

1 HB573
2 212245-6
3 By Representatives Ledbetter and Kitchens
4 RFD: Ways and Means General Fund
5 First Read: 30-MAR-21

1 ENGROSSED

2
3
4 A BILL
5 TO BE ENTITLED
6 AN ACT
7

8 Relating to state parks; to implement HB565 of the
9 2021 Regular Session, proposing an amendment to the
10 Constitution of Alabama of 1901, authorizing the state to
11 become indebted and to sell and issue not in excess of a
12 specified amount in principal amount of general obligation
13 bonds of the state for the purpose of providing for the
14 improvement, renovation, equipping, acquisition, provision,
15 construction, and maintenance of Alabama state parks under the
16 jurisdiction of the Department of Conservation and Natural
17 Resources, and public historical sites and public historical
18 parks under the jurisdiction of the Alabama Historical
19 Commission; to provide for the organization of a public
20 corporation in the state to be known as the Alabama State
21 Parks Enhancement Authority; to provide for definitions; to
22 designate the officers and members of the board of directors
23 of the authority; to prescribe the powers of the authority; to
24 authorize the authority to sell and issue for the state bonds
25 and refunding bonds; to provide that bond proceeds in excess
26 of a specified amount due to receipt of original issue premium
27 in connection with the sale of bonds or other reasons, be

1 allocated to the Alabama Forestry Commission for state
2 forests; to provide that the authority would specify the form
3 and details of the bonds; to provide for the issuance of the
4 bonds in series; to provide for the sale of the bonds; to
5 provide for the temporary investment of the proceeds of the
6 bonds; to provide for the payment of the expenses of issuance
7 of the bonds; to provide for the issuance of refunding bonds
8 for the purpose of refunding any outstanding bonds issued
9 pursuant to the amendment and this act; to provide for the use
10 of proceeds derived from the bonds; to amend Section 40-23-35,
11 Code of Alabama 1975, to include a reference to bonds issued
12 by the authority; and to provide for a contingent effective
13 date.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. This act shall be known and may be cited
16 as the Alabama State Parks and Historical Facilities
17 Enhancement Act.

18 Section 2. The Legislature hereby finds and declares
19 all of the following:

20 (1) That the state parks, public historical sites,
21 and public historical parks provide essential services and
22 outdoor recreation opportunities to Alabama residents and
23 visitors.

24 (2) State parks, public historical sites, and public
25 historical parks have provided both a refuge and retreat
26 during the COVID-19 pandemic and highlighted how critical the

1 state parks are to the mental health and physical well-being
2 of the residents of this state.

3 (3) Because of the essential nature of state parks,
4 public historical sites, and public historical parks, it is
5 necessary, desirable, and in the public interest that the
6 state parks under the jurisdiction of the Department of
7 Conservation and Natural Resources, and public historical
8 sites and public historical parks under the jurisdiction of
9 the Alabama Historical Commission be improved and maintained
10 for future use and enjoyment.

11 (4) It is the intent of the Legislature to authorize
12 the formation of a public corporation for the purposes of
13 providing for the improvement, renovation, equipping,
14 acquisition, provision, construction, and maintenance of the
15 Alabama state parks under the jurisdiction of the Department
16 of Conservation and Natural Resources, and public historical
17 sites and public historical parks under the jurisdiction of
18 the Alabama Historical Commission and to authorize the
19 corporation to provide for payment of the costs of
20 accomplishing the stated purposes by implementing an amendment
21 to the Constitution of Alabama of 1901 proposed in HB565 of
22 the 2021 Regular Session, authorizing the issuance by the
23 state of up to ~~\$80,000,000~~ \$85,000,000 in aggregate principal
24 amount of general obligation bonds, and by issuing and selling
25 for the state, subject to the approval of the Governor,
26 interest bearing general obligation bonds of the state.

1 (5) The bonds shall be issued for the state by the
2 Alabama State Parks Enhancement Authority, and the proceeds
3 thereof shall be used exclusively for the purpose of paying
4 the expenses incurred in the sale and issuance of bonds and
5 for payment of the costs of the improvement, renovation,
6 equipping, acquisition, provision, construction, and
7 maintenance of Alabama state parks under the jurisdiction of
8 the Department of Conservation and Natural Resources, and
9 public historical sites and public historical parks under the
10 jurisdiction of the Alabama Historical Commission.

11 (6) If the bond proceeds exceed eighty-five million
12 dollars (\$85,000,000) due to receipt of original issue premium
13 in connection with the sale of bonds or due to any other
14 reason, any bond proceeds in excess of eighty-five million
15 dollars (\$85,000,000) plus expenses related to the issuance of
16 the bonds shall be allocated to the Alabama Forestry
17 Commission for the capital improvement, renovation, equipping,
18 acquisition, provision, construction, and maintenance of state
19 forests.

