

1 SB410  
2 201264-2  
3 By Senators Butler, Orr, Livingston, Melson, Jones, Waggoner,  
4 Marsh, Ward, Reed, Price, Albritton and Gudger  
5 RFD: Fiscal Responsibility and Economic Development  
6 First Read: 14-MAY-19

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3  
4 ENGROSSED

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6  
7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

10  
11 Relating to economic development; to authorize the  
12 incorporation in any municipality or county in this state of a  
13 local redevelopment authority for the purpose of promoting  
14 trade and commerce by inducing commercial enterprise to  
15 upgrade, improve, modernize, and expand existing facilities  
16 and to locate new facilities on land contiguous with an  
17 operational or non operational United States military  
18 installation within the corporate limits of the municipality,  
19 or geographical boundaries of the county; to provide for the  
20 formation, governance, power, and duties of the authority; to  
21 provide for the issuance by the authority of interest-bearing  
22 revenue bonds and other interest-bearing securities, payable  
23 solely out of the revenues and receipts derived from the  
24 leasing or sale of properties owned by the authority; to  
25 provide that the securities may be secured by a pledge of the  
26 revenues and receipts from which they are payable; to  
27 authorize the authority to finance, construct, acquire,

1 purchase, renovate, maintain, improve, sell, equip, operate,  
2 or manage projects; to authorize the authority to receive the  
3 proceeds of municipal taxes levied for the authority's  
4 purposes; to make the securities issued by the authority  
5 eligible investments for various governmental bodies and  
6 fiduciaries; to provide procedures for the issuance of bonds  
7 by the authority; to exempt the income of any authority, and  
8 all conveyances, leases, mortgages, and deeds of trust to  
9 which the authority is a party, from all taxation in the  
10 state; to exempt the authority from all license and excise  
11 taxes and all charges of judges of probate; to exempt the  
12 authority from all laws of the state governing usury or  
13 prescribing or limiting interest rates; to authorize political  
14 subdivisions, agencies, instrumentalities, and public  
15 corporations of the state to aid the authority with loans or  
16 grants of money, the furnishing of services, or the transfer  
17 of property to the authority without any public election; and  
18 to further provide for the dissolution of certain county  
19 industrial development authorities.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Legislative Intent.

22 The redevelopment, revitalization, and redevelopment  
23 of land contiguous with United States military installations  
24 within any municipality or county in this state, whether  
25 operational or formerly operational, promotes the public good  
26 by encouraging the initial development, redevelopment, and  
27 revitalization of such land, and the retention of military

1 installations within the state. It is therefore in the public  
2 interest and is vital to the public welfare of the people of  
3 Alabama, and it is hereby declared to be the public purpose of  
4 this act, to develop, revitalize, and redevelop land  
5 contiguous with United States military installations  
6 throughout the State of Alabama.

7 Section 2. Definitions.

8 For the purposes of this act, the following words  
9 have the following meanings:

10 (1) APPLICANT. A natural person who files a written  
11 application with the governing body of any authorizing  
12 subdivision in accordance with Section 3.

13 (2) AUTHORITY. Any local redevelopment authority  
14 organized pursuant to this act.

15 (3) AUTHORIZING RESOLUTION. A resolution adopted by  
16 the governing body of any authorizing subdivision in  
17 accordance with Section 3, that authorizes the incorporation  
18 of the authority.

19 (4) AUTHORIZING SUBDIVISION. Any county or  
20 municipality that has adopted an authorizing resolution.

21 (5) BOARD. The board of directors of the authority.

22 (6) BONDS. Any bonds, notes, certificates, or any  
23 other form of indebtedness representing an obligation to pay  
24 money.

25 (7) CONTIGUOUS. Two or more tracts of land if  
26 touching for a continuous distance of not less than 200 feet.  
27 The term shall include tracts of land divided by bodies of

1 water, streets, railroads, or utility rights-of-way, or by  
2 land owned by a governmental entity. In determining whether  
3 land is contiguous with a United States military installation,  
4 either of the following is contiguous:

5 a. Land which is separated by bodies of water,  
6 streets, railroads, or utility rights-of-way shall be deemed  
7 to be contiguous even though such bodies of water, streets,  
8 railroads, or utility rights-of-way are outside of the  
9 geographical area of the applicable United States military  
10 installation.

11 b. Land which is separated by other land which is  
12 owned by a governmental entity.

13 (8) COOPERATIVE DISTRICT. An incorporated capital  
14 improvement cooperative district formed in accordance with and  
15 for the purposes set forth in Chapter 99B of Article 2 of  
16 Title 11 of the Code of Alabama 1975, as amended.

17 (9) COUNTY. Any county in the state.

18 (10) DIRECTOR. A member of the board of the  
19 authority.

20 (11) GOVERNING BODY. With respect to any  
21 municipality, its city council or other governing body; with  
22 respect to any county, its county commission or other  
23 governing body.

24 (12) INCORPORATORS. The persons forming a public  
25 corporation organized pursuant to this act.

26 (13) LOCAL REDEVELOPMENT AREA. Land contiguous with  
27 an operational or nonoperational United States military

1 installation located within this state, totaling not more than  
2 1,000 square acres in geographical size, all as set forth in  
3 the application required to be filed in accordance with  
4 Section 3.

5 (14) MILITARY INSTALLATION. An active, inactive, or  
6 closed federal military installation funded, currently or in  
7 the past, in whole or in part by the United States Department  
8 of Defense, if located within this state.

9 (15) MUNICIPALITY. Any incorporated city or town  
10 within this state.

11 (16) PERSON. Unless limited to a natural person by  
12 the context in which it is used, includes a public or private  
13 corporation, a municipality, a county, the state, or an  
14 agency, department, or instrumentality of the state, a county,  
15 or a municipality.

16 (17) PRINCIPAL OFFICE. The place at which the  
17 certificate of incorporation and amendments thereto, the  
18 bylaws and the minutes of the proceedings of the board of the  
19 authority are kept.

20 (18) PRIVATE USER. A lessee, manager,  
21 non-governmental user, or any person relating to the planning,  
22 development, construction, operation, management, or  
23 maintenance of a project.

24 (19) PROJECT. Interests in land, buildings,  
25 structures, facilities, or other improvements located or to be  
26 located within the local redevelopment area, and any fixtures,  
27 machinery, equipment, furniture, or other property of any

1 nature whatsoever used on, in, or in connection with any such  
2 land, interest in land, building, structure, facility, or  
3 other improvement, all for the essential public purpose of the  
4 development of trade, entertainment, amusement, commerce,  
5 industry, or employment opportunities in the local  
6 redevelopment area. The term includes projects in the local  
7 redevelopment area for any industrial, commercial,  
8 entertainment or amusement, business, office, parking,  
9 utility, residential (including, without limitation, homes,  
10 apartments, town houses, condominiums, hotels, motels, or  
11 assisted living facilities) or other use; provided:

12 a. Capital expenditures for development of the  
13 project within the local redevelopment area equal or exceed  
14 twenty-five million dollars (\$25,000,000)

15 b. A majority of the members of the authority  
16 determine, by a resolution duly adopted, that the project and  
17 use thereof would facilitate the retention, development, or  
18 redevelopment of an existing or closed military installation  
19 or the area contiguous to a military installation as well as  
20 further the public purpose of this act.

