

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

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8       SYNOPSIS:               This bill would implement the constitutional  
9                               amendment proposed in HB565 of the 2021 Regular  
10                              Session, which, if ratified, authorizes the  
11                              issuance of general obligation bonds of the State  
12                              of Alabama in an aggregate principal amount not  
13                              exceeding \$80,000,000 for the improvement,  
14                              renovation, acquisition, provision, construction,  
15                              equipping, and maintenance of Alabama state parks  
16                              under the jurisdiction of the Department of  
17                              Conservation and Natural Resources.

18                              This bill would also provide for membership  
19                              and duties of the Alabama State Parks Enhancement  
20                              Authority.

21  
22   A BILL  
23   TO BE ENTITLED  
24   AN ACT

25  
26                              Relating to state parks; to implement HB565 of the  
27                              2021 Regular Session, proposing an amendment to the

1 Constitution of Alabama of 1901, authorizing the state to  
2 become indebted and to sell and issue not in excess of a  
3 specified amount in principal amount of general obligation  
4 bonds of the state for the purpose of providing for the  
5 improvement, renovation, equipping, acquisition, provision,  
6 construction, and maintenance of Alabama state parks under the  
7 jurisdiction of the Department of Conservation and Natural  
8 Resources; to provide for the organization of a public  
9 corporation in the state to be known as the Alabama State  
10 Parks Enhancement Authority; to provide for definitions; to  
11 designate the officers and members of the board of directors  
12 of the authority; to prescribe the powers of the authority; to  
13 authorize the authority to sell and issue for the state bonds  
14 and refunding bonds; to provide that the authority would  
15 specify the form and details of the bonds; to provide for the  
16 issuance of the bonds in series; to provide for the sale of  
17 the bonds; to provide for the temporary investment of the  
18 proceeds of the bonds; to provide for the payment of the  
19 expenses of issuance of the bonds; to provide for the issuance  
20 of refunding bonds for the purpose of refunding any  
21 outstanding bonds issued pursuant to the amendment and this  
22 act; to provide for the use of proceeds derived from the  
23 bonds; to amend Section 40-23-35, Code of Alabama 1975, to  
24 include a reference to bonds issued by the authority; and to  
25 provide for a contingent effective date.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. This act shall be known and may be cited  
2 as the Alabama State Parks Enhancement Act.

3           Section 2. The Legislature hereby finds and declares  
4 all of the following:

5           (1) That the state parks provide essential services  
6 and outdoor recreation opportunities to Alabama residents and  
7 visitors.

8           (2) State parks have provided both a refuge and  
9 retreat during the COVID-19 pandemic and highlighted how  
10 critical the state parks are to the mental health and physical  
11 well-being of the residents of this state.

12           (3) Because of the essential nature of state parks,  
13 it is necessary, desirable, and in the public interest that  
14 the state parks under the jurisdiction of the Department of  
15 Conservation and Natural Resources be improved and maintained  
16 for future use and enjoyment.

17           (4) It is the intent of the Legislature to authorize  
18 the formation of a public corporation for the purposes of  
19 providing for the improvement, renovation, equipping,  
20 acquisition, provision, construction, and maintenance of the  
21 Alabama state parks under the jurisdiction of the Department  
22 of Conservation and Natural Resources and to authorize the  
23 corporation to provide for payment of the costs of  
24 accomplishing the stated purposes by implementing an amendment  
25 to the Constitution of Alabama of 1901 proposed in HB565 of  
26 the 2021 Regular Session, authorizing the issuance by the  
27 state of up to \$80,000,000 in aggregate principal amount of

1 general obligation bonds, and by issuing and selling for the  
2 state, subject to the approval of the Governor, interest  
3 bearing general obligation bonds of the state.

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

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

14 (1) AMENDMENT. The amendment to the Constitution of  
15 Alabama of 1901, proposed in HB565 of the 2021 Regular  
16 Session, authorizing the issuance of the bonds to be issued by  
17 the authority.

18 (2) AUTHORITY. The Alabama State Parks Enhancement  
19 Authority.

20 (3) BOARD OF DIRECTORS. The board of directors of  
21 the authority.

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

23 (5) DEPARTMENT. The Alabama Department of  
24 Conservation and Natural Resources.

