

1 SB366
2 198423-4
3 By Senators Elliott and Albritton (N & P)
4 RFD: Local Legislation
5 First Read: 02-MAY-19

1 SB366

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4 With Notice and Proof

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6 ENROLLED, An Act,

7 Relating to Baldwin County; to further provide for
8 the formation of a city school system in the county; and to
9 require a city seeking to separate from the County Board of
10 Education to satisfy certain obligations following the vote of
11 the city council which includes the payment by the city to the
12 county for certain school properties and assets.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. This act shall apply only in Baldwin
15 County.

16 Section 2. The Legislature finds and declares the
17 following:

18 (1) The magnitude and patterns of the historical and
19 projected increases of population in Baldwin County, Alabama,
20 continue to create significant needs for the acquisition,
21 construction, and capital improvement of the public school
22 facilities of the county board of education.

23 (2) The costs of such public school facilities,
24 including the payment of indebtedness incurred therefor,

1 require significant capital expenditures of the county board
2 of education in each fiscal year.

3 (3) The local sources of funds of the county board
4 of education for public school facilities consist of the
5 proceeds of ad valorem, and privilege license and excise,
6 taxes levied on a county-wide basis in Baldwin County.

7 (4) Given the county-wide tax base of the county
8 board of education, the formation of a city board of education
9 and school system in Baldwin County, the resultant loss of
10 local funding from, and the transfer of the local public
11 school facilities, financed by county taxes, to, the city, can
12 create a material and adverse effect upon the financial
13 position of the county board of education.

14 (5) The formation and operation of a city board of
15 education and school system in Baldwin County requires
16 significant annual revenues from existing and new school taxes
17 in the city which the taxpayers of the city should have the
18 right to approve in advance.

19 (6) It is necessary, desirable, and in the best
20 interests of the taxpayers and citizens of Baldwin County and
21 the taxpayers and citizens of the cities located therein,
22 that, in response to, and to provide for, the unique local
23 needs of public education in Baldwin County, including
24 particularly, the financing and planning of public school
25 facilities, due to constantly changing school feeder patterns

1 and the related establishment of ad valorem tax districts, the
2 formation of a city board of education and school system be
3 made upon a determination of the governing body of the city,
4 and the allocation, assignment, and assumption of the assets
5 and liabilities of the county board of education with respect
6 to the public school facilities in the city.

7 Section 3. Notwithstanding any provision of law to
8 the contrary, and in addition to any other requirement
9 provided by law, upon approval of the establishment of a city
10 board of education by the governing body of the city, the city
11 may establish a city board of education. Not later than the
12 first day of July next succeeding the establishment of a city
13 board of education by a city, the city board of education and
14 the county board of education shall deliver an agreement, with
15 the written approval of the State Superintendent, as provided
16 for by law, to include all of the following:

17 (1) The transfer to the city board of education by
18 the county board of education of the right, title, and
19 interest of the county board in and to the local public school
20 facilities located in the municipal limits of the city,
21 without recourse or warranty, and the acceptance of the local
22 public school facilities by the city board in the existing
23 condition thereof on the date of transfer.

24 (2) The assumption by the city board of education
25 of, and the agreement of the city board of education to timely

1 pay and perform at the sole expense of the city board both of
2 the following:

3 a. The outstanding indebtedness and obligations of
4 the county board of education allocable to the local public
5 school facilities.

6 b. All contractual agreements of the county board
7 with respect to the local public school facilities.

8 (3) The payment to the county board of education by
9 the city board of education, on the date of transfer of the
10 transferred local school facilities, of an amount equal to the
11 value assigned thereto for the purpose of determining the
12 value of the capital assets, net of depreciation, as set forth
13 in the then most recent audited financial statements of the
14 county board of education publicly available.

15 Section 4. The provisions of this act are severable.
16 If any part of this act is declared invalid or
17 unconstitutional, that declaration shall not affect the part
18 which remains.

19 Section 5. This act shall become effective
20 immediately following its passage and approval by the
21 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB366

Senate 08-MAY-19

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed 28-MAY-19

Senate concurred in House amendment 28-MAY-19

By: Senator Elliott