21 (20) STATE. The State of Alabama.

22 Section 3. Filing of Application; Authorization of  
23 Incorporation by Governing Body of an Authorizing Subdivision.

24 (a) An authority may be organized pursuant to this  
25 act. In order to incorporate a public corporation, any number  
26 of natural persons, not less than three, who are duly  
27 qualified electors of the authorizing subdivision, shall first

1 file a written application with the governing body of the  
2 authorizing subdivision, which shall contain all of the  
3 following:

4 (1) A statement that the applicants propose to  
5 incorporate the authority pursuant to the provisions of this  
6 act.

7 (2) A statement of the proposed location of the  
8 principal office of the authority, which shall be within the  
9 corporate limits of a municipality or geographical limits of a  
10 county.

11 (3) A general description of the proposed project.

12 (4) A map or legal description or other description  
13 of the proposed local redevelopment area.

14 (5) A statement that each of the applicants is a  
15 duly qualified elector residing in the authorizing  
16 subdivision.

17 (6) A request that the governing body of the  
18 authorizing subdivision adopt a resolution declaring that it  
19 is wise, expedient, and necessary that the proposed authority  
20 be formed and authorizing the applicants to proceed to form  
21 the proposed authority by the filing for record of a  
22 certificate of incorporation in accordance with Section 4.

23 (7) A signed letter of authorization from the  
24 Governor designating the project as a project eligible for the  
25 benefits of this act.

26 (b) (1) Every application shall be accompanied by  
27 supporting documents or evidence as the applicants may

1 consider appropriate. As promptly as may be practicable after  
2 the filing of the application in accordance with the  
3 provisions of this section, the governing body of the  
4 authorizing subdivision shall review the contents of the  
5 application, and shall adopt a resolution either:

6 a. Denying the application.

7 b. Declaring that its approval of the application  
8 will benefit the authorizing subdivision, as applicable, and  
9 will facilitate the retention, development, or redevelopment  
10 of an existing or closed military installation or area  
11 contiguous to the military installation, and that the proposed  
12 authority be formed and authorizing the applicants to proceed  
13 to form the proposed authority by filing for record of a  
14 certificate of incorporation in accordance with Section 4.

15 (2) The governing body with which the application is  
16 filed shall also include a copy of the application in the  
17 minutes of the meeting of the governing body at which final  
18 action upon the application is taken.

19 Section 4. Procedure to Incorporate; Contents and  
20 Execution of Certificate of Incorporation.

21 (a) Within 40 days following the adoption of the  
22 authorizing resolution, the applicants shall proceed to  
23 incorporate the authority by filing for record in the office  
24 of the judge of probate of the county wherein the proposed  
25 local redevelopment area is located a certificate of  
26 incorporation which shall comply in form and substance with

1 the requirements of this section and which shall be in the  
2 form and executed in the manner provided in this section.

3 (b) The certificate of incorporation of the  
4 authority shall state all of the following:

5 (1) The names of the persons forming the authority,  
6 and that each of them is a duly qualified elector residing in  
7 the authorizing subdivision.

8 (2) The name of the authority, which shall include  
9 the local redevelopment authority.

10 (3) A general description of the proposed project.

11 (4) The period for the duration of the authority, if  
12 the duration is to be perpetual, subject to Section 19, that  
13 fact shall be stated.

14 (5) The name of the authorizing subdivision,  
15 together with the date on which the governing body thereof  
16 adopted the authorizing resolution.

17 (6) The location of the principal office of the  
18 authority, which shall be within the corporate limits of the  
19 municipality or within the geographical limits of the county,  
20 as applicable.

21 (7) That the authority is organized pursuant to the  
22 provisions of this act.

23 (8) A map, legal description, or other description  
24 describing the geographical area of the local redevelopment  
25 area.

1           (9) Any other matters relating to the authority that  
2 the incorporators may choose to insert and that are not  
3 inconsistent with this act or with the laws of this state.

4           (c) The certificate of incorporation shall be signed  
5 and acknowledged by the incorporators before an officer  
6 authorized by the laws of this state to take acknowledgments  
7 to deeds. When the certificate of incorporation is filed for  
8 record, there shall be attached to it the following:

9           (1) A copy of the application as filed with the  
10 governing body of the authorizing subdivision in accordance  
11 with Section 3.

12           (2) A certified copy of the authorizing resolution  
13 adopted by the governing body of the authorizing subdivision.

14           (3) A certificate by the Secretary of State that the  
15 name proposed for the authority is not identical to that of  
16 any other corporation organized under the laws of this state  
17 or so nearly similar thereto as to lead to confusion and  
18 uncertainty.

19           (d) Upon the filing for record of the certificate of  
20 incorporation and the documents required by subsection (c),  
21 the authority shall come into existence and shall constitute a  
22 public corporation under the name set forth in the certificate  
23 of incorporation. The judge of probate shall send notice to  
24 the Secretary of State that the certificate of incorporation  
25 of the authority has been filed for record.

26           Section 5. Amendments to Certificate of  
27 Incorporation.

1           (a) The certificate of incorporation of the  
2 authority incorporated under this act may at any time and from  
3 time to time be amended in the manner provided in this  
4 section. The board shall first adopt a resolution proposing an  
5 amendment to the certificate of incorporation which shall set  
6 forth in full in the resolution, and which amendment may  
7 include any matters which might have been included in the  
8 original certificate of incorporation.

9           (b) After the adoption by the board of a resolution  
10 proposing an amendment to the certificate of incorporation of  
11 the authority, the chair of the board and the secretary of the  
12 authority shall sign and file a written application in the  
13 name of and on behalf of the authority, under its seal, with  
14 the governing body of the authorizing subdivision, requesting  
15 the governing body to adopt a resolution approving the  
16 proposed amendment, and accompanied by a certified copy of the  
17 resolution adopted by the board proposing the amendment to the  
18 certificate of incorporation, together with documents in  
19 support of the application as the chair may consider  
20 appropriate. As promptly as may be practicable after the  
21 filing of the application with the governing body of the  
22 authorizing subdivision pursuant to the foregoing provisions  
23 of this section, the governing body shall review the  
24 application and shall adopt a resolution either denying the  
25 application or authorizing the proposed amendment. The  
26 governing body shall also cause to be made a part of the

1 minutes of the meeting of the governing body at which final  
2 action upon the application is taken.

3 (c) Within 40 days following the adoption by the  
4 governing body of the authorizing subdivision of a resolution  
5 approving the proposed amendment the chair of the board of the  
6 authority and the secretary of the authority shall sign, and  
7 file a certificate for record in the office of the judge of  
8 probate of the county of incorporation in the name of and on  
9 behalf of the authority under its seal reciting the adoption  
10 of the respective resolutions by the board and by the  
11 governing body and setting forth the proposed amendment. The  
12 judge of probate for the county shall record the certificate  
13 in an appropriate book in his or her office. When the  
14 certificate has been filed and recorded, the amendment shall  
15 become effective and the certificate of incorporation shall be  
16 amended to the extent provided in the amendment. No  
17 certificate of incorporation of the authority shall be amended  
18 except in the manner provided in this section.

