

1 HB3  
2 197490-3  
3 By Representative Poole  
4 RFD: Transportation, Utilities and Infrastructure  
5 First Read: 06-MAR-19

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8 SYNOPSIS: This bill will allow the Alabama Highway  
9 Finance Corporation to have additional powers to  
10 borrow money and issue bonds to improve the Mobile  
11 Ship Channel.

12  
13 A BILL  
14 TO BE ENTITLED  
15 AN ACT

16  
17 Relating to the powers of the Alabama Highway  
18 Finance Corporation; to provide certain powers to the Alabama  
19 Highway Finance Corporation to borrow money and issue bonds to  
20 improve the Mobile Ship Channel; to allow the Alabama Highway  
21 Finance Corporation to enter into contracts with agencies; and  
22 to provide the State Treasurer authority to pay the principle  
23 and interest of bonds issued to improve the Mobile Ship  
24 Channel.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. (a) In order to accomplish infrastructure  
27 improvements contemplated for the benefit of the Alabama State

1 Docks, the Alabama Highway Finance Corporation shall have the  
2 following powers, in addition to all powers set forth in  
3 Article 7, Chapter 1, Title 23, Code of Alabama 1975.

4 (1) To borrow money and issue its bonds in evidence  
5 thereof, in a principal amount not to exceed one hundred fifty  
6 million dollars (\$150,000,000), for the purpose of financing  
7 the widening and deepening of the Mobile Ship Channel and  
8 improvements related thereto. No bond issued by the  
9 Corporation for this purpose shall have a specified maturity  
10 date later than twenty years after its issuance date.

11 (2) To issue from time to time one or more series of  
12 refunding bonds for the purpose of refunding any bonds issued  
13 pursuant to subdivision (1) or bonds previously issued to  
14 refund such bonds, in any case, however, having a final  
15 maturity that is not later than the final maturity of the  
16 bonds being refunded.

17 (3) As security for payment of the principal of and  
18 the interest on its bonds issued pursuant to the provisions of  
19 this act, to pledge the proceeds of appropriations made for  
20 that purpose.

21 (4) To enter into contracts with the Alabama State  
22 Port Authority, the State Department of Transportation of  
23 Alabama or other agency performing any of the functions  
24 thereof, the United States Corps of Engineers and any other  
25 branch of the federal government in furtherance of its public  
26 purposes and objects either relative to the work done or to be  
27 done. Except as expressly set forth above, all bonds issued

1 pursuant to this act shall be governed by and issued in  
2 accordance with Section 23-1-177.

3 (b) The proceeds of all bonds, other than refunding  
4 bonds, issued by the corporation pursuant to the provisions of  
5 this act remaining after paying the expenses of their issuance  
6 shall be applied to the state's share of the cost of the  
7 widening and deepening of the Mobile Ship Channel, either  
8 directly or by assignment to the Alabama State Port Authority  
9 for such purpose. The proceeds from the sale of any refunding  
10 bonds of the corporation remaining after paying the expenses  
11 of their issuance shall be used only for the purpose of  
12 refunding the principal of outstanding bonds of the  
13 corporation and of paying any premium that may be necessary to  
14 be paid in order to redeem or retire the bonds to be refunded.  
15 Proceeds from the sale of any bonds may be invested pending  
16 their disposition in investments pursuant to subsection (b) of  
17 Section 23-1-178, Code of Alabama 1975.

18 (c) Out of the revenues appropriated and pledged for  
19 such purpose, the State Treasurer is authorized and directed  
20 to pay the principal of and interest on the bonds issued by  
21 the corporation under the provisions of this section, as such  
22 principal and interest shall respectively mature, and is  
23 further authorized and directed to set up and maintain  
24 appropriate records pertaining thereto.

25 (d) As used herein, the term "Mobile Ship Channel"  
26 shall mean the existing ship channel having its northern  
27 terminus seven thousand (7,000) feet north of the mouth of the

1 Mobile harbor, and its southern terminus approximately 6  
2 nautical miles south of Fort Morgan, comprising approximately  
3 31 nautical miles in length.

4 Section 2. This act shall become effective  
5 immediately following its passage and approval by the  
6 Governor, or its otherwise becoming law.