20 Section 3. (a) For purposes of this act, the
21 following terms shall have the following meanings:

22 (1) AMENDMENT. The amendment to the Constitution of
23 Alabama of 1901, proposed in HB565 of the 2021 Regular
24 Session, authorizing the issuance of the bonds to be issued by
25 the authority.

26 (2) AUTHORITY. The Alabama State Parks Enhancement
27 Authority.

1 (3) BOARD OF DIRECTORS. The board of directors of
2 the authority.

3 (4) BONDS. The bonds issued under this act.

4 (5) COMMISSION. The Alabama Historical Commission.

5 ~~(5)~~(6) DEPARTMENT. The Alabama Department of
6 Conservation and Natural Resources.

7 ~~(6)~~(7) GOVERNMENT SECURITIES. Any bonds or other
8 obligations which as to principal and interest constitute
9 direct obligations of, or are unconditionally guaranteed by,
10 the United States of America, including obligations of any
11 federal agency to the extent such obligations are
12 unconditionally guaranteed by the United States of America and
13 any certificates or any other evidences of an ownership
14 interest in such obligations of, or unconditionally guaranteed
15 by, the United States of America or in specified portions
16 thereof, which may consist of the principal thereof or the
17 interest thereon.

18 ~~(7)~~(8) PERMITTED INVESTMENTS. Any of the following:

19 a. Government securities.

20 b. Bonds, debentures, notes, or other evidences of
21 indebtedness issued by any of the following agencies: Bank for
22 Cooperatives; Federal Intermediate Credit Banks; Federal
23 Financing Bank; Federal Home Loan Banks; Federal Farm Credit
24 Bank; Export-Import Bank of the United States; Federal Land
25 Banks; or Farmers Homes Administration; or any other agency or
26 corporation which has been or may hereafter be created by or

1 pursuant to an act of the Congress of the United States as an
2 agency or instrumentality thereof.

3 c. Bonds, notes, pass through securities, or other
4 evidences of indebtedness of Government National Mortgage
5 Association and participation certificates of Federal Home
6 Loan Mortgage Corporation.

7 d. Time deposits evidenced by certificates of
8 deposit issued by banks or savings and loan associations which
9 are members of the Federal Deposit Insurance Corporation,
10 provided that, to the extent such time deposits are not
11 covered by federal deposit insurance, such time deposits,
12 including interest thereon, are fully secured in accordance
13 with the SAFE Program pursuant to Sections 41-14A-1 through
14 41-14A-14.

15 e. Government money market mutual funds.

16 f. Repurchase agreements for obligations of the type
17 specified in paragraphs a., b., and c., provided the
18 repurchase agreements are fully collateralized and secured by
19 the obligations that have a market value at least equal to the
20 purchase price of such repurchase agreements which are held by
21 a depository satisfactory to the State Treasurer in such
22 manner as may be required to provide a perfected security
23 interest in such obligations, and which meet the greater of
24 100% collateralization or the "AA" or "Aa" collateral levels
25 established by Standard & Poor's Ratings Group or Moody's
26 Investors Service, respectively, for structured financings.

1 Section 4. (a) (1) The Governor, the Lieutenant
2 Governor or his or her designee, the President Pro Tempore of
3 the Senate or his or her designee, the Speaker of the House of
4 Representatives or his or her designee, the Commissioner of
5 the Department of Conservation and Natural Resources, the
6 Director of Finance, the Minority Leader of the House of
7 Representatives or his or her designee, the Minority Leader of
8 the Senate or his or her designee, and the Commissioner of
9 Revenue may become a corporation, with the powers and duties
10 provided by this act.

11 (2) To become a corporation, the Governor, the
12 Lieutenant Governor or his or her designee, the President Pro
13 Tempore of the Senate or his or her designee, the Speaker of
14 the House of Representatives or his or her designee, the
15 Commissioner of the Department of Conservation and Natural
16 Resources, the Director of Finance, the Minority Leader of the
17 House of Representatives or his or her designee, the Minority
18 Leader of the Senate or his or her designee, and the
19 Chairperson of the Joint Legislative Committee on State Parks
20 shall present to the Secretary of State of Alabama an
21 application signed by them which shall set forth all of the
22 following:

23 a. The name, official designation, and official
24 residence of each of the applicants, together with a certified
25 copy of the commission evidencing each applicant's right to
26 office.

1 b. The date on which each applicant was inducted
2 into office and the term of office of each of the applicants.

3 c. The name of the proposed corporation created in
4 this section, which shall be the Alabama State Parks
5 Enhancement Authority.

6 d. The location of the principal office of the
7 proposed corporation, which shall be Montgomery, Alabama.