19 Section 6. Each authority shall be Governed by a  
20 Board of Directors.

21 (a) All powers of the authority shall be exercised  
22 by the board or pursuant to its authorization. The board shall  
23 consist of any number of directors, not less than three, who  
24 shall be elected by the governing body of the authorizing  
25 subdivision for staggered terms as provided in this section.

26 (b) At the time of the election of the first board,  
27 the governing body of the authorizing subdivision shall divide

1 the directors into three groups containing as nearly equal  
2 whole numbers as may be possible. The governing body of the  
3 authorizing subdivision shall specify for which term each  
4 director is elected. The initial term of office of the first  
5 group shall be two years. The initial terms of office of the  
6 second group shall be four years. The initial term of office  
7 of the third group shall be six years.

8 (c) Thereafter, the term of office of each director  
9 shall be six years. If at the expiration of any term of office  
10 of any director, a successor has not been elected, the  
11 director whose term of office has expired shall continue to  
12 hold office until his or her successor has been elected. If at  
13 any time there is be a vacancy on the board, a successor  
14 director shall be elected by the governing body of the  
15 authorizing subdivision to serve for the unexpired term  
16 applicable to the vacancy.

17 (d) Each director shall be a duly qualified elector  
18 residing in the authorizing subdivision. Directors shall be  
19 eligible for reelection. Each director shall be reimbursed for  
20 expenses actually incurred by him or her in and about the  
21 performance of his or her duties. Except as provided in the  
22 preceding sentence, no director shall be compensated for  
23 serving as a director of the authority.

24 (e) Any director of the authority may be impeached  
25 and removed from office in the same manner and on the same  
26 grounds provided in Section 175 of the Constitution of Alabama  
27 of 1901, and the general laws of the state for impeachment and

1 removal of the officers provided in Section 175 of the  
2 Constitution of Alabama of 1901.

3 Section 7. Officers of the Authority.

4 The officers of the authority shall consist of a  
5 chair, vice chair, secretary, treasurer, and other officers as  
6 its board shall deem necessary or appropriate. The offices of  
7 secretary and treasurer may, but need not, be held by the same  
8 person. The chair and vice chair of the authority shall be  
9 elected by the board from the membership thereof; the  
10 secretary, the treasurer, and any other officers of the  
11 authority may, but need not, be members of the board and shall  
12 also be elected by the board. The chair, vice chair,  
13 secretary, and treasurer of the authority shall also be the  
14 chair, vice chair, secretary, and treasurer of the board,  
15 respectively.

16 Section 8. Powers of Authority.

17 The authority shall have the following powers,  
18 together with all powers incidental thereto or necessary to  
19 the discharge thereof in corporate form:

20 (1) To have succession by its corporate name for the  
21 duration of time, which may be in perpetuity, subject to  
22 Section 19, specified in its certificate of incorporation.

23 (2) To sue and be sued in its own name and to  
24 prosecute and defend civil actions in any court having  
25 jurisdiction of the subject matter and of the parties;  
26 provided that the authority shall be deemed to be a  
27 governmental entity as defined in Chapter 93 of Title 11, Code

1 of Alabama 1975, for the purpose of limiting the damages for  
2 which the authority may be liable.

3 (3) To adopt and make use of a corporate seal and to  
4 alter the seal at its pleasure.

5 (4) To adopt and alter bylaws for the regulation and  
6 conduct of its affairs and business.

7 (5) To acquire, whether by purchase, construction,  
8 exchange, gift, lease, or otherwise, and to refinance existing  
9 indebtedness on, improve, maintain, equip, and furnish one or  
10 more projects, including all real and personal properties  
11 which the board of the authority may deem necessary in  
12 connection therewith, regardless of whether or not such  
13 projects shall then be in existence.

14 (6) To lease to others any or all of its projects  
15 and to share and collect rent thereof, and to terminate any  
16 lease upon the failure of the lessee to comply with any of the  
17 obligations thereof.

18 (7) To sell, exchange, donate, or convey and to  
19 grant options to any lessee to acquire any of its projects and  
20 any or all of its properties if the board finds that action is  
21 in furtherance of the purposes for which the authority was  
22 organized.

23 (8) To issue its bonds for the purpose of carrying  
24 out any of its powers.

25 (9) To mortgage and pledge any or all of its  
26 projects or any part or parts thereof, as security for the  
27 payment of the principal of and interest on any bonds so

1 issued and any agreements made in connection therewith,  
2 whether then owned or thereafter acquired, and to pledge the  
3 revenues and receipts therefrom or from any thereof.

4 (10) To execute and deliver, in accordance with the  
5 provisions of this section and Section 9, mortgages and deeds  
6 of trust and trust indentures, or either.

7 (11) To finance, by loan, bond, grant, lease, or  
8 otherwise, construct, erect, assemble, purchase, acquire, own,  
9 repair, remodel, renovate, rehabilitate, modify, maintain,  
10 extend, improve, install, sell, equip, expand, add to,  
11 operate, or manage projects and to pay the costs of any  
12 project from the proceeds of bonds, or any other funds of the  
13 authority, or from any contributions or loans by persons,  
14 corporations, partnerships, either general or limited, or  
15 other entities, all of which the authority is hereby  
16 authorized to receive, accept, and use.

17 (12) To issue and use the proceeds of any bonds or  
18 other indebtedness thereof for the purpose of paying or  
19 loaning the proceeds thereof to pay all or any part of the  
20 cost of any project and otherwise to further or carry out the  
21 public purpose of the authority and to pay all costs of the  
22 authority incident to, or necessary and appropriate to,  
23 furthering or carrying out such purpose.

24 (13) To make application directly or indirectly to  
25 any federal, state, county, or municipal government or agency  
26 or to any other source, public or private, for loans, grants,  
27 guarantees, or other financial assistance in furtherance of

1 the authority's public purpose and to accept and use the same  
2 upon the terms and conditions as are prescribed by the  
3 federal, state, county, or municipal government or agency or  
4 other source.

5 (14) To enter into agreements with the federal  
6 government or any agency thereof to use facilities or the  
7 services of the federal government or any agency thereof in  
8 order to further carry out the purposes of the authority.

9 (15) To contract for any period with this state,  
10 state institutions, or any city, town, municipality, or county  
11 of the state for the use by the authority of any facilities or  
12 services of the state or any state institution, city, town,  
13 municipality, or county, or for the use by any state  
14 institution or any city, town, municipality, or county of any  
15 facilities or services of the authority, provided such  
16 contracts shall deal with activities and transactions as the  
17 authority and any political subdivision with which the  
18 authority contracts are by law authorized to undertake.