25 (6) GOVERNMENT SECURITIES. Any bonds or other  
26 obligations which as to principal and interest constitute  
27 direct obligations of, or are unconditionally guaranteed by,

1 the United States of America, including obligations of any  
2 federal agency to the extent such obligations are  
3 unconditionally guaranteed by the United States of America and  
4 any certificates or any other evidences of an ownership  
5 interest in such obligations of, or unconditionally guaranteed  
6 by, the United States of America or in specified portions  
7 thereof, which may consist of the principal thereof or the  
8 interest thereon.

9 (7) PERMITTED INVESTMENTS. Any of the following:

10 a. Government securities.

11 b. Bonds, debentures, notes, or other evidences of  
12 indebtedness issued by any of the following agencies: Bank for  
13 Cooperatives; Federal Intermediate Credit Banks; Federal  
14 Financing Bank; Federal Home Loan Banks; Federal Farm Credit  
15 Bank; Export-Import Bank of the United States; Federal Land  
16 Banks; or Farmers Homes Administration; or any other agency or  
17 corporation which has been or may hereafter be created by or  
18 pursuant to an act of the Congress of the United States as an  
19 agency or instrumentality thereof.

20 c. Bonds, notes, pass through securities, or other  
21 evidences of indebtedness of Government National Mortgage  
22 Association and participation certificates of Federal Home  
23 Loan Mortgage Corporation.

24 d. Time deposits evidenced by certificates of  
25 deposit issued by banks or savings and loan associations which  
26 are members of the Federal Deposit Insurance Corporation,  
27 provided that, to the extent such time deposits are not

1 covered by federal deposit insurance, such time deposits,  
2 including interest thereon, are fully secured in accordance  
3 with the SAFE Program pursuant to Sections 41-14A-1 through  
4 41-14A-14.

5 e. Government money market mutual funds.

6 f. Repurchase agreements for obligations of the type  
7 specified in paragraphs a., b., and c., provided the  
8 repurchase agreements are fully collateralized and secured by  
9 the obligations that have a market value at least equal to the  
10 purchase price of such repurchase agreements which are held by  
11 a depository satisfactory to the State Treasurer in such  
12 manner as may be required to provide a perfected security  
13 interest in such obligations, and which meet the greater of  
14 100% collateralization or the "AA" or "Aa" collateral levels  
15 established by Standard & Poor's Ratings Group or Moody's  
16 Investors Service, respectively, for structured financings.

17 Section 4. (a) (1) The Governor, the Lieutenant  
18 Governor or his or her designee, the President Pro Tempore of  
19 the Senate or his or her designee, the Speaker of the House of  
20 Representatives or his or her designee, the Commissioner of  
21 the Department of Conservation and Natural Resources, the  
22 Director of Finance, and the Commissioner of Revenue may  
23 become a corporation, with the powers and duties provided by  
24 this act.

25 (2) To become a corporation, the Governor, the  
26 Lieutenant Governor or his or her designee, the President Pro  
27 Tempore of the Senate or his or her designee, the Speaker of

1 the House of Representatives or his or her designee, the  
2 Commissioner of the Department of Conservation and Natural  
3 Resources, the Director of Finance, and the Chairperson of the  
4 Joint Legislative Committee on State Parks shall present to  
5 the Secretary of State of Alabama an application signed by  
6 them which shall set forth all of the following:

7 a. The name, official designation, and official  
8 residence of each of the applicants, together with a certified  
9 copy of the commission evidencing each applicant's right to  
10 office.

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

13 c. The name of the proposed corporation created in  
14 this section, which shall be the Alabama State Parks  
15 Enhancement Authority.

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

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

21 (3) The application shall be subscribed and sworn to  
22 by each of the applicants before an officer authorized by the  
23 laws of this state to take acknowledgments to deeds. The  
24 Secretary of State shall examine the application and, if the  
25 Secretary finds that it substantially complies with the  
26 requirements of this section, it shall be received, filed, and



1 recorded in an appropriate book of records in the office of  
2 the Secretary of State.