8 e. Any other matter relating to the incorporation
9 which the applicants may choose to insert and which is not
10 inconsistent with this act or the laws of this state.

11 (3) The application shall be subscribed and sworn to
12 by each of the applicants before an officer authorized by the
13 laws of this state to take acknowledgments to deeds. The
14 Secretary of State shall examine the application and, if the
15 Secretary finds that it substantially complies with the
16 requirements of this section, it shall be received, filed, and
17 recorded in an appropriate book of records in the office of
18 the Secretary of State.

19 (b) When the application has been made, filed, and
20 recorded, as provided in subsection (a), the applicants shall
21 constitute a public corporation under the name proposed in the
22 application, and the Secretary of State shall make and issue
23 to the applicants a certificate of incorporation pursuant to
24 this act, under the great seal of the state, to be recorded
25 with the application. There shall be no fees paid to the
26 Secretary of State for any activity associated with the
27 incorporation or dissolution of the corporation so organized.

1 (c) (1) The applicants named in the application and
2 their respective successors in office shall constitute the
3 members of the authority. The Governor shall be the president
4 of the authority, the Commissioner of the Department of
5 Conservation and Natural Resources shall be its
6 vice-president, and the Director of Finance shall be the
7 secretary of the authority. The State Treasurer shall be the
8 treasurer of the authority and shall act as custodian of its
9 funds, but shall not be a member of the authority.

10 (2) The members of the authority shall constitute
11 all the members of the board of directors of the authority,
12 and any ~~three~~ five members of the board of directors shall
13 constitute a quorum for the transaction of business.

14 (3) All members of the board shall be notified of
15 any meeting of the board of directors.

16 (4) If any of the officials of the state die or if
17 his or her term of a office as Governor, the Lieutenant
18 Governor, the President Pro Tempore of the Senate, Speaker of
19 the House of Representatives, Commissioner of the Department
20 of Conservation and Natural Resources, Director of Finance,
21 State Treasurer, or designees, as the case may be, expire or
22 otherwise become vacant, his or her successor in office shall
23 take his or her place as a member, officer, and director of
24 the authority, as the case may be.

25 (5) A member, officer, or director of the authority
26 may not receive compensation, for any service he or she may
27 render in connection with the authority.

1 (6) All proceedings of the board of directors shall
2 be reduced to writing by the secretary of the authority.
3 Copies of the proceedings, when certified by the secretary of
4 the authority under the seal of the corporation, shall be
5 received in all courts as prima facie evidence of the matters
6 and things certified therein.

7 Section 5. The authority shall each have the
8 following powers:

9 (a) To have succession by its corporate name without
10 time limit.

11 (b) To sue and be sued and to prosecute and defend,
12 at law or in equity, in any court having jurisdiction of the
13 subject matter and of the parties.

14 (c) To have and to use a corporate seal and to alter
15 the same at its pleasure.

16 (d) To receive, take, and hold by sale, gift, lease,
17 devise or otherwise, real and personal estate or property of
18 every description, and to manage the same.

19 (e) To sell and issue the state bonds and refunding
20 bonds as provided in this act.

21 (f) To appoint or employ attorneys, accountants,
22 financial advisors, underwriters, trustees, depositories,
23 registrars and other advisors, agents, and independent
24 contractors as the business of the authority may require.

25 Section 6. In addition to any other powers provided
26 in this act, the authority shall also have all of the
27 following powers:

1 (a) To improve, renovate, equip, acquire, provide,
2 construct, and maintain Alabama state parks under the
3 jurisdiction of the Department of Conservation and Natural
4 Resources, and public historical sites and public historical
5 parks under the jurisdiction of the Alabama Historical
6 Commission.

7 (b) To acquire by purchase, gift, or any other
8 lawful means, and to transfer, convey, or cause to be conveyed
9 to the state, any real, personal, or mixed property necessary
10 or convenient in connection with the improving, renovating,
11 equipping, acquiring, provisioning, constructing, and
12 maintenance of parks and park facilities, public historical
13 sites, and public historical parks.

14 (c) To enter into contracts with municipalities,
15 counties, the Alabama Department of Conservation and Natural
16 Resources, the Alabama Historical Commission or other agencies
17 or political subdivisions of the state or any other state,
18 private persons, firms, corporations, and any branch of the
19 federal government, in furtherance of its public purposes and
20 objects either relative to work done or to be done.

21 (d) To turn over to the Alabama Department of
22 Conservation and Natural Resources, the Alabama Historical
23 Commission, and the Alabama Forestry Commission any funds of
24 the authority as, from time to time, may be necessary or
25 convenient for carrying out the business of the authority.