19 (16) To extend credit or make loans to any person,  
20 corporation, partnership, either general or limited, or other  
21 entity for the costs of any project or any part of the costs  
22 of any project, which credit or loans may be evidenced or  
23 secured by loan agreements, notes, mortgages, deeds to secure  
24 debt, trust deeds, security agreements, assignments, or other  
25 instruments, or by rentals, revenues, fees, or charges, upon  
26 the terms and conditions as the authority shall determine to  
27 be reasonable in connection with such extension of credit or

1 loans, including provision for the establishment and  
2 maintenance of reserve funds, and, in the exercise of powers  
3 granted hereby in connection with any project, the authority  
4 may require the inclusion in any loan agreement, note,  
5 mortgage, deed to secure debt, trust deed, security agreement,  
6 assignment, or other instrument of the provisions or  
7 requirements for guaranty of any obligations, insurance,  
8 construction, use, operation, maintenance, and financing of a  
9 project, and other terms and conditions, as the authority may  
10 deem necessary or desirable.

11 (17) To acquire, accept, or retain equitable  
12 interests, security interests, or other interests in any real  
13 property, personal property, or fixtures by loan agreement,  
14 note, mortgage, deed to secure debt, trust deed, security  
15 agreement, assignment, pledge, conveyance, contract, lien,  
16 loan agreement, or other consensual transfer in order to  
17 secure the repayment of any moneys loaned or credit extended  
18 by the authority.

19 (18) To appoint, employ, contract with, and provide  
20 for the compensation of, officers, employees, and agents,  
21 including, without limitation, engineers, attorneys,  
22 contractors, consultants, and fiscal advisors, as the board  
23 shall deem necessary for the conduct of the business of the  
24 authority.

25 (19) To provide the insurance as the board may deem  
26 advisable.

1           (20) To make, enter into, and execute contracts,  
2 agreements, leases, and other instruments and to take other  
3 actions as may be necessary or convenient to accomplish any  
4 purpose for which the authority was organized or to exercise  
5 any power expressly granted in this act.

6           (21) To require payments in lieu of tax, to be  
7 administered in a parallel manner to state ad valorem, income,  
8 sales, and use taxes, to be made by any private user of the  
9 project to the authority, a cooperative district of which the  
10 authority is a member, any municipality, or any county, as the  
11 case may be. To enter into any agreements requiring any person  
12 to make a payment in lieu of taxes and to enforce the payment  
13 in lieu of taxes with all rights of a tax assessor or tax  
14 collector within this state collecting ad valorem taxes, sales  
15 taxes, or income taxes due to the governing body establishing  
16 the authority.

17           (22) To receive and use the proceeds of any tax,  
18 fee, charge, or payment in lieu of tax to pay the costs of any  
19 project or for any other purpose for which the authority may  
20 use its own funds pursuant to this act.

21           (23) To encourage and promote the retention,  
22 development and redevelopment of any military installation, or  
23 the improvement and revitalization of the local redevelopment  
24 area and to make, contract for, or otherwise cause to be made  
25 long-range plans or proposals for the local redevelopment area  
26 in cooperation with the authorizing subdivision.

1           (24) To exercise any power granted by the laws of  
2 this state to public or private corporations, not to include  
3 the power of eminent domain, which is not in conflict with the  
4 public purpose of the authority.

5           (25) To do all things necessary or convenient to  
6 carry out the powers conferred by this act. Nothing in this  
7 act shall affect any right, title, or interest in real or  
8 personal property, whether recorded or unrecorded, that is  
9 held by any person or entity engaged in providing utility  
10 services.

11           (26) To enter into agreements with a private user.

12           (27) To pursue any tax liens relating to the failure  
13 of any person to make any payments in lieu of tax.

14           (28) To acquire, receive, and take, by purchase,  
15 gift, lease, devise, or otherwise, and to hold property of  
16 every description, whether located in one or more counties or  
17 municipalities.

18           (29) To make, enter into, and execute licenses,  
19 contracts, agreements, leases, and other instruments and to  
20 take other actions as may be necessary or convenient to  
21 accomplish any purpose for which the authority was organized  
22 or to exercise any power expressly granted under this section.

23           (30) To plan, establish, develop, acquire, purchase,  
24 lease, construct, reconstruct, enlarge, improve, maintain,  
25 equip, and operate a project or projects or any part or  
26 combination of any thereof, whether located in one or more  
27 counties or municipalities, and to acquire franchises and

1 easements deemed necessary or desirable in connection  
2 therewith.

3 (31) To assume obligations secured by a lien on or  
4 payable out of or secured by a pledge of the revenues from any  
5 project or any part of any thereof that may be acquired by the  
6 authority, any obligation so assumed to be payable by the  
7 authority solely out of the revenues derived from the  
8 operation of any project or any thereof of the authority, or  
9 any other sources of revenue, taxes, fees, or payments in lieu  
10 of tax.

11 (32) To pledge for payment of any bonds issued or  
12 obligations assumed by the authority any revenues from which  
13 those bonds or obligations are made payable as provided in  
14 this act.

15 (33) To execute and deliver trust indentures in  
16 accordance with the provisions of this act.

17 (34) To appoint, employ, contract with, and provide  
18 for the compensation of officers, employees, and agents,  
19 including, but without limitation to, engineers, attorneys,  
20 accountants, architects, management consultants, and fiscal  
21 advisers as the business of the authority may require.

22 (35) To make and enforce reasonable rules governing  
23 the use of any project managed, leased, owned, or controlled  
24 by the authority, a cooperative district of which the  
25 authority is a member, or any private users.

26 (36) To cooperate with the United States of America,  
27 any agency or instrumentality thereof, this state, any county,

1 municipality, or other political subdivision of the state and  
2 any public corporation, and to make contracts with them or any  
3 of them, as the board may deem advisable to accomplish the  
4 purpose for which the authority was established.

5 (37) To sell and convey any of its properties that  
6 may have become obsolete or worn out or that may no longer be  
7 needed or useful as a part of any project of the authority.

8 (38) To sell and convey, with or without valuable  
9 consideration, any of its projects or any portion thereof to  
10 any one or more counties, municipalities, or public  
11 corporations which have the corporate power to operate the  
12 project or portions thereof so conveyed and the property and  
13 income of which are not subject to taxation.

14 (39) To enter into a management agreement or  
15 agreements with any person for the management by the authority  
16 of any project or any part thereof upon such terms and  
17 conditions as may be mutually agreeable.

18 (40) To fix and revise from time to time reasonable  
19 rentals, licenses, rates, fees, and other charges for the use  
20 of any project or portion thereof owned, managed, leased, or  
21 operated by the authority, a cooperative district of which the  
22 authority is a member, or any private users, and to collect  
23 all charges imposed by the foregoing.

24 (41) To require any users of any of its projects any  
25 part thereof to make a reasonable deposit with the authority  
26 in advance to insure the payment of rentals, licenses, rates,  
27 fees or charges, or costs of repair to any damage to the

1 project and to be subject to the application to the payment  
2 thereof if and when delinquent.

3 (42) All projects of the authority shall be located  
4 wholly within the local redevelopment area.

5 Section 9. Bonds of Authority.

6 (a) Source of Payment. All bonds issued by the  
7 authority shall be payable solely out of the revenues and  
8 receipts derived from the leasing or sale by the board of its  
9 projects, or from any other source as may be designated in the  
10 proceedings of the board under which the bonds are authorized  
11 to be issued.

