

1 HB458
2 217889-2
3 By Representative Sorrells (Constitutional Amendment)
4 RFD: Urban and Rural Development
5 First Read: 08-MAR-22

1 "(a) The governing body of ~~any county, and the~~
2 ~~governing body of any municipality located therein, for which~~
3 ~~a local constitutional amendment has not been adopted~~
4 ~~authorizing any of the following, a county or municipality~~
5 shall have full and continuing power to do any of the
6 following:

7 "(1) Use public funds to purchase, lease, or
8 otherwise acquire real property, buildings, plants, factories,
9 facilities, machinery, and equipment of any kind, or to
10 utilize ~~the properties heretofore~~ purchased or otherwise
11 acquired on or before adoption of this amendment, and to
12 improve and develop the properties for use as sites for
13 industry of any kind or as industrial park projects,
14 including, but not limited to, grading and the construction of
15 roads, drainage, sewers, sewage and waste disposal systems,
16 parking areas, and utilities to serve the sites or projects.

17 "(2) Lease, sell, grant, exchange, or otherwise
18 convey, on terms approved by the governing body of the county
19 or the municipality, as applicable, all or any part of any
20 real property, buildings, plants, factories, facilities,
21 machinery, and equipment of any kind or industrial park
22 project to any individual, firm, corporation, or other
23 business entity, public or private, including any industrial
24 development board or other public corporation or authority
25 ~~heretofore or hereafter~~ created by the county or the
26 municipality before or after adoption of this amendment, for
27 the purpose of constructing, developing, equipping, and

1 operating industrial, commercial, research, or service
2 facilities of any kind.

3 "(3) Lend its credit to, or grant public funds and
4 things of value in aid of, or to, any individual, firm,
5 corporation, or other business entity, public or private, for
6 the purpose of promoting the economic and industrial
7 development of the county or the municipality.

8 "(4) Become indebted and issue bonds, warrants ~~which~~
9 ~~may be payable from funds to be realized in future years,~~
10 notes, or other obligations, or evidences of indebtedness to a
11 an aggregate outstanding principal amount not exceeding an
12 