26 Section 7. The bonds issued pursuant to this act
27 shall not be obligations of the authority but shall be general

1 obligations of the state with the full faith and credit and
2 taxing power of the state to be pledged to the prompt and
3 faithful payment of the principal thereof and the interest and
4 redemption premium, if any, thereon. The proceeds from the
5 sale of the bonds shall be used exclusively for the purposes
6 described in the amendment. The bonds may be sold and issued
7 in one or more series at any time and from time to time; may
8 have such series designations; may be in such forms, principal
9 amounts, denominations and numbers; may be of such tenor and
10 maturities; may bear such date or dates; may be payable in
11 installments and at the time or times, may be payable at a
12 place or places within or without the state; may bear interest
13 at the rate or rates payable and evidenced in such manner; may
14 contain provisions for redemption at the option of the state
15 to be exercised by the authority on the date or dates prior to
16 their respective maturities and upon payment of the redemption
17 price or prices; and may contain such other provisions not
18 inconsistent with the amendment and this act, all as shall be
19 provided by the board of directors of the authority in the
20 resolution or resolutions pursuant to which the bonds are
21 authorized, sold, and issued.

22 Section 8. The State Treasurer is authorized and
23 directed to pay the principal, premium, if any, and interest
24 on the bonds issued under this act, as the principal, premium,
25 if any, and interest shall respectively mature, and he or she
26 is further authorized and directed to maintain appropriate
27 records.

1 Section 9. (a) The bonds of each series issued
2 pursuant to this act may be issued as serial bonds payable in
3 annual installments or as term bonds or as a combination
4 thereof, and the principal of the bonds of each such series
5 shall mature or be subject to mandatory redemption according
6 to the schedule as the board of directors shall determine in
7 the resolution authorizing the issuance of such series.

8 (b) The bonds may be made subject to redemption
9 prior to their respective maturities, at the option of the
10 state, on such terms and conditions as shall be provided by
11 the board of directors in the resolution authorizing the
12 issuance of such series. Any or all of such bonds subject to
13 redemption at the option of the state may be called for
14 redemption by the corporation pursuant to a resolution adopted
15 by the board of directors thereof if, pursuant to
16 appropriations made by the Legislature, the moneys required
17 for the redemption are at the time held in the State Treasury
18 or if the redemption is to be effected with moneys provided by
19 the sale and issuance of refunding bonds issued pursuant to
20 the amendment and as provided for in this act. The corporation
21 may specify the terms and conditions under which any of the
22 bonds authorized pursuant to the amendment may be exchanged
23 for like bonds of other denominations as the authority may
24 prescribe.

25 Section 10. The bonds of each series thereof issued
26 pursuant to this act shall be sold by the authority at public
27 or private sale as provided in the amendment. The bonds shall

1 be executed in the name of the state by the Governor and
2 countersigned by the secretary of the authority issuing the
3 bonds, and the Great Seal of the state shall be impressed
4 thereon and attested by the Secretary of State. An electronic
5 signature or facsimile of the signature of each official may
6 be imprinted on any of the bonds in lieu of manual signatures,
7 and a facsimile of the Great Seal of the state may be printed
8 on the bonds in lieu of such seal being manually impressed
9 thereon. Each facsimile signature shall be valid in all
10 respects as if the officials whose facsimile signatures are
11 used had signed the bonds in person, and any facsimile of the
12 Great Seal of the state used shall be valid in all respects as
13 if such seal had been manually impressed on the bonds. In the
14 event any official who shall sign any of the bonds or whose
15 facsimile signature shall appear thereon shall thereafter
16 cease to hold office before the bonds are delivered and paid
17 for, the bonds shall nevertheless be valid for all purposes to
18 the same extent as if the official who signed the bonds or
19 whose facsimile signature appears thereon had remained in
20 office until all of the bonds bearing the signature or
21 facsimile thereof shall have been delivered and paid for.

22 Section 11. The proceeds derived from the sale of
23 each series of the bonds issued pursuant to this act by the
24 authority, other than refunding bonds, shall be paid into the
25 State Treasury upon receipt thereof, and the State Treasurer
26 shall keep such proceeds, as well as all income received from
27 the investment and reinvestment of the proceeds, including

1 income derived from the investment and reinvestment of
2 previously derived income, in a special fund in the State
3 Treasury, designated the Alabama State Parks Enhancement Fund,
4 pending the expenditure of the proceeds and income for the
5 purposes authorized and as required by the amendment and this
6 act. All proceeds deposited in the State Treasury shall be
7 continuously invested by the State Treasurer in Permitted
8 Investments, and as and when income from the investment of
9 such proceeds is received, the income shall be kept
10 continuously invested in the same manner as the proceeds. The
11 State Treasurer, on the advice of the officers of the
12 authority, acting on projections of expenditures provided by
13 the Director of Finance, shall keep all such proceeds,
14 together with the income derived from the investment and
15 reinvestment thereof, invested in investments that shall
16 mature or otherwise be subject to liquidation on such terms as
17 will provide cash when required for the purposes for which
18 bonds may be issued pursuant to this act.