3 (b) When the application has been made, filed, and  
4 recorded, as provided in subsection (a), the applicants shall  
5 constitute a public corporation under the name proposed in the  
6 application, and the Secretary of State shall make and issue  
7 to the applicants a certificate of incorporation pursuant to  
8 this act, under the great seal of the state, to be recorded  
9 with the application. There shall be no fees paid to the  
10 Secretary of State for any activity associated with the  
11 incorporation or dissolution of the corporation so organized.

12 (c) (1) The applicants named in the application and  
13 their respective successors in office shall constitute the  
14 members of the authority. The Governor shall be the president  
15 of the authority, the Commissioner of the Department of  
16 Conservation and Natural Resources shall be its  
17 vice-president, and the Director of Finance shall be the  
18 secretary of the authority. The State Treasurer shall be the  
19 treasurer of the authority and shall act as custodian of its  
20 funds, but shall not be a member of the authority.

21 (2) The members of the authority shall constitute  
22 all the members of the board of directors of the authority,  
23 and any three members of the board of directors shall  
24 constitute a quorum for the transaction of business.

25 (3) All members of the board shall be notified of  
26 any meeting of the board of directors.

1           (4) If any of the officials of the state die or if  
2 his or her term of a office as Governor, the Lieutenant  
3 Governor, the President Pro Tempore of the Senate, Speaker of  
4 the House of Representatives, Commissioner of the Department  
5 of Conservation and Natural Resources, Director of Finance,  
6 State Treasurer, or designees, as the case may be, expire or  
7 otherwise become vacant, his or her successor in office shall  
8 take his or her place as a member, officer, and director of  
9 the authority, as the case may be.

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

13           (6) All proceedings of the board of directors shall  
14 be reduced to writing by the secretary of the authority.  
15 Copies of the proceedings, when certified by the secretary of  
16 the authority under the seal of the corporation, shall be  
17 received in all courts as prima facie evidence of the matters  
18 and things certified therein.

19           Section 5. The authority shall each have the  
20 following powers:

21           (a) To have succession by its corporate name without  
22 time limit.

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

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

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

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

6 (f) To appoint or employ attorneys, accountants,  
7 financial advisors, underwriters, trustees, depositories,  
8 registrars and other advisors, agents, and independent  
9 contractors as the business of the authority may require.

10 Section 6. In addition to any other powers provided  
11 in this act, the authority shall also have all of the  
12 following powers:

13 (a) To improve, renovate, equip, acquire, provide,  
14 construct, and maintain Alabama state parks under the  
15 jurisdiction of the Department of Conservation and Natural  
16 Resources.

17 (b) To acquire by purchase, gift, or any other  
18 lawful means, and to transfer, convey, or cause to be conveyed  
19 to the state, any real, personal, or mixed property necessary  
20 or convenient in connection with the improving, renovating,  
21 equipping, acquiring, provisioning, constructing, and  
22 maintenance of parks and park facilities.

23 (c) To enter into contracts with municipalities,  
24 counties, the Alabama Department of Conservation and Natural  
25 Resources, or other agencies or political subdivisions of the  
26 state or any other state, private persons, firms,  
27 corporations, and any branch of the federal government, in

1 furtherance of its public purposes and objects either relative  
2 to work done or to be done.

3 (d) To turn over to the Alabama Department of  
4 Conservation and Natural Resources any funds of the authority  
5 as, from time to time, may be necessary or convenient for  
6 carrying out the business of the authority.

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

1 resolution or resolutions pursuant to which the bonds are  
2 authorized, sold, and issued.

3 Section 8. The State Treasurer is authorized and  
4 directed to pay the principal, premium, if any, and interest  
5 on the bonds issued under this act, as the principal, premium,  
6 if any, and interest shall respectively mature, and he or she  
7 is further authorized and directed to maintain appropriate  
8 records.

9 Section 9. (a) The bonds of each series issued  
10 pursuant to this act may be issued as serial bonds payable in  
11 annual installments or as term bonds or as a combination  
12 thereof, and the principal of the bonds of each such series  
13 shall mature or be subject to mandatory redemption according  
14 to the schedule as the board of directors shall determine in  
15 the resolution authorizing the issuance of such series.

