

1 HB496
2 203956-1
3 By Representative Harbison (N & P)
4 RFD: Local Legislation
5 First Read: 04-MAY-20

A BILL
TO BE ENTITLED
AN ACT

Relating to Cullman County; to amend Sections 45-22-243.99; 45-22-243.10, as amended by Act 2019-411 of the 2019 Regular Session; and Section 45-22-243.37 of the Code of Alabama 1975, relating to the distribution of the net revenue from various county sales and use taxes levied in the county; to further provide that the distribution of revenue to municipalities excluding the City of Cullman would not apply to municipalities incorporated in the county after the effective date of this act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 45-22-243.99; 45-22-243.10, as amended by Act 2019-411 of the 2019 Regular Session and Section 45-22-243.37 of the Code of Alabama 1975, are amended to read as follows:

§45-22-243.99.

1 "(a) Commencing with the first month during which
2 proceeds from the taxes herein levied are paid and thereafter,
3 the county treasurer shall make monthly distributions of the
4 proceeds so paid to him or her as follows:

5 "(1) From the first 50 percent of the net proceeds
6 from the tax, levied in Section 45-22-243.91, shall be paid
7 each month to the Cullman County Health Care Authority Board,
8 a public corporation existing under the provisions of Act 46
9 adopted at the 1949 Regular Session of the Legislature of
10 Alabama, as amended, a total of thirty-three thousand three
11 hundred thirty-three dollars and thirty-three cents
12 (\$33,333.33) per month, and no more.

13 "(2) One-half (50 percent) of the residue of the
14 proceeds from the taxes herein levied that remains each month
15 after the payment provided for in subdivision (1) (the residue
16 consisting of that portion of the tax levied in Section
17 45-22-243.91 that remains each month after making the payment
18 provided for in subdivision (1) and the entire proceeds of the
19 use tax herein levied that is received each month by the
20 county treasurer), shall be paid to the City of Cullman; and
21 the remaining one-half (50 percent) of the residue is
22 allocated to the county.

23 "(b) The portion of the tax proceeds that is
24 hereinabove provided to be paid to the Cullman County Health
25 Care Authority Board is appropriated to the board and shall be
26 used by it solely for payment of costs to the board of capital
27 improvements to and operation of its public hospital,

1 including payment of the principal of and interest on any
2 bonds or other securities heretofore or hereafter issued by
3 the Cullman County Health Care Authority Board for payment of
4 costs of such capital improvements and for payments into any
5 special funds that may be established for retirement of any
6 such bonds or other securities in the proceeding providing for
7 their issuance. The term capital improvements, as used in this
8 subsection, includes improvements, additions, and replacements
9 to the public hospital that are of such nature as to be
10 chargeable to fixed capital account by generally accepted
11 accounting principles, and real estate on which any such
12 improvements, additions, or replacements are proposed to be
13 located. The term shall be deemed to include additional
14 structures and shall be deemed also to include equipment and
15 other personal property when chargeable to fixed capital
16 account by generally accepted accounting principles, and shall
17 not include any operating expenses of the hospital.

18 "(c) The portion of the tax proceeds that are
19 hereinabove provided to be paid to the City of Cullman may be
20 used by the city for any lawful purpose.

21 "(d) The tax proceeds hereinabove allocated to the
22 county shall be distributed by the county treasurer monthly as
23 follows:

24 "(1) One-fifth (20 percent) of the tax proceeds
25 allocated to the county and received by it each month, during
26 each successive month (commencing with the first month when
27 proceeds from the taxes herein levied are received by the

1 county treasurer), shall be prorated among and paid to the
2 municipalities incorporated prior to the effective date of the
3 act adding this language, other than the City of Cullman, in
4 the ratio or proportion that the population of each
5 municipality other than the City of Cullman bears to, or
6 constitutes of, the total population of all municipalities
7 incorporated prior to the effective date of the act adding
8 this language, other than the City of Cullman, as the
9 population of each of the municipalities other than the City
10 of Cullman may be shown by the then most recently completed
11 official census (whether a federal census or municipal census)
12 with respect to such population; and the tax proceeds
13 distributed under this subdivision may be used for any lawful
14 purpose by each municipality receiving any of the tax
15 proceeds.