19 Section 12. Upon order of the board of directors,
20 all expenses incurred in connection with the authorization,
21 preparation, sale, and issuance of bonds authorized by this
22 act and by the amendment shall be paid out of the proceeds
23 thereof. The proceeds remaining after payment of such
24 expenses, together with the income derived from the investment
25 and reinvestment of such proceeds, including income derived
26 from the investment and reinvestment of previously derived
27 income, shall be disbursed from time to time on the order of

1 said corporation upon the approval of the Director of Finance,
2 the Commissioner of Conservation and Natural Resources, and
3 the Governor.

4 Section 13. For the purpose of refunding any bonds
5 or refunding bonds of the authority issued under this act or
6 any other state law or any combination thereof, whether such
7 refunding shall occur before, at, or after the maturity of the
8 bonds refunded and for the purpose of paying all premiums and
9 expenses of such refunding, including, but not limited to,
10 attorneys' fees, advisors fees, and accountants' fees, the
11 authority is authorized to sell and issue its refunding bonds
12 in one or more series, and if sold in more than one series,
13 may all be authorized in one initial resolution of the
14 authority with the pledges therefore made by the authority in
15 the initial resolution, although some of the details
16 applicable to each series may be specified in the respective
17 resolutions under which the different series are issued. The
18 refunding bonds shall be sold on a competitive basis or on a
19 negotiated basis, as determined by the authority. The
20 authority may fix the method and the terms and conditions
21 under which the sale of any series of the refunding bonds may
22 be held, provided that such terms and conditions shall not
23 conflict with any requirement of this act. Provided, however,
24 no refunding bonds shall be issued unless the present value of
25 the aggregate debt service on the refunding bonds, computed
26 with a discount rate equal to the yield of the refunding
27 bonds, calculated in accordance with Section 148 of the

1 Internal Revenue Code, is not greater than 97 percent of the
2 present value of the aggregate debt service on the bonds to be
3 refunded, computed with a discount rate equal to the yield of
4 the refunding bonds, calculated in accordance with Section 148
5 of the Internal Revenue Code, and determined as if such bonds
6 to be refunded were paid and retired in accordance with the
7 schedule of maturities, considering mandatory redemption as
8 scheduled maturity, provided at the time of their issuance.
9 Provided, further, that the average maturity of the refunding
10 bonds, as measured from the date of issuance of the refunding
11 bonds, shall not exceed by more than three years the average
12 maturity of the bonds to be refunded, as also measured from
13 such date of issuance, with the average maturity of any
14 principal amount of bonds to be determined by multiplying the
15 principal of each maturity by the number of years, including
16 any fractional part of a year, intervening between the date of
17 issuance and each maturity, taking the sum of all such
18 products, and then dividing the sum by the aggregate principal
19 amount of bonds for which the average maturity is to be
20 determined. Pending the application of the proceeds of
21 refunding bonds issued in accordance with this section, the
22 proceeds, together with investment earnings therefrom and
23 amounts in any sinking fund, together with investment earnings
24 thereon, may be held by the State Treasurer as treasurer of
25 the authority in trust, or may be deposited by the State
26 Treasurer in trust, on such terms as the State Treasurer and
27 the authority shall approve, with a trustee or escrow agent,

1 which trustee or escrow agent shall be a banking institution
2 or trust company authorized to exercise trust powers in this
3 state for investment in permitted investments. Proceeds of
4 refunding bonds shall be so invested and applied as to assure
5 that the principal, interest, and redemption premium, if any,
6 on the bonds being refunded shall be paid in full on the
7 respective maturity, redemption, or interest payment dates.
8 Refunding bonds issued by the authority shall not be general
9 obligations of the authority but shall be payable solely from
10 the sources specified in this act and in the proceedings
11 whereby the refunding bonds are authorized to be issued. All
12 refunding bonds issued by the authority shall be solely and
13 exclusively obligations of the authority and shall not create
14 debts of this state. The faith and credit of this state shall
15 never be pledged for the payment of any refunding bonds issued
16 by the authority under this act. The authority may contract
17 with respect to the safekeeping and application of the
18 proceeds of refunding bonds and other funds included therewith
19 and the income therefrom, and shall have the right and power
20 to appoint a trustee therefore, which may be any bank or
21 company authorized to exercise trust powers and located within
22 or without the state. All other provisions of this act shall
23 apply to the refunding bonds issued under this act except: (1)
24 the limitation contained in Section 2 on the amount of bonds
25 that may be issued under this act; and (2) the provisions of
26 Section 11. Any bonds refunded prior to their maturity with
27 the proceeds of refunding bonds shall be deemed paid and the