16 (b) The bonds may be made subject to redemption  
17 prior to their respective maturities, at the option of the  
18 state, on such terms and conditions as shall be provided by  
19 the board of directors in the resolution authorizing the  
20 issuance of such series. Any or all of such bonds subject to  
21 redemption at the option of the state may be called for  
22 redemption by the corporation pursuant to a resolution adopted  
23 by the board of directors thereof if, pursuant to  
24 appropriations made by the Legislature, the moneys required  
25 for the redemption are at the time held in the State Treasury  
26 or if the redemption is to be effected with moneys provided by  
27 the sale and issuance of refunding bonds issued pursuant to

1 the amendment and as provided for in this act. The corporation  
2 may specify the terms and conditions under which any of the  
3 bonds authorized pursuant to the amendment may be exchanged  
4 for like bonds of other denominations as the authority may  
5 prescribe.

6 Section 10. The bonds of each series thereof issued  
7 pursuant to this act shall be sold by the authority at public  
8 or private sale as provided in the amendment. The bonds shall  
9 be executed in the name of the state by the Governor and  
10 countersigned by the secretary of the authority issuing the  
11 bonds, and the Great Seal of the state shall be impressed  
12 thereon and attested by the Secretary of State. An electronic  
13 signature or facsimile of the signature of each official may  
14 be imprinted on any of the bonds in lieu of manual signatures,  
15 and a facsimile of the Great Seal of the state may be printed  
16 on the bonds in lieu of such seal being manually impressed  
17 thereon. Each facsimile signature shall be valid in all  
18 respects as if the officials whose facsimile signatures are  
19 used had signed the bonds in person, and any facsimile of the  
20 Great Seal of the state used shall be valid in all respects as  
21 if such seal had been manually impressed on the bonds. In the  
22 event any official who shall sign any of the bonds or whose  
23 facsimile signature shall appear thereon shall thereafter  
24 cease to hold office before the bonds are delivered and paid  
25 for, the bonds shall nevertheless be valid for all purposes to  
26 the same extent as if the official who signed the bonds or  
27 whose facsimile signature appears thereon had remained in

1 office until all of the bonds bearing the signature or  
2 facsimile thereof shall have been delivered and paid for.

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

1           Section 12. Upon order of the board of directors,  
2 all expenses incurred in connection with the authorization,  
3 preparation, sale, and issuance of bonds authorized by this  
4 act and by the amendment shall be paid out of the proceeds  
5 thereof. The proceeds remaining after payment of such  
6 expenses, together with the income derived from the investment  
7 and reinvestment of such proceeds, including income derived  
8 from the investment and reinvestment of previously derived  
9 income, shall be disbursed from time to time on the order of  
10 said corporation upon the approval of the Director of Finance,  
11 the Commissioner of Conservation and Natural Resources, and  
12 the Governor.

13           Section 13. For the purpose of refunding any bonds  
14 or refunding bonds of the authority issued under this act or  
15 any other state law or any combination thereof, whether such  
16 refunding shall occur before, at, or after the maturity of the  
17 bonds refunded and for the purpose of paying all premiums and  
18 expenses of such refunding, including, but not limited to,  
19 attorneys' fees, advisors fees, and accountants' fees, the  
20 authority is authorized to sell and issue its refunding bonds  
21 in one or more series, and if sold in more than one series,  
22 may all be authorized in one initial resolution of the  
23 authority with the pledges therefore made by the authority in  
24 the initial resolution, although some of the details  
25 applicable to each series may be specified in the respective  
26 resolutions under which the different series are issued. The  
27 refunding bonds shall be sold on a competitive basis or on a



1 negotiated basis, as determined by the authority. The  
2 authority may fix the method and the terms and conditions  
3 under which the sale of any series of the refunding bonds may  
4 be held, provided that such terms and conditions shall not  
5 conflict with any requirement of this act. Provided, however,  
6 no refunding bonds shall be issued unless the present value of  
7 the aggregate debt service on the refunding bonds, computed  
8 with a discount rate equal to the yield of the refunding  
9 bonds, calculated in accordance with Section 148 of the  
10 Internal Revenue Code, is not greater than 97 percent of the  
11 present value of the aggregate debt service on the bonds to be  
12 refunded, computed with a discount rate equal to the yield of  
13 the refunding bonds, calculated in accordance with Section 148  
14 of the Internal Revenue Code, and determined as if such bonds  
15 to be refunded were paid and retired in accordance with the  
16 schedule of maturities, considering mandatory redemption as  
17 scheduled maturity, provided at the time of their issuance.  
18 Provided, further, that the average maturity of the refunding  
19 bonds, as measured from the date of issuance of the refunding  
20 bonds, shall not exceed by more than three years the average  
21 maturity of the bonds to be refunded, as also measured from  
22 such date of issuance, with the average maturity of any  
23 principal amount of bonds to be determined by multiplying the  
24 principal of each maturity by the number of years, including  
25 any fractional part of a year, intervening between the date of  
26 issuance and each maturity, taking the sum of all such  
27 products, and then dividing the sum by the aggregate principal