12 (b) Pledge of Revenues, Receipts, and Other  
13 Security. The principal and an interest on any bonds issued by  
14 the authority shall be secured by a pledge of the revenues and  
15 receipts out of which the principal and interest may be  
16 payable and may be secured by a mortgage and deed of trust or  
17 trust indenture conveying as security for the bonds all or any  
18 part of the property of the authority from which the revenues  
19 or receipts so pledged may be derived.

20 (c) Resolutions. The resolution under which the  
21 bonds are authorized to be issued and any mortgage and deed of  
22 trust or trust indenture may contain any agreements and  
23 provisions respecting the operation, maintenance, and  
24 insurance of the property covered by the mortgage and deed of  
25 trust or trust indenture, the use of the revenues and receipts  
26 subject to the mortgage and deed of trust or trust indenture,  
27 the creation and maintenance of special funds from the

1 revenues and receipts, the rights, duties, and remedies of the  
2 parties to any instrument and the parties for the benefit of  
3 whom the instrument is made and the rights and remedies  
4 available in the event of default as the board shall deem  
5 advisable and which are not in conflict with the provisions of  
6 this act. Each pledge, agreement, mortgage, and deed of trust  
7 or trust indenture made for the benefit or security of any of  
8 the bonds of the authority shall continue effective until the  
9 principal of and interest on the bonds for the benefit of  
10 which the same were made shall have been fully paid.

11 (d) Defaults. In the event of default in payment or  
12 in any agreements of the authority made as a part of the  
13 contract under which the bonds were issued, whether contained  
14 in the proceedings authorizing the bonds or in any mortgage  
15 and deed of trust or trust indenture executed as security  
16 therefor, the rights of any holder of the bonds may be  
17 enforced by mandamus, the appointment of a receiver, or either  
18 of the remedies, and, if provided in the instrument, the  
19 mortgage, and the deed of trust, or trust indenture, may be  
20 foreclosed.

21 (e) Execution. All bonds issued by the authority  
22 shall be signed by the chair of its board and attested by its  
23 secretary, and the seal of the authority shall be affixed  
24 thereto, and any interest coupons applicable to the bonds of  
25 the authority shall be signed by the chair of its board;  
26 provided, that as long as the registrar of the bonds has  
27 manually signed an authentication certificate for the bonds,

1 facsimile signatures of both of the officers may be printed or  
2 otherwise reproduced on any bonds in lieu of each manually  
3 signing the same, a facsimile of the seal of the authority may  
4 be printed or otherwise reproduced on any bonds in lieu of  
5 being manually affixed thereto, and a facsimile of the  
6 signature of the chair of the board may be printed or  
7 otherwise reproduced on any such interest coupons in lieu of  
8 his or her manually signing the same.

9 (f) General provisions respecting form, interest  
10 rate, maturities, sale, and negotiability. Any bonds may be  
11 executed and delivered by the authority at any time and from  
12 time to time, shall be in the form and denominations and of  
13 the tenor and maturities, shall contain provisions not  
14 inconsistent with the provisions of this act, and shall bear  
15 the rate or rates of interest, payable and evidenced in the  
16 manner, as may be provided by resolution of its board. Bonds  
17 of the authority may be sold at either public or private sale  
18 in the manner and at the price or prices and at such time or  
19 times as may be determined by the board to be most  
20 advantageous. The authority may pay all expenses, premiums,  
21 and commissions in connection with any financing performed by  
22 it. All bonds, except bonds registered as to principal or as  
23 to both principal and interest, and any interest coupons  
24 applicable thereto issued by the authority shall be construed  
25 to be negotiable instruments although payable solely from a  
26 specified source.

1 (g) Nature of obligation and source of payment. All  
2 obligations created or assumed and all bonds issued or assumed  
3 by the authority shall be solely an obligation of the  
4 authority and shall not create an obligation or debt of the  
5 state or of any county or of any city; provided that this  
6 sentence shall not be construed to release the original  
7 obligor from liability on any bond or other obligation assumed  
8 by the authority. Any bonds issued by the authority shall be  
9 limited or special obligations of the authority payable solely  
10 out of its revenues and receipts of the authority specified in  
11 the proceedings authorizing those bonds.

12 (h) Eligibility for investment. Bonds of the  
13 authority are made legal investments for executors,  
14 administrators, trustees, and other fiduciaries, unless  
15 otherwise directed by the court having jurisdiction of the  
16 fiduciary relation or by the document that is the source of  
17 the fiduciary's authority, and for savings banks and insurance  
18 companies organized under the laws of the state.

19 (i) Contracts to secure payment of principal and  
20 interest. As security for payment of the principal of and the  
21 interest on bonds issued or obligations assumed by it, the  
22 authority may enter into a contract or contracts binding  
23 itself for the proper application of the proceeds of bonds and  
24 other funds, for the continued operation and maintenance of  
25 any project owned by it or any part or parts thereof, for the  
26 imposition and collection of reasonable rates, licenses,  
27 rentals, fees, and charges for and the promulgation of

1 reasonable regulations respecting any project, for the  
2 disposition and application of its gross revenues or any part  
3 thereof, and for any other act or series of acts not  
4 inconsistent with the provisions of this act for the  
5 protection of the bonds and other obligations being secured  
6 and the assurance that the revenues from the project will be  
7 sufficient to operate the project, maintain the same in good  
8 repair and in good operating condition, pay the principal of  
9 and the interest on any bonds payable from the revenues and  
10 maintain the reserves as may be deemed appropriate for the  
11 protection of the bonds, the efficient operation of the  
12 project, and the making of replacements thereof and capital  
13 improvements thereto. Any contract pursuant to the provisions  
14 of this section may be set forth in any resolution of the  
15 board authorizing the issuance of bonds or the assumption of  
16 obligations or in any trust indenture made by the authority  
17 under this act.

18 Section 10. Proceeds from the Sale of Bonds.

19 All moneys derived from the sale of any bonds issued  
20 by the authority shall be used solely for the purpose or  
21 purposes for which the same are authorized, including, but  
22 limited to, the use of bond proceeds to establish reserve  
23 funds as security for the payment of the principal, premium,  
24 as applicable, and interest on the bonds, and any costs and  
25 expenses incidental thereto. The costs and expenses may  
26 include, but shall not be limited to the following:

1           (1) The underwriting, fiscal, engineering, legal,  
2 and other expenses incurred in connection with the issuance of  
3 the bonds.

4           (2) Except in the case of refunding bonds, interest  
5 to accrue on the bonds for a period ending not later than two  
6 years from their date.

