2 shall retain one-quarter of one percent (0.25%) of the tax  
3 proceeds, less any refunds, from this additional excise tax on  
4 gasoline and diesel fuel for its cost of collection. The  
5 department is authorized to adopt rules and such forms as may  
6 be necessary for the administration of the excise tax provided  
7 for in this act.

8           (b) Each month, prior to the remaining payments  
9 provided in this act, up to \$750,000 of the tax proceeds from  
10 the additional excise tax on gasoline and up to \$230,000 of  
11 the tax proceeds from the additional excise tax on diesel fuel  
12 shall be distributed first to the Alabama Highway Finance  
13 Corporation for the payment of the principal of and interest  
14 on bonds to be issued by it to finance improvements to the  
15 ship channel providing access to the facilities of the Alabama  
16 State Docks, to the extent necessary for such purpose. The  
17 amount distributed pursuant to this section may be pledged as  
18 security for any loan or debt proceeds as deemed necessary by  
19 the Alabama Highway Finance Corporation to finance said  
20 improvements, but not to exceed one-hundred fifty million  
21 dollars (\$150,000,000) in aggregate principal amount to be  
22 used for improvement projects. This distribution of tax  
23 proceeds to the Alabama Highway Finance Corporation shall  
24 terminate at the final maturity of the bonds secured by these  
25 tax proceeds, provided that the bond term shall not exceed  
26 twenty (20) years.

1 (c) Notwithstanding any other law to the contrary,  
2 the net tax proceeds remaining after any refunds, the cost of  
3 collection and the distribution to the Alabama Highway Finance  
4 Corporation authorized above shall be distributed as follows:

5 (1) Sixty-six and sixty-seven one hundredths percent  
6 (66.67%), shall be allocated to ALDOT and deposited in the  
7 Rebuild Alabama Fund, to be used for transportation  
8 infrastructure improvement, preservation and maintenance  
9 projects pursuant to the provisions of this act. The net tax  
10 proceeds may be used to match any available federal, state and  
11 local transportation funding. The funds allocated to the  
12 department shall be audited by the Examiners of Public  
13 Accounts in the same manner as all other department funds. The  
14 Director of ALDOT, with approval of the Governor, may also  
15 pledge a share of the net tax proceeds not to exceed fifty  
16 percent (50%) of said proceeds as security for the issuance or  
17 refinancing of any loan or debt obligation used for  
18 transportation infrastructure improvement, preservation and  
19 maintenance of projects pursuant to the provisions of this  
20 act. This pledge shall be irrevocable for the duration of the  
21 loan or debt obligations for which the net tax proceeds are  
22 pledged.

23 a. ALDOT shall not use the net tax proceeds for any  
24 of the following purposes:

25 1. Salaries, benefits, or any other form of  
26 compensation for state or contract employees except as



1 included as direct project Costs and subject to audit by the  
2 Examiners of Public Accounts.

3 2. The purchase, lease, or maintenance of equipment,  
4 other than equipment purchased and permanently installed as a  
5 part of a road or bridge project.

6 3. The maintenance or construction of public  
7 buildings or other structures that are not integral to the  
8 system of roads and bridges.

9 b. Beginning on Oct. 1, 2019, (and each October 1  
10 thereafter), ALDOT will allocate \$400,000 to each county in  
11 exchange for the annual federal allocation of \$533,000 which  
12 was being distributed to each county on the effective date of  
13 this act. Nothing in this act shall prohibit ALDOT from  
14 utilizing these exchanged federal funds at its discretion and  
15 in a manner consistent with Federal Highway Administration  
16 (FHWA) procedures.

17 c. The \$400,000 annual allocation to each county  
18 shall be utilized first as matching funds for any balance in  
19 the county's federal allocation not authorized by Sept. 30,  
20 2019. Once these unexpended funds are authorized for an  
21 individual county, all remaining and future allocations  
22 established herein shall be expended for road and bridge  
23 projects on county roads classified as minor collectors or  
24 higher and/or for bridge structures on the National Bridge  
25 Inspection inventory.