1 amount of bonds for which the average maturity is to be  
2 determined. Pending the application of the proceeds of  
3 refunding bonds issued in accordance with this section, the  
4 proceeds, together with investment earnings therefrom and  
5 amounts in any sinking fund, together with investment earnings  
6 thereon, may be held by the State Treasurer as treasurer of  
7 the authority in trust, or may be deposited by the State  
8 Treasurer in trust, on such terms as the State Treasurer and  
9 the authority shall approve, with a trustee or escrow agent,  
10 which trustee or escrow agent shall be a banking institution  
11 or trust company authorized to exercise trust powers in this  
12 state for investment in permitted investments. Proceeds of  
13 refunding bonds shall be so invested and applied as to assure  
14 that the principal, interest, and redemption premium, if any,  
15 on the bonds being refunded shall be paid in full on the  
16 respective maturity, redemption, or interest payment dates.  
17 Refunding bonds issued by the authority shall not be general  
18 obligations of the authority but shall be payable solely from  
19 the sources specified in this act and in the proceedings  
20 whereby the refunding bonds are authorized to be issued. All  
21 refunding bonds issued by the authority shall be solely and  
22 exclusively obligations of the authority and shall not create  
23 debts of this state. The faith and credit of this state shall  
24 never be pledged for the payment of any refunding bonds issued  
25 by the authority under this act. The authority may contract  
26 with respect to the safekeeping and application of the  
27 proceeds of refunding bonds and other funds included therewith

1 and the income therefrom, and shall have the right and power  
2 to appoint a trustee therefore, which may be any bank or  
3 company authorized to exercise trust powers and located within  
4 or without the state. All other provisions of this act shall  
5 apply to the refunding bonds issued under this act except: (1)  
6 the limitation contained in Section 2 on the amount of bonds  
7 that may be issued under this act; and (2) the provisions of  
8 Section 11. Any bonds refunded prior to their maturity with  
9 the proceeds of refunding bonds shall be deemed paid and the  
10 pledges herein and by the authority made for the payment  
11 thereof defeased if the authority, in its proceedings  
12 regarding issuance of the refunding bonds provides for and  
13 establishes a trust or escrow fund comprised of monies or  
14 government securities, or both, sufficient to pay, when due,  
15 the entire principal, premium, if any, and interest on the  
16 bonds to be refunded thereby; provided, that such government  
17 securities shall not be subject to redemption prior to their  
18 maturities other than at the option of the holder thereof.  
19 Upon the establishment of such a trust or escrow fund, the  
20 refunded bonds shall no longer be deemed to be outstanding,  
21 shall no longer be secured by the funds pledged therefor in  
22 this act, shall no longer be obligations of the authority, and  
23 shall be secured solely by and payable from monies and  
24 government securities deposited in the trust or escrow fund.

25 Section 14. All bonds, including refunding bonds,  
26 issued pursuant to this act, and the income therefrom,  
27 including the interest income thereon, shall be free from all

1 taxation by the state or any county, municipality, or other  
2 political subdivision or instrumentality of the state,  
3 excepting inheritance, estate, and gift taxes. Any bonds  
4 issued by the authority may be used by the holder thereof as  
5 security for any funds belonging to the state or to any  
6 instrumentality or agency of the state in any instance where  
7 security for such deposits may be required by law. Unless  
8 otherwise directed by the court having jurisdiction thereof,  
9 or by the document that is the source of authority, a trustee,  
10 executor, administrator, guardian, or person acting in any  
11 other fiduciary capacity may, in addition to any other  
12 investment powers conferred by law and with the exercise of  
13 reasonable business prudence, invest trust and other fiduciary  
14 funds in bonds of the authority.