1 pledges herein and by the authority made for the payment
2 thereof defeased if the authority, in its proceedings
3 regarding issuance of the refunding bonds provides for and
4 establishes a trust or escrow fund comprised of monies or
5 government securities, or both, sufficient to pay, when due,
6 the entire principal, premium, if any, and interest on the
7 bonds to be refunded thereby; provided, that such government
8 securities shall not be subject to redemption prior to their
9 maturities other than at the option of the holder thereof.
10 Upon the establishment of such a trust or escrow fund, the
11 refunded bonds shall no longer be deemed to be outstanding,
12 shall no longer be secured by the funds pledged therefor in
13 this act, shall no longer be obligations of the authority, and
14 shall be secured solely by and payable from monies and
15 government securities deposited in the trust or escrow fund.

16 Section 14. All bonds, including refunding bonds,
17 issued pursuant to this act, and the income therefrom,
18 including the interest income thereon, shall be free from all
19 taxation by the state or any county, municipality, or other
20 political subdivision or instrumentality of the state,
21 excepting inheritance, estate, and gift taxes. Any bonds
22 issued by the authority may be used by the holder thereof as
23 security for any funds belonging to the state or to any
24 instrumentality or agency of the state in any instance where
25 security for such deposits may be required by law. Unless
26 otherwise directed by the court having jurisdiction thereof,
27 or by the document that is the source of authority, a trustee,

1 executor, administrator, guardian, or person acting in any
2 other fiduciary capacity may, in addition to any other
3 investment powers conferred by law and with the exercise of
4 reasonable business prudence, invest trust and other fiduciary
5 funds in bonds of the authority.

6 Section 15. All contracts of the authority for the
7 improvement, renovation, equipping, acquisition, provision,
8 construction, and maintenance of Alabama state parks under the
9 jurisdiction of the Alabama Department of Conservation and
10 Natural Resources, and public historical sites and public
11 historical parks under the jurisdiction of the Alabama
12 Historical Commission shall be in writing, shall be subject to
13 the rules of, and shall be let under the supervision of, the
14 Alabama Department of Conservation and Natural Resources, or
15 the Alabama Historical Commission and shall be subject to
16 approval by the Governor and the Director of Finance.

17 Contracts under the Alabama State Parks Enhancement Authority
18 must also be approved by the Alabama Department of
19 Conservation and Natural Resources, or the Alabama Historical
20 Commission. Any real or personal property acquired by the
21 corporation by purchase, gift, transfer, or otherwise shall be
22 acquired in the name of the state and, as soon as possible,
23 shall be conveyed to Department of Conservation and Natural
24 Resources, or the Alabama Historical Commission.

25 Section 16. Except as provided otherwise in this
26 act, the proceeds from the bonds issued by the authority and
27 interest income thereon are appropriated as follows: Eighty

1 million dollars (\$80,000,000) of the bonds shall be used for
2 the improvement, renovation, equipping, acquisition,
3 provision, construction, and maintenance of state parks under
4 the jurisdiction of the Department of Conservation and Natural
5 Resources and the issuance costs of the bonds, and five
6 million dollars (\$5,000,000) for the costs of the improvement,
7 renovation, acquisition, provision, construction, equipping,
8 and maintenance of public historical sites and public
9 historical parks under the jurisdiction of the Alabama
10 Historical Commission.

11 Provided, however, the Alabama Historical Commission
12 shall not use bond proceeds for the improvement, acquisition,
13 provision, construction, equipping, or maintenance of
14 Confederate Memorial Park in Marbury.

15 Section 17. At any time when no bonds of the
16 authority are outstanding, the authority may be dissolved upon
17 filing with the Secretary of State an application for
18 dissolution, which shall be subscribed by each of the members
19 of the authority and which shall be sworn to by each such
20 member before an officer authorized to take acknowledgments to
21 deeds. Upon the filing of the application for dissolution, the
22 authority shall cease, and any property owned by it at the
23 time of its dissolution shall pass to the Department of
24 Conservation and Natural Resources. The Secretary of State
25 shall file and record the application for dissolution in an
26 appropriate book of record in his or her office, shall make
27 and issue, under the Great Seal of the state, a certificate

1 that the authority is dissolved, and shall record the
2 certificate with the application for dissolution.

3 Section 18. The authority, on behalf of the state,
4 shall have the power to provide for payments to the United
5 States of America as the directors deem necessary to cause the
6 interest on any bonds to be and remain exempt from federal
7 income taxation. The authority shall have the power to make
8 agreements respecting the investment of the proceeds of the
9 bonds or other funds of the authority necessary in order that
10 the interest income on bonds of the authority be and remain
11 exempt from federal income taxation.