26 d. The provisions of this section notwithstanding,  
27 counties shall retain the ability to be awarded and utilize

1 other federal funds or state grants which are or may become  
2 available after the effective date of the exchange of current  
3 federal funds. Further, the exchange of current federal funds  
4 does not preclude a county from the award or utilization of  
5 any federal funds earmarked in the future for local  
6 governments through FHWA and/or any federal appropriation  
7 legislation.

8 (2) Twenty-five percent (25%) shall be allocated to  
9 counties of the state to be used for transportation  
10 infrastructure improvement, preservation and maintenance as  
11 provided for in this act. It shall be allocated and disbursed  
12 among the 67 counties of the state as follows:

13 a. Forty five percent (45%) of the amount shall be  
14 allocated equally among the 67 counties of the state.

15 b. Fifty-five percent (55%) of the amount shall be  
16 allocated among the 67 counties of the state on the basis of  
17 the ratio of the population of each county to the total  
18 population of the state according to the then next preceding  
19 federal decennial census or any special federal census  
20 heretofore held in any county.

21 c. The net tax proceeds may be used to match any  
22 available federal, state and local transportation funding. The  
23 governing body of a county may also pledge its share of the  
24 net tax proceeds not to exceed fifty percent (50%) of said  
25 proceeds as security for the issuance or refinancing of any  
26 loan or debt obligation used for transportation infrastructure  
27 improvement, preservation and maintenance. This pledge shall

1 be irrevocable for the duration of the loan or debt  
2 obligations for which the net tax proceeds are pledged.

3 d. Counties must ensure that at least fifty percent  
4 (50%) of the funds are allocated for projects utilizing  
5 established bidding procedures submitted by the Association of  
6 County Engineers of Alabama and approved by the Department of  
7 Examiners of Public Accounts. In addition, the county may  
8 utilize such funds to meet any other project matching  
9 requirements associated with other federally or state funded  
10 transportation projects, upon approval of the county  
11 commission. A county may utilize over fifty percent of their  
12 annual allocation of these funds for project match if the  
13 project follows the provisions for bidding herein described or  
14 is let to contract through ALDOT.

15 (3) Eight and thirty-three one hundredths percent  
16 (8.33%) shall be allocated and disbursed to the municipalities  
17 of the state to be used for transportation infrastructure  
18 improvement, preservation and maintenance, as provided for in  
19 this act, as follows:

20 a. Twenty-five percent (25%) of this amount shall be  
21 allocated equally among the municipalities of the state.

22 b. Seventy-five percent (75%) of this amount shall  
23 be allocated among the municipalities of the state on the  
24 basis of the ratio of the population of each municipality to  
25 the total population of all municipalities of the state  
26 according to the last and any subsequent federal decennial  
27 census commencing April 1, 2010. The population of any

1 municipality incorporated subsequent to the taking of the last  
2 federal decennial census shall be deemed to be the population  
3 shown by the census for that municipality. Any municipality  
4 incorporated after the effective date of this act shall not  
5 participate in the distribution provided for in this  
6 subsection until the fiscal year next succeeding the fiscal  
7 year during which it is incorporated.

8 c. The net tax proceeds may be used to match any  
9 available federal, state and local transportation funding. The  
10 governing body of a municipality may also pledge its share of  
11 the net tax proceeds as security for the issuance or  
12 refinancing of any loan or debt obligation used for  
13 transportation infrastructure improvement, preservation and  
14 maintenance. This pledge shall be irrevocable for the duration  
15 of the loan or debt obligations for which the net tax proceeds  
16 are pledged. Any Class 1 through 4 municipality that provides  
17 or operates public transportation services on the effective  
18 date of this act, may utilize an amount not to exceed ten  
19 percent (10%) of the net tax proceeds received annually by  
20 that municipality pursuant to this act to match any available  
21 federal or state transportation funding available for public  
22 transportation infrastructure improvements.

23 (d) The distribution prescribed by Section 7 of this  
24 act shall begin no later than January 2020.