16 "(2) Eight thousand three hundred thirty-four
17 dollars (\$8,334) of the tax proceeds allocated to the county
18 and received by it each month is appropriated for use in
19 paving and resurfacing roads and constructing, repairing, and
20 maintaining bridges in the county, shall be paid by the county
21 treasurer each month to the highway director, and shall be
22 used exclusively by the highway director and the state highway
23 department for such paving and resurfacing of roads and
24 construction, repairing, and maintaining of bridges in the
25 county. The amounts to be so paid to the highway director
26 shall be in addition to any and all sums used pursuant to any
27 other law by the highway director for the construction,

1 reconstruction, repair, and maintenance of roads and bridges
2 in the county. The expenditure by the state highway department
3 of the sums paid to the highway director hereunder shall be
4 made only on projects which have been consented to by the
5 governing body of the county; and if any portion of the sums
6 should remain unexpended at the end of any fiscal year, the
7 unexpended portion shall be remitted, as promptly thereafter
8 as may be practicable, by the highway director to the county
9 and deposited in its general fund. An annual accounting of the
10 sums paid to the highway director hereunder shall be made in
11 October of each year by the highway director to the governing
12 body of the county.

13 "(3) The residue of the portion of the tax proceeds
14 allocated to the county hereunder, after making the monthly
15 payments herein provided to be made to the municipality other
16 than the City of Cullman and to the highway director shall be
17 retained or paid into the general fund of the county and may
18 be used by the county for any lawful purpose.

19 "(e) The county treasurer, as promptly as may be
20 practicable after receiving the tax proceeds allocated herein
21 to the county, shall draw warrants payable to each
22 municipality other than the City of Cullman for its respective
23 pro rata share of the tax proceeds, and a warrant payable to
24 the highway director for the moneys herein provided to be paid
25 to him or her.

26 §45-22-243.10.

1 "The proceed of any taxes herein authorized to be
2 levied shall be distributed as follows:

3 "(1) 45 percent to the general fund of the City of
4 Cullman.

5 "(2) 15 percent to the general fund of Cullman
6 County to be used by the County Commission.

7 "(3) 15 percent to the Cullman County Commission to
8 the credit of the road fund.

9 "(4) 10 percent to the Cullman County Commission for
10 use by the Cullman County Board of Education.

11 "(5) 10 percent to the municipalities of Cullman
12 County incorporated prior to the effective date of the act
13 adding this language, except Cullman, to be distributed on a
14 population basis.

15 "(6) a. Five percent to the rural volunteer fire
16 departments of the county, to be equally distributed among the
17 following volunteer fire departments in Cullman County:
18 Arkadelphia, Baileyton, Battle Ground, Berlin, Bethsadia,
19 Bremen, Cold Springs, Crane Hill, Dodge City, Fairview, Garden
20 City, Gold Ridge, Good Hope, Holly Pond, Johnson Crossing,
21 Jones Chapel, Joppa, Logan, Loretto, Providence, Sardis,
22 Trimble, Walter, and West Point.

23 "b. The Hanceville Fire Department and the Cullman
24 County Fire Association Training Center shall also receive a
25 share of the proceeds equal to that received by each volunteer
26 fire department. Additionally, volunteer fire departments may
27 be designated to receive funds hereunder by resolution of the

1 Cullman County Commission upon the recommendation of the
2 Cullman County Volunteer Fire Department Association and the
3 Cullman office of the Alabama Forestry Commission.

4 "§45-22-243.37.

5 "The department shall charge Cullman County for
6 collecting the tax levied pursuant to this subpart in an
7 amount or percentage of total collections as may be agreed
8 upon by the commissioner and the Cullman County Commission.
9 The charge shall not exceed five percent of the total amount
10 of the tax collected in the county. The charge may be deducted
11 each month from the gross revenues from the tax before
12 certification of the amount of the proceeds due Cullman County
13 for that month. The Commissioner of Revenue shall pay into the
14 State Treasury all amounts collected under this subpart, as
15 the tax is received by the department, on or before the first
16 day of each successive month. The commissioner shall certify
17 to the Comptroller the amount collected and paid into the
18 State Treasury for the benefit of Cullman County during the
19 month immediately preceding the certification. The Comptroller
20 shall issue a warrant each month payable to the County
21 Treasurer of Cullman County in an amount equal to the
22 certified amount which shall be paid into the county general
23 fund to be used as follows:

24 "(1) Forty percent to the county general fund.

25 "(2) Forty percent to the governing body of the City
26 of Cullman.

1 "(3) Twenty percent to the municipalities in the
2 county incorporated prior to the effective date of the act
3 adding this language, excluding the City of Cullman, on a pro
4 rata basis, based upon the percentage that the population of
5 each municipality incorporated prior to the effective date of
6 the act adding this language bears to the total population of
7 the municipalities in the county, excluding the City of
8 Cullman."

9 Section 2. This act shall become effective
10 immediately following its passage and approval by the
11 Governor, or its otherwise becoming law.