12 Section 19. Section 40-23-35, Code of Alabama 1975,
13 is amended to read as follows:

14 "§40-23-35.

15 "(a) Such amount of money as shall be appropriated
16 for each fiscal year by the Legislature to the Department of
17 Revenue with which to pay the salaries, the cost of operation
18 and management of the department shall be deducted, as a first
19 charge thereon, from the taxes collected under the provisions
20 of this division; provided, that the expenditure of the sum so
21 appropriated shall be budgeted and allotted pursuant to
22 Article 4 of Chapter 4 of Title 41, and limited to the amount
23 appropriated to defray the expenses of operating the
24 department for each fiscal year. After the payment of the
25 expenses, so much of the amount remaining as may be necessary,
26 after first applying all sums of money received by reason of
27 the application of the surplus in the income tax as provided

1 by Section 40-18-58, for the replacement in the public school
2 fund of the three-mill constitutional levy for schools and in
3 the General Fund of the one-mill levy for soldiers' relief and
4 the two and one-half mills for general purposes lost by
5 exemption of homestead provided for in this division shall be
6 first charges against the proceeds of the licenses, taxes or
7 receipts levied or collected under this division. The
8 Comptroller, with the approval of the Governor, is hereby
9 directed to draw his or her warrants payable out of the total
10 proceeds of the licenses, taxes or receipts levied or
11 collected under this division as herein provided in such sum
12 as shall be found necessary to take care of and replace the
13 three-mill constitutional school levy, the one-mill soldiers'
14 relief levy and the two and one-half mill levy for general
15 purposes of the state ad valorem taxes lost as above set
16 forth.

17 "(b) Of the amounts of such collections in any
18 fiscal year, remaining after the payment of the expenses of
19 administration and replacement of the amounts in the several
20 funds as herein provided there shall be paid into the Treasury
21 sums to be credited as follows:

22 "(1) To the credit of the 67 counties of the state,
23 to be divided and distributed as hereinafter provided,
24 \$378,000;

25 "(2) To the Department of Human Resources,
26 \$1,322,000;

1 "(3) Beginning June 1, 2000, to the Department of
2 Conservation and Natural Resources for capital outlay for
3 acquisition of land contiguous to existing state parks and
4 land acquired for lakes and or water reservoirs, provision,
5 construction, improvement, renovation, equipping, and
6 maintenance of the state parks system only and not for use by
7 the Department of Conservation and Natural Resources for
8 personnel or administrative use, the sum equal to the increase
9 in receipts accruing to the State of Alabama due to the cap on
10 discounts per license holder in Section 40-23-36(b), which
11 increase shall be equal to the difference between the discount
12 rate or amount allowed under Section 40-23-36(b) and the
13 maximum discount rate allowable under Section 40-23-36(a);
14 provided, however, if at any time any bonds of the Alabama
15 State Parks System Improvement Corporation, ~~or~~ the Alabama
16 Public Historical Sites and Parks Improvement Corporation, or
17 the Alabama State Parks Enhancement Authority are outstanding
18 (excluding bonds that have been refunded by the establishment
19 of an escrow trust for the payment thereof consisting solely
20 of bonds or other obligations which as to principal and
21 interest constitute direct obligations of, or are
22 unconditionally guaranteed by, the United States of America)
23 there shall first be paid into the State General Fund from
24 such collections an amount equal to the debt service
25 (principal, interest, and premium, if any) payable on such
26 bonds in the then current fiscal year of the state. Provided,
27 however, that one million dollars (\$1,000,000) of such

1 increase in receipts per fiscal year shall be credited to the
2 Department of Human Resources beginning October 1, 1996, until
3 September 30, 2002, and shall be expended for the foster
4 children program.

5 "(4)a. On October 1, 2002, to the Department of
6 Conservation and Natural Resources for capital outlay, repairs
7 and maintenance of the state parks system only, the minimum
8 sum of five million dollars (\$5,000,000) from the increase in
9 receipts accruing to the State of Alabama due to the cap on
10 discounts per license holder in Section 40-23-36(b) as
11 calculated in Section 40-23-35(b) (3). Beginning October 1,
12 2003, annually, to the Department of Conservation and Natural
13 Resources for capital outlay, repairs, and maintenance of the
14 state parks system only, the sum calculated by a fraction, the
15 numerator of which is five million dollars (\$5,000,000) and
16 the denominator of which is equal to the increase in receipts
17 as calculated in Section 40-23-35(b) (3) for fiscal year 2002
18 accruing to the State of Alabama multiplied by the increase in
19 receipts as calculated in Section 40-23-35(b) (3) for the then
20 current fiscal year, or the sum of five million dollars
21 (\$5,000,000), whichever is greater. Notwithstanding the
22 previous sentence, for the fiscal years ending September 30,
23 2012, and September 30, 2013, only, the five million dollars
24 (\$5,000,000) shall be transferred to the State General Fund.