25 Section 8. The net tax proceeds allocated to ALDOT  
26 in subsection (c) of Section 7 above shall be used for the  
27 following program purposes and ALDOT shall annually report the

1 results of the programs and itemize the specific projects to  
2 the Permanent Joint Transportation Committee of the Alabama  
3 Legislature in compliance with such procedures established by  
4 or for the committee:

5 (a) Congestion Relief Program - The purpose of this  
6 program is to add capacity to State, US and Interstate routes  
7 in highly congested areas of the state. ALDOT shall develop an  
8 assessment and prioritization plan to allocate funds for  
9 congestion relief projects on the state's transportation  
10 infrastructure.

11 (b) Economic Development Roads Program - The purpose  
12 of this program is to develop and improve transportation  
13 infrastructure to enhance economic development efforts in the  
14 State of Alabama. ALDOT shall develop an assessment and  
15 prioritization plan to allocate funds for economic development  
16 road projects with priority given to projects in economically  
17 underserved areas of the state.

18 (c) System Preservation - The purpose of this  
19 program is to address the ongoing and growing preservation and  
20 maintenance needs of the state's transportation  
21 infrastructure.

22 (d) ALDOT shall create an annual grant program of no  
23 less than ten million dollars (\$10,000,000) for use on any  
24 classified system of roads and bridges for which any city  
25 government or county government may apply. All projects  
26 granted under this program are to be bid and let by the  
27 respective county or municipality following procedures

1 approved by ALDOT. ALDOT shall develop and publish rules to  
2 establish funding criteria and create an application process  
3 to receive and select projects for funding by September 30,  
4 2019. The first round of grant applications shall be due by  
5 November 30, 2019 and award of the grants shall be made by  
6 ALDOT on or before January 15, 2020.

7 (e) There is hereby created an Alabama  
8 Transportation Rehabilitation and Improvement Program-II  
9 (ATRIP-II) to fund projects of local interest on the state  
10 maintained highway system, which may also include local roads  
11 and bridges essential to such projects. All ATRIP-II Projects  
12 shall be developed and let to contract by ALDOT. The ATRIP-II  
13 program shall be an annual program beginning in fiscal year  
14 2020 and shall be funded at an amount of not less than thirty  
15 million dollars (\$30,000,000) and not more than fifty million  
16 dollars (\$50,000,000) which amount shall be at the discretion  
17 of the Director of ALDOT.

18 (f) All ALDOT Projects funded pursuant to this  
19 section shall be let to contract by ALDOT. ALDOT shall  
20 establish and apply Disadvantaged Business Enterprise (DBE)  
21 goals in the same manner and consistent with the requirements  
22 respecting DBEs of the Federal Highway Administration (FHWA)  
23 for road and bridge and other similar contracts funded with  
24 federal funds. The DBE goal for ALDOT Projects funded pursuant  
25 to this section shall, to the extent reasonably possible, be  
26 the same as the goal established annually by ALDOT for  
27 contracts funded with federal funds and approved by FHWA.

1 ALDOT shall provide, on October 1 of every fiscal year of the  
2 state, beginning December 1, 2021, for the year commencing  
3 October 1, 2020, a report of ALDOT Projects let to contract  
4 pursuant to this section, including information on the  
5 established DBE goals for ALDOT Projects, to the Chair of the  
6 Joint Transportation Committee, the Governor, the Senate Pro  
7 Tempore, the Speaker of the Alabama House of Representatives,  
8 the Alabama Senate Minority Leader, and the Alabama House of  
9 Representatives Minority Leader.

10 Section 9. (a) All county and municipal projects let  
11 to contract, as the case may be, shall utilize contractors and  
12 material suppliers listed on the ALDOT's list of approved  
13 contractors and suppliers. ALDOT's list of approved  
14 contractors and material suppliers shall include the ALDOT's  
15 Certified Disadvantaged Business Enterprise List. Beginning  
16 October 1, 2020, and October 1 of every other year, each  
17 county and municipality shall provide a list of all  
18 contractors who have been awarded projects under this section  
19 to the Senate President Pro Tempore, the Speaker of the House,  
20 and the Chair of the Joint Transportation Committee.

21 Notwithstanding any provision of law to the contrary, no  
22 bidding shall be required by the county for asphalt or other  
23 road construction or repair materials if the county has an  
24 annual contract for providing such materials.