7           Section 11. Refunding Bonds.

8           Any bonds issued by the authority may from time to  
9 time be refunded by the issuance, by sale or exchange, of  
10 refunding bonds payable from the same or different sources for  
11 the purpose of paying all or any part of the principal of the  
12 bonds to be refunded, any redemption premium required to be  
13 paid as a condition to the redemption prior to maturity of any  
14 bonds that are to be so redeemed in connection with refunding,  
15 any accrued and unpaid interest on the bonds to be refunded,  
16 any interest to accrue on each bond to be refunded to the date  
17 on which it is to be paid, whether at maturity or by  
18 redemption prior to maturity, and the expenses incurred in  
19 connection with refunding; provided, that unless duly called  
20 for redemption pursuant to provisions contained therein; the  
21 holders of any bonds then outstanding and proposed to be  
22 refunded shall not be compelled without their consent to  
23 surrender their outstanding bonds for refunding. Any refunding  
24 bonds may be sold by the authority at public or private sale  
25 at the price or prices as may be determined by its board to be  
26 most advantageous, or may be exchanged for the bonds or other  
27 obligations to be refunded. Any refunding bonds may be

1 executed and delivered by the authority at any time and from  
2 time to time, shall be in the form and denominations and have  
3 the tenor and maturities, shall contain provisions not  
4 inconsistent with this act, and shall bear the rate or rates  
5 of interest, payable and evidenced in the manner, as may be  
6 provided by resolution of its board. Any refunding bonds  
7 issued by the authority shall be issued and may be secured in  
8 accordance with Section 9.

9 Section 12. Notice of Bond Resolution.

10 (a) Upon the adoption by the board of the authority  
11 of any resolution providing for the issuance of bonds, the  
12 authority may cause to be published once a week for two  
13 consecutive weeks, in a newspaper published and having general  
14 circulation in the geographical area of the authorizing  
15 subdivision, a notice in substantially the following form (the  
16 blanks being properly filled in) at the end of which shall be  
17 printed the name and title of either the chair or secretary of  
18 the authority.

19 "The \_\_\_\_\_ Local Redevelopment authority, a public  
20 corporation under the laws of the State of Alabama, on the  
21 \_\_\_\_\_ day of \_\_\_\_\_ authorized the issuance of \$\_\_\_\_\_ principal  
22 amount of bonds of the public corporation for purposes  
23 authorized in the act of the Legislature of Alabama under  
24 which the public corporation was organized. Any action or  
25 proceeding questioning the validity of the bonds, or the  
26 pledge and the mortgage and deed of trust or trust indenture  
27 to secure the same, or the proceedings authorizing the same,

1 must be commenced within 30 days after the first publication  
2 of this notice."

3 (b) A newspaper shall be deemed to be published in  
4 the geographical area of the authorizing subdivision, within  
5 the meaning of this section, if its principal editorial office  
6 is located in the geographical area of the authorizing  
7 subdivision.

8 (c) Any action or proceeding in any court to set  
9 aside or question the proceedings for the issuance of the  
10 bonds referred to in the notice or to contest the validity of  
11 any bonds, or the validity of any agreements relating to any  
12 payment in lieu of taxes, fees, charges, and any pledge and  
13 mortgage and deed of trust or trust indenture made therefor,  
14 must be commenced within 30 days after the first publication  
15 of the notice. After the expiration of that period, no right  
16 of action or defense questioning or attacking the validity of  
17 the proceedings or of the bonds or the pledge or mortgage and  
18 deed of trust or trust indenture shall be asserted, nor shall  
19 the validity of the proceedings, bonds, pledge, mortgage, and  
20 deed of trust or trust indenture be open to question in any  
21 court on any ground whatsoever except in an action commenced  
22 within that period.

23 Section 13. Exemption from Taxation.

24 (a) Any authority formed under this act, a  
25 cooperative district of which the authority is a constituent  
26 member, the sales, property, and income of the authority or  
27 cooperative district, whether used by it or leased to others,

1 all bonds issued by the authority or cooperative district, the  
2 income from the bonds or from other sources, the interest and  
3 other profits from the bonds inuring to and received by the  
4 holders thereof, conveyances by and to the authority or  
5 cooperative district of which the authority is a member, and  
6 leases, mortgages, and deeds of trust by and to the authority  
7 or the cooperative district shall be exempt from all taxation  
8 in the state, inclusive of any ad valorem taxes or lodgings  
9 taxes imposed by the State of Alabama, a municipality, or  
10 county. The authority shall be exempt from the payment of any  
11 fees, taxes, or costs to the judge of probate of any county in  
12 connection with its incorporation or with any amendment to its  
13 certificate of incorporation or otherwise or to any judge of  
14 probate of any county in connection with the recording by it  
15 of any document or otherwise. No license or excise tax may be  
16 imposed by any authority with respect to the privilege of  
17 engaging in any of the activities authorized by this article.

18 (b) An authority, any cooperative district of which  
19 an authority is a member, and any private user is exempt from  
20 the payment of all state, county, and municipal sales and use  
21 taxes relating in any way to the construction, operation, and  
22 maintenance of the project. The exemption set forth in this  
23 section may be conditioned (1) by the authorizing subdivision  
24 on a payment by the exempt party of a payment in lieu of tax,  
25 or (2) by the authority on a payment by the private user of a  
26 payment in lieu of tax pursuant to subdivision (21) of Section  
27 8, or by both subdivisions (1) and (2) which shall be subject

1 to enforcement and collection like any sales and use taxes and  
2 which shall constitute a first lien on the project and shall  
3 be foreclosable in the same manner as a past due assessment  
4 pursuant to Section 15. The exemption provided in this  
5 subsection shall apply to any cooperative district of which  
6 the authority is a constituent member, or any private user  
7 which leases, operates, or manages a project owned by the  
8 authority or cooperative district of which the authority is a  
9 member.

10 Section 14. Liability of the Authorizing  
11 Subdivision.

12 The authorizing subdivision shall not in any event  
13 be liable for the payment of the principal of, or interest on,  
14 any bonds of the authority or for the performance of any  
15 pledge, mortgage, obligation, or agreement of any kind  
16 whatsoever which may be undertaken by the authority, and none  
17 of the bonds of the authority or any of its agreements or  
18 obligations shall be construed to constitute indebtedness of  
19 the authorizing subdivision within the meaning of any  
20 constitutional or statutory provision.

21 Section 15. Failure to Pay Past Due Assessments.

22 If any user, lessee, or owner of the project fails  
23 to pay when due, with time being of the essence, any  
24 assessments or fees due under this act, including, but without  
25 limitation, any payments in lieu of taxes, collectively the  
26 "past due assessment", then the authorizing subdivision or  
27 authority, or their designated agents, hereinafter

1 collectively referred to as the "fee collector", may commence  
2 proceedings to foreclose on the land and improvements of the  
3 user, lessee, or owner of the project having land within the  
4 State of Alabama, subject to the terms of any executed  
5 agreement between the fee collector and the user, lessee, or  
6 owner of the project, as follows:

7 (1) The fee collector shall send a letter by means  
8 of United States certified mail, return receipt requested, to  
9 the last known address of the user, owner, or lessee of the  
10 project. The address of the user, owner, or lessee as shown in  
11 the tax assessment records of the tax assessor or revenue  
12 commissioner for the county in which land of the user, owner,  
13 or lessee is located shall be sufficient.

14 (2) The letter shall specify that if payment of the  
15 past due assessment is not made within 10 days of the date of  
16 the letter, foreclosure proceedings may be commenced against  
17 the land of the user, owner, or lessee.