15 Section 15. All contracts of the authority for the  
16 improvement, renovation, equipping, acquisition, provision,  
17 construction, and maintenance of Alabama state parks under the  
18 jurisdiction of the Alabama Department of Conservation and  
19 Natural Resources shall be in writing, shall be subject to the  
20 rules of, and shall be let under the supervision of, the  
21 Alabama Department of Conservation and Natural Resources and  
22 shall be subject to approval by the Governor and the Director  
23 of Finance. Contracts under the Alabama State Parks  
24 Enhancement Authority must also be approved by the Alabama  
25 Department of Conservation and Natural Resources. Any real or  
26 personal property acquired by the corporation by purchase,  
27 gift, transfer, or otherwise shall be acquired in the name of

1 the state and, as soon as possible, shall be conveyed to  
2 Department of Conservation and Natural Resources.

3 Section 16. Except as provided otherwise in this  
4 act, the proceeds from the bonds issued by the authority and  
5 interest income thereon are appropriated for the improvement,  
6 renovation, equipping, acquisition, provision, construction,  
7 and maintenance of state parks under the jurisdiction of the  
8 Department of Conservation and Natural Resources and the  
9 issuance costs of the bonds.

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

25 Section 18. The authority, on behalf of the state,  
26 shall have the power to provide for payments to the United  
27 States of America as the directors deem necessary to cause the

1 interest on any bonds to be and remain exempt from federal  
2 income taxation. The authority shall have the power to make  
3 agreements respecting the investment of the proceeds of the  
4 bonds or other funds of the authority necessary in order that  
5 the interest income on bonds of the authority be and remain  
6 exempt from federal income taxation.

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

9 "§40-23-35.

10 "(a) Such amount of money as shall be appropriated  
11 for each fiscal year by the Legislature to the Department of  
12 Revenue with which to pay the salaries, the cost of operation  
13 and management of the department shall be deducted, as a first  
14 charge thereon, from the taxes collected under the provisions  
15 of this division; provided, that the expenditure of the sum so  
16 appropriated shall be budgeted and allotted pursuant to  
17 Article 4 of Chapter 4 of Title 41, and limited to the amount  
18 appropriated to defray the expenses of operating the  
19 department for each fiscal year. After the payment of the  
20 expenses, so much of the amount remaining as may be necessary,  
21 after first applying all sums of money received by reason of  
22 the application of the surplus in the income tax as provided  
23 by Section 40-18-58, for the replacement in the public school  
24 fund of the three-mill constitutional levy for schools and in  
25 the General Fund of the one-mill levy for soldiers' relief and  
26 the two and one-half mills for general purposes lost by  
27 exemption of homestead provided for in this division shall be

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

12 "(b) Of the amounts of such collections in any  
13 fiscal year, remaining after the payment of the expenses of  
14 administration and replacement of the amounts in the several  
15 funds as herein provided there shall be paid into the Treasury  
16 sums to be credited as follows:

17 "(1) To the credit of the 67 counties of the state,  
18 to be divided and distributed as hereinafter provided,  
19 \$378,000;

20 "(2) To the Department of Human Resources,  
21 \$1,322,000;

22 "(3) Beginning June 1, 2000, to the Department of  
23 Conservation and Natural Resources for capital outlay for  
24 acquisition of land contiguous to existing state parks and  
25 land acquired for lakes and or water reservoirs, provision,  
26 construction, improvement, renovation, equipping, and  
27 maintenance of the state parks system only and not for use by