25 (b) For all municipal projects, the appropriate  
26 plans and bid opening date shall be published in electronic  
27 form no later than the tenth day of the month preceding the

1 bid opening on a website maintained for that purpose by the  
2 Alabama League of Municipalities.

3 (c) Bids for county and municipal contracts awarded  
4 under this section shall only be awarded in accordance with  
5 Section 39-2-6, Code of Alabama 1975, as amended, during a  
6 regularly-scheduled meeting of the governmental body of the  
7 county or city, as the case may be. Immediately after the  
8 completion of each project, the publication notifications  
9 required by Section 39-1-1(f), Code of Alabama 1975, as  
10 amended, shall be satisfied by posting on the same website  
11 utilized for the posting of specifications and notice of bid  
12 openings.

13 Section 10. (a) There is hereby created the Alabama  
14 Transportation Rehabilitation and Improvement Program-II  
15 (ATRIP-II) Committee. The appointing authorities shall  
16 coordinate their appointments to assure the committee  
17 membership is inclusive and reflects the racial, gender,  
18 geographic, urban, rural, and economic diversity of the state.  
19 All members of the ATRIP-II Committee shall be appointed  
20 within 30 days after the effective date of this act and shall  
21 serve until a successor is named. Members of the ATRIP-II  
22 Committee shall consist of:

23 (1) The Director of the State Department of  
24 Transportation who shall serve as Chair of the ATRIP-II  
25 Committee.

26 (2) The Lieutenant Governor or his or her designee.



1           (3) One member appointed by the President Pro  
2 Tempore of the Senate.

3           (4) One member appointed by the Speaker of the House  
4 of Representatives.

5           (5) Three members appointed by the Governor, at  
6 least one of which shall be a representative of local  
7 governments.

8           (b) The ATRIP-II Committee is authorized to enter an  
9 agreement with any funding authority or bank that is  
10 authorized to issue tax exempt debt for infrastructure  
11 purposes to pledge any of the annual revenue proceeds  
12 allocated for its use in subsection (c) of Section 7 above as  
13 payment for any loan or debt indenture.

14           (c) Within 60 days after the effective date of this  
15 act, the ATRIP-II Committee shall convene to develop and adopt  
16 procedures for the allocation of any revenue proceeds  
17 allocated for its use and for the selection and authorization  
18 of projects to be funded from the revenue dedicated by the  
19 Director of ALDOT for the ATRIP-II program in accordance with  
20 subsection (e) of Section 8. The procedures shall ensure that  
21 project selection shall be for projects related to the state  
22 maintained highway system, which may also include local roads  
23 and bridges essential to such projects, proposed by one or  
24 more local governments. In addition, the policies shall be  
25 developed with an emphasis on the economic growth, public  
26 safety, and stability of this state. The procedures shall also  
27 include provisions to ensure that all projects selected by the

1 ATRIP-II Committee shall be bid and let to contract by ALDOT  
2 in accordance with any applicable provisions of law. After the  
3 ATRIP-II Committee develops and adopts procedures for the  
4 allocation of any revenue proceeds and the selection and  
5 authorization of projects to be funded from the revenue  
6 proceeds, a copy of the procedures shall be distributed to  
7 each of the counties and municipalities of the state and shall  
8 be posted on the ALDOT website.

9 (d) The ATRIP-II Committee, in reviewing ATRIP-II  
10 Projects submitted to it for funding pursuant to the  
11 provisions of this section, shall appraise and consider  
12 information that may be submitted by counties and  
13 municipalities in the applications with respect to those  
14 projects concerning their contracting with businesses or  
15 individuals in carrying out such projects which reflect the  
16 racial and ethnic diversity of the state. A report on the  
17 contracting information submitted by counties and  
18 municipalities shall be distributed by the ATRIP-II Committee  
19 annually to the Governor, the Senate Pro Tempore, the Speaker  
20 of the Alabama House of Representatives, the Chair of the  
21 Joint Transportation Committee, the Alabama Senate Minority  
22 Leader, and the Alabama House of Representatives Minority  
23 Leader no later than October 1 of each year, beginning on  
24 October 1, 2020.