18 (3) Any late payment received within the 10-day  
19 period will accrue a late fee of the greater of five percent  
20 of the payment or fifty dollars (\$50).

21 (4) If payment is not made within the 10-day period,  
22 the entire past due assessment shall become immediately due  
23 and payable, and the fee collector may do either of the  
24 following:

25 a. File a complaint in the circuit court for the  
26 county in which the property of the user, owner, or lessee is  
27 located requesting that the property be foreclosed. Thirty

1 days following service of process, unless the past due  
2 assessment is paid in the meantime, the court shall enter a  
3 decree declaring that the property shall be sold to the  
4 highest bidder.

5 b. Proceed to sell the property of the user, owner,  
6 or lessee against which the past due assessment is made to the  
7 highest bidder for cash.

8 c. In either case, the property of the user, owner,  
9 or lessee shall be sold in the same manner and upon the same  
10 notice as provided by law for the sale of lands or property by  
11 foreclosure by power of sale for mortgages. The proceeds from  
12 the sale shall first be applied to the amount of the past due  
13 assessment and all accrued interest thereon, plus penalties  
14 specified in subdivision (3), plus the attorneys' fees and  
15 other expenses incurred by the fee collector in the  
16 foreclosure and suit.

17 (5) If the fee collector concludes that no bidders  
18 are present or that all bids are insufficient, the fee  
19 collector may announce that the sale shall be continued to a  
20 later date to be announced by public notice.

21 (6) Upon declaring the highest bidder and receipt of  
22 the purchase price, the fee collector shall deliver a  
23 foreclosure deed to the highest bidder which shall vest  
24 therein legal title to the property sold by this foreclosure,  
25 subject to easement or other rights in such property of  
26 persons other than the user, owner or lessee that has failed  
27 to pay the past due assessment. The user, owner, or lessee of

1 the property shall have no right of redemption unless  
2 otherwise provided in the certificate of incorporation of the  
3 authority with respect to the past due assessment.

4 (7) The purchase price shall be used first for the  
5 payment of the past due assessment, then for the cost of  
6 collection, suit, foreclosure, and deed preparation, then for  
7 penalties, then for accrued interest and interest until the  
8 next principal payment date of bonds as provided in any  
9 agreement relating to the payments in lieu of tax or as set  
10 forth in this act with respect to prepayments of potentially  
11 past due assessments, and then as a reserve fund until any  
12 bonds are fully paid, and only then any remaining portion  
13 shall be paid to the user, owner, or lessee of the land at  
14 user's, owner's, or lessee's last known address as shown in  
15 the records of the tax assessor or revenue commissioner with  
16 respect to the tract of land.

17 (8) The fee collector may bid on any sale the same  
18 as any other person, and may credit any portion of the past  
19 due assessment and other costs as a part of its bid.

20 (9) If the highest amount bid and accepted is  
21 insufficient to pay the entire past due assessment and to fund  
22 a reserve to fully pay any bonds of the authority, the fee  
23 collector and holders of the bonds shall have no further claim  
24 against the user, owner, or lessee of the land assessed by  
25 virtue of the past due assessment.

1           (10) Any foreclosure deed shall make no warranty  
2 with respect to the title to the land other than as expressly  
3 stated therein.

4           (11) At any point in the foreclosure proceedings,  
5 until a bid is accepted, the fee collector may waive the  
6 default on the past due assessment on terms as the fee  
7 collector may consider proper and reinstate the past due  
8 assessment, subject to any contrary terms of the fee  
9 collector's proceedings with respect to any bonds.

10          (12) No suit may be brought or maintained to enjoin  
11 the collection of any past due assessments under this act.

12           Section 16. Exemption from Usury Laws.

13           The authority shall be exempt from the laws of the  
14 State of Alabama governing usury or prescribing or limiting  
15 interest rates, including, but without limitation to, the  
16 provisions of Chapter 8 of Title 8 of the Code of Alabama  
17 1975, as it may at any time be amended.

18           Section 17. Exemption from Competitive Bid Laws.

19           The authority, cooperative district of which the  
20 authority is a member, and any private user, and all contracts  
21 made by them shall be exempt from the laws of the State of  
22 Alabama requiring competitive bids for any contract to be  
23 entered into by municipalities or public corporations  
24 authorized by them or any public works, including, but without  
25 limitation to, the provisions of Article 3 of Chapter 16 of  
26 Title 41, commencing at Section 41-16-50, of the Code of  
27 Alabama 1975, as amended from time to time, and Chapter 2 of

1 Title 39, commencing at Section 39-2-1 of the Code of Alabama  
2 1975, as amended from time to time.

3 Section 18. Freedom of Authority from State  
4 Supervision and Control.

5 This act is intended to aid the state through the  
6 furtherance of the purposes of this act by providing an  
7 appropriate and independent instrumentality of the state with  
8 full and adequate powers to fulfill its functions. Except as  
9 expressly provided in this act, no proceeding, notice, or  
10 approval shall be required for the incorporation of the  
11 authority or the amendment of its certificate of  
12 incorporation, the issuance of any bonds, the execution of any  
13 mortgage and deed of trust or trust indenture, or the exercise  
14 of any other of its powers. Neither a public hearing nor the  
15 consent of the State Department of Finance shall be a  
16 prerequisite to the issuance of bonds by the authority.

17 Section 19. Earnings of the Authority.

18 The authority shall be a nonprofit corporation and  
19 no part of its net earnings remaining after payment of its  
20 expenses shall inure to the benefit of any individual, firm,  
21 or corporation, except that in the event the board shall  
22 determine that sufficient provision has been made for the full  
23 payment of the expenses, bonds, and other obligations of the  
24 authority, then any net earnings of the authority thereafter  
25 accruing shall be paid to the authorizing subdivision or  
26 private user for the creation and maintenance of the project.

1           Section 20. Dissolution of Corporation and Vesting  
2 of Title to Property.

3           At any time when the authority has no bonds or other  
4 obligations outstanding, its board may adopt a resolution,  
5 which shall be duly entered upon its minutes, declaring that  
6 the authority shall be dissolved. Upon filing for record of a  
7 certified copy of the resolution in the office of the judge of  
8 probate of the county in which the authority was formed  
9 pursuant to Section 4, the authority shall thereupon stand  
10 dissolved and in the event it owned any property at the time  
11 of its dissolution, the title to all its properties shall  
12 thereupon pass to the authorizing subdivision or private user  
13 as required by any agreement with any private user.

14           Section 21. Existence of Authority Not to Prevent  
15 Subsequent Incorporation of Another Authority.

16           The existence of one or more authorities  
17 incorporated under this act shall not prevent the subsequent  
18 incorporation under this act of another authority or the  
19 amendment of the certificate of incorporation of another  
20 authority pursuant to authority granted by the same county,  
21 counties, municipality or municipalities, public corporation  
22 or public corporations, or by the same combination thereof,  
23 even though the project described in the certificate of  
24 incorporation, as originally filed or amended, of any existing  
25 authority may include a project proposed by an authority that  
26 is proposed to be incorporated under this act or that proposes  
27 to amend its certificate of incorporation under this act.