25 "b. Beginning October 1, 2002, to the credit of the
26 State General Fund, the balance of the sum equal to the
27 increase in receipts accruing to the State of Alabama due to

1 the cap on discounts per license holder in Section
2 40-23-36(b).

3 "(c) One-half of the amount deposited to the credit
4 of the 67 counties as above provided, shall be divided and
5 distributed proportionately among the 67 counties of the state
6 according to the population of the counties as shown by the
7 last federal census as proclaimed, published or certified by
8 the Director of the Bureau of the Census; and one-half of the
9 proceeds shall be divided or distributed equally among 67
10 counties; provided, that the funds divided and distributed to
11 the several counties of the state as hereinabove provided for
12 shall be used exclusively for full-time health service in
13 cooperation with the State Board of Health or the federal
14 government, and for extension services in cooperation with the
15 Alabama Agriculture Extension Service or the federal
16 government, at the discretion of the county commissions of the
17 several counties of the state.

18 "(d) The amounts provided in subsection (b) for the
19 Department of Human Resources shall be used for general
20 welfare purposes. For purposes of this division, "general
21 welfare purposes" means:

22 "(1) The administration of public assistance as set
23 out in Sections 38-2-5 and 38-4-1;

24 "(2) Services, including supplementation and
25 supplementary services under the federal Social Security Act,
26 to or on behalf of persons to whom such public assistance may
27 be given under Section 38-4-1;

1 "(3) Services to and on behalf of dependent,
2 neglected or delinquent children; and

3 "(4) Investigative and referral services to and on
4 behalf of needy persons.

5 "(e) In addition, there shall be paid, commencing on
6 January 1, 1978, and on the first day of each fiscal quarter
7 thereafter, to the Department of Human Resources for a
8 statewide, state-administered food stamp program, as
9 authorized by the Food Stamp Act of 1964, Public Law 88-525,
10 88th Congress, and amendments thereto, an amount equal to five
11 percent of the value of food stamp benefits issued statewide
12 in excess of the amount paid by recipients (bonus or free
13 stamps) during the immediate prior fiscal quarter, which sum
14 so appropriated shall be paid quarterly to the Department of
15 Human Resources Trust Fund for administration of the food
16 stamp program in conformity with rules and regulations
17 promulgated by the United States Department of Agriculture and
18 in conformity with Sections 38-1-1 through 38-6-9. Such
19 administrative funds shall be limited to and based on fiscal
20 year 1976-77 administrative costs, normal inflationary
21 increases and mandated administration requirements of the
22 Alabama Legislature and the United States Department of
23 Agriculture. The Department of Human Resources will not staff
24 any county food stamp office at a level which exceeds the
25 average staff-to-recipient ratios which existed in Alabama
26 during fiscal year 1976-77. This restriction will apply in
27 coordination with those provided hereinabove and, should

1 conflict occur, the lesser amount of expenditure shall be
2 required. At the end of each fiscal year, an accounting shall
3 be made of the sum so that any unexpended and unencumbered
4 balance of funds may be determined for the purpose of paying
5 such balance to the Education Trust Fund.

6 "(f) The amount of the proceeds of all taxes levied
7 by this division remaining after the payment of the expenses
8 of administration and enforcement and the replacement in the
9 several funds of the amount lost by any homestead exemptions
10 and the distribution as provided in subsections (b) and (d),
11 shall be paid into the Education Trust Fund except as provided
12 in subdivision (4) of Section 40-23-2 and subsection (c) of
13 Section 40-23-61 and, beginning January 1, 2016, except those
14 collected on consumable vapor products as defined in
15 subdivision (15) of subsection (a) of Section 40-23-1, which
16 shall be distributed to the State General Fund."

17 Section 20. The provisions of this act are
18 severable. If any part of this act is declared invalid or
19 unconstitutional, that declaration shall not affect the part
20 which remains.

21 Section 21. This act shall become effective
22 immediately following its passage and approval by the
23 Governor, or its otherwise becoming law, contingent upon the
24 ratification of the constitutional amendment proposed in HB565
25 of the 2021 Regular Session, authorizing the issuance of bonds
26 for improvement, renovation, acquisition, provision,

1 construction, equipping, and maintenance of Alabama state
2 parks.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Ways and Means
General Fund..... 30-MAR-21

Read for the second time and placed
on the calendar 2 amendments 07-APR-21

Read for the third time and passed
as amended..... 13-APR-21

Yeas 98, Nays 1, Abstains 0

Jeff Woodard
Clerk