25 Section 11. (a) The monies paid to counties or  
26 municipalities pursuant to Section 7 of this act shall be  
27 deposited into a separate fund maintained by the county or

1 municipality and expended only for one or more of the  
2 following:

3 (1) The maintenance, improvement, replacement, and  
4 construction of roads and bridges maintained by a qualified  
5 county.

6 (2) The maintenance, improvement, replacement, and  
7 construction of roads and bridges maintained by a qualified  
8 municipality.

9 (3) As matching funds for federal road or bridge  
10 projects.

11 (4) The payment of any debt associated with a road  
12 or bridge project.

13 (5) For a joint road or bridge project with one or  
14 more adjoining counties pursuant to any agreement executed  
15 under the authority of state law.

16 (6) For a joint road or bridge project with one or  
17 more municipalities pursuant to any agreement executed under  
18 the authority of state law.

19 (7) For a joint road or bridge project with one or  
20 more counties and municipalities pursuant to any agreement  
21 executed under the authority of state law.

22 (b) The county or municipality shall not use any  
23 monies from the fund for any of the following purposes:

24 (1) Salaries, benefits, or any other form of  
25 compensation for county, municipal, or contract employees or  
26 for county or municipal officials except as included as

1 project Costs and subject to audit by the Examiners of Public  
2 Accounts.

3 (2) The purchase, lease, or maintenance of  
4 equipment, other than equipment purchased and permanently  
5 installed as a part of a road or bridge project.

6 (3) The maintenance or construction of public  
7 buildings or other structures that are not integral to the  
8 system of roads or bridges.

9 (c) All fund records shall be audited by the  
10 Examiners of Public Accounts in the same manner as all other  
11 county or municipal funds.

12 (d) The county commission of each qualified county  
13 or municipal governing body of each qualified municipality  
14 shall adopt an annual Transportation Plan no later than August  
15 31 for the next fiscal year, which plan shall be approved by  
16 affirmative vote of a majority of the members of the county  
17 commission or municipal governing body. The plan shall be  
18 based upon an estimate of the revenues anticipated from the  
19 fund during the fiscal year. Once adopted, the annual plan  
20 shall at all times be posted in conspicuous places at the  
21 county courthouse, the county commission office, the county  
22 highway department, municipal hall, the mayor's office, the  
23 municipal highway department, and any other places deemed  
24 appropriate by the county commission or municipal governing  
25 body. Additionally, the plan shall be posted on their  
26 respective official government website, if available.

1 (e) At the first meeting in January of each year  
2 following the creation of the fund, the county or municipal  
3 engineer or other person designated by the county commission  
4 or municipal governing body shall present to the county  
5 commission or municipal governing body an annual written  
6 report detailing expenditures made from the fund during the  
7 previous fiscal year, which report shall include the status of  
8 each project included in the previous fiscal year's  
9 Transportation Plan. The report shall be entered into the  
10 minutes of the county commission or municipal governing body  
11 meeting and shall be made available to the public for  
12 inspection, including posting on the county's or  
13 municipality's website, if available.

14 (f) By January 15 of each year, the county engineer  
15 will submit a certificate of compliance verifying that at  
16 least fifty percent (50%) of funding for the last fiscal year  
17 was let to contract, and shall file such certificate with the  
18 Chair of the Joint Transportation Committee, the Alabama  
19 Senate Pro Tempore, and the Speaker of the Alabama House of  
20 Representatives.

21 Section 12. Section 11-6-6, Code of Alabama 1975 is  
22 hereby repealed.

23 Section 13. The provisions of this act shall not be  
24 superseded, amended, altered, violated, or overridden by any  
25 provision of the state general fund appropriation act or any  
26 other annual or supplemental appropriation act, administrative  
27 rule, inter-agency transfer, or executive order or directive.

1                   Section 14. Pursuant to Section 1-1-16, Code of  
2 Alabama 1975, if any provision of this act is held by a court  
3 of competent jurisdiction to be invalid, such invalidity shall  
4 not affect the remaining provisions of this act, and to this  
5 end the provisions of this act are declared severable.

6                   Section 15. This act shall become effective  
7 immediately following its passage and approval by the  
8 Governor, or its otherwise becoming law.