1           Section 22. Establishment and Revision of Rentals,  
2 Licenses, Rates, Fees, and Charges for Services or Facilities  
3 Rendered by Authority.

4           Rates, fees, charges, rentals, and licenses for  
5 services rendered by the authority, a cooperative district of  
6 which the authority is a member, or a private user or  
7 facilities provided by the authority, a cooperative district  
8 of which the authority is a member, or a private user from any  
9 of their projects shall be so fixed and, from time to time,  
10 revised as at all times to provide funds at least sufficient,  
11 taking into account other sources for the payment thereof, to:

12           (1) Pay the cost of operating, maintaining,  
13 repairing, replacing, extending, and improving the project or  
14 projects of the authority, a cooperative district of which the  
15 authority is a member, or any private user.

16           (2) Pay the principal of and the interest on all  
17 bonds issued and obligations assumed by the authority, a  
18 cooperative district of which the authority is a member, or  
19 any private user that are payable out of the revenues derived  
20 from operation of the project or projects of the authority, a  
21 cooperative district of which the authority is a member, or  
22 any private user as the principal and interest become due and  
23 payable.

24           (3) Create and maintain such reserves for the  
25 foregoing purposes or any of them as may be provided in any  
26 trust indenture executed by the authority, a cooperative  
27 district of which the authority is a member, or any private

1 user under this act or in any resolutions or agreements of the  
2 board authorizing the issuance of bonds, the assumption of any  
3 obligation, or the acquisition of the project.

4 (4) Make annual payments, if any, to the United  
5 States of America or any agency or instrumentality thereof,  
6 the state, municipalities, counties, departments, authorities,  
7 agencies, and political subdivisions of the state, and any  
8 public corporations organized under the laws of the state as  
9 the authority, a cooperative district of which the authority  
10 is a member, or any private user may have contracted to make.

11 Section 23. Loans, sales, grants, guarantees,  
12 contractual or lease obligations of money or property, to an  
13 authority, a cooperative district of which the authority is a  
14 member, or any private user by counties, municipalities, and  
15 public corporations.

16 (a) For the purpose of securing services of or the  
17 right to use or the use by its citizens or customers of one or  
18 more projects of an authority, a cooperative district of which  
19 the authority is a member, or any private user, or aiding or  
20 cooperating with the authority, a cooperative district of  
21 which the authority is a member, or any private user in the  
22 planning, development, undertaking, acquisition, construction,  
23 extension, improvement, financing, operation, or protection of  
24 a project, any county, municipality, or other political  
25 subdivision, public corporation, agency, or instrumentality of  
26 this state, upon such terms and with or without consideration,  
27 as it determines, may do all of the following:

1           (1) Lend or donate money to, guarantee all or any  
2 part of the indebtedness or operating expense of, or perform  
3 services for the benefit of, the authority, a cooperative  
4 district of which the authority is a member, or any private  
5 user.

6           (2) Donate, sell, convey, transfer, lease, or grant  
7 to the authority, a cooperative district of which the  
8 authority is a member, or any private user, without the  
9 necessity of authorization at any election of qualified  
10 voters, any property of any kind, including, but without  
11 limitation, any project, any interest in any thereof, and any  
12 franchise.

13           (3) Contract with the authority, a cooperative  
14 district of which the authority is a member, or any private  
15 user, or enter into a lease or management agreement under  
16 terms as may be mutually agreeable, including a contract  
17 obligating it to purchase a certain service or product from  
18 the authority, a cooperative district of which the authority  
19 is a member, or any private user for a stipulated price in a  
20 stipulated period of time, to pay for the service or product  
21 whether or not it receives it, to lease all or a part of a  
22 project for a stipulated rental for a stipulated period of  
23 time, to pay the rental whether or not the leased facilities  
24 are available to it, or to make a management fee payment.

25           (4) Do any and all things, whether or not  
26 specifically authorized in this section, not otherwise  
27 prohibited by law, that are necessary or convenient to aid and

1 cooperate with the authority, a cooperative district of which  
2 the authority is a member, or any private user in the  
3 planning, undertaking, acquisition, construction, financing,  
4 or operation of its projects.

5 (5) Pay, or provide for the payment of, the  
6 principal of or interest on any then outstanding bonds  
7 theretofore issued by the authority, a cooperative district of  
8 which the authority is a member, or any private user, whether  
9 or not the principal and interest shall have then matured or  
10 become due, and any premium that may be payable upon  
11 redemption prior to maturity.

12 (6) Issue its bonds, warrants, or other evidences of  
13 indebtedness in order to provide moneys to make any loan,  
14 donation, or payment authorized in this subsection.

15 (7) Provide for payment of the bonds of the  
16 authority, a cooperative district of which the authority is a  
17 member, or any private user by an irrevocable trust fund  
18 created by agreement with a bank or trust company.

19 (b) Any bonds, warrants, or other evidences of  
20 indebtedness issued by an authorizing subdivision pursuant to  
21 authorization in this section may be either general  
22 obligations or special obligations payable solely from a  
23 specified source or sources, which source or sources may  
24 include any public revenues, or portions thereof, which the  
25 authorizing subdivision may lawfully use for the purpose. The  
26 county or municipality may pledge for payment of the principal  
27 of and interest on any bonds that are general obligations any

1 public revenues that may lawfully be used for that purpose and  
2 may pledge for the benefit of any special obligations issued  
3 by it so much as may be necessary for the payment of the  
4 public revenues from which the special obligations are made  
5 payable.

6 (c) The proceeds of any bonds issued by an  
7 authorizing subdivision for the purpose referred to in this  
8 section may be applied for payment of principal, interest, and  
9 redemption premium with respect to the authority's bonds to be  
10 paid from the proceeds and the expenses of issuing the bonds  
11 of the authorizing subdivision.

12 Section 24. In addition to the requirements for  
13 dissolution under Section 11-92A-22, Code of Alabama 1975,  
14 prior to the dissolution of an authority organized under  
15 Chapter 92A of Title 11, Code of Alabama 1975, the authority  
16 shall provide notice to the Legislature of the authority's  
17 intent to dissolve, as adopted by its board of directors in  
18 accordance with Section 11-92A-22, Code of Alabama 1975. The  
19 articles of dissolution, as required by Section 11-92A-22,  
20 Code of Alabama 1975, may not be effective prior to the 15th  
21 legislative day of the regular session of the Legislature that  
22 commences no sooner than six weeks after the notice of  
23 dissolution is provided to the Legislature as required in this  
24 section.

25 Section 25. The provisions of this act are  
26 severable. If any part of this act is declared invalid or

1       unconstitutional, that declaration shall not affect the part  
2       which remains.

3                 Section 26. This act shall become effective  
4       immediately following its passage and approval by the  
5       Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate  
committee on Fiscal Responsibility and Economic  
Development..... 14-MAY-19

Read for the second time and placed on the calen-  
dar 2 amendments..... 22-MAY-19

Read for the third time and passed as amended .... 23-MAY-19

Yeas 31  
Nays 0

Patrick Harris,  
Secretary.