1 the Department of Conservation and Natural Resources for  
2 personnel or administrative use, the sum equal to the increase  
3 in receipts accruing to the State of Alabama due to the cap on  
4 discounts per license holder in Section 40-23-36(b), which  
5 increase shall be equal to the difference between the discount  
6 rate or amount allowed under Section 40-23-36(b) and the  
7 maximum discount rate allowable under Section 40-23-36(a);  
8 provided, however, if at any time any bonds of the Alabama  
9 State Parks System Improvement Corporation, ~~or~~ the Alabama  
10 Public Historical Sites and Parks Improvement Corporation, or  
11 the Alabama State Parks Enhancement Authority are outstanding  
12 (excluding bonds that have been refunded by the establishment  
13 of an escrow trust for the payment thereof consisting solely  
14 of bonds or other obligations which as to principal and  
15 interest constitute direct obligations of, or are  
16 unconditionally guaranteed by, the United States of America)  
17 there shall first be paid into the State General Fund from  
18 such collections an amount equal to the debt service  
19 (principal, interest, and premium, if any) payable on such  
20 bonds in the then current fiscal year of the state. Provided,  
21 however, that one million dollars (\$1,000,000) of such  
22 increase in receipts per fiscal year shall be credited to the  
23 Department of Human Resources beginning October 1, 1996, until  
24 September 30, 2002, and shall be expended for the foster  
25 children program.

26 "(4)a. On October 1, 2002, to the Department of  
27 Conservation and Natural Resources for capital outlay, repairs



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

19 "b. Beginning October 1, 2002, to the credit of the  
20 State General Fund, the balance of the sum equal to the  
21 increase in receipts accruing to the State of Alabama due to  
22 the cap on discounts per license holder in Section  
23 40-23-36(b).

24 "(c) One-half of the amount deposited to the credit  
25 of the 67 counties as above provided, shall be divided and  
26 distributed proportionately among the 67 counties of the state  
27 according to the population of the counties as shown by the

1 last federal census as proclaimed, published or certified by  
2 the Director of the Bureau of the Census; and one-half of the  
3 proceeds shall be divided or distributed equally among 67  
4 counties; provided, that the funds divided and distributed to  
5 the several counties of the state as hereinabove provided for  
6 shall be used exclusively for full-time health service in  
7 cooperation with the State Board of Health or the federal  
8 government, and for extension services in cooperation with the  
9 Alabama Agriculture Extension Service or the federal  
10 government, at the discretion of the county commissions of the  
11 several counties of the state.

12 "(d) The amounts provided in subsection (b) for the  
13 Department of Human Resources shall be used for general  
14 welfare purposes. For purposes of this division, "general  
15 welfare purposes" means:

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

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

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

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

26 "(e) In addition, there shall be paid, commencing on  
27 January 1, 1978, and on the first day of each fiscal quarter

1 thereafter, to the Department of Human Resources for a  
2 statewide, state-administered food stamp program, as  
3 authorized by the Food Stamp Act of 1964, Public Law 88-525,  
4 88th Congress, and amendments thereto, an amount equal to five  
5 percent of the value of food stamp benefits issued statewide  
6 in excess of the amount paid by recipients (bonus or free  
7 stamps) during the immediate prior fiscal quarter, which sum  
8 so appropriated shall be paid quarterly to the Department of  
9 Human Resources Trust Fund for administration of the food  
10 stamp program in conformity with rules and regulations  
11 promulgated by the United States Department of Agriculture and  
12 in conformity with Sections 38-1-1 through 38-6-9. Such  
13 administrative funds shall be limited to and based on fiscal  
14 year 1976-77 administrative costs, normal inflationary  
15 increases and mandated administration requirements of the  
16 Alabama Legislature and the United States Department of  
17 Agriculture. The Department of Human Resources will not staff  
18 any county food stamp office at a level which exceeds the  
19 average staff-to-recipient ratios which existed in Alabama  
20 during fiscal year 1976-77. This restriction will apply in  
21 coordination with those provided hereinabove and, should  
22 conflict occur, the lesser amount of expenditure shall be  
23 required. At the end of each fiscal year, an accounting shall  
24 be made of the sum so that any unexpended and unencumbered  
25 balance of funds may be determined for the purpose of paying  
26 such balance to the Education Trust Fund.

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

12           Section 20. The provisions of this act are  
13 severable. If any part of this act is declared invalid or  
14 unconstitutional, that declaration shall not affect the part  
15 which remains.

16           Section 21. This act shall become effective  
17 immediately following its passage and approval by the  
18 Governor, or its otherwise becoming law, contingent upon the  
19 ratification of the constitutional amendment proposed in HB565  
20 of the 2021 Regular Session, authorizing the issuance of bonds  
21 for improvement, renovation, acquisition, provision,  
22 construction, equipping, and maintenance of Alabama state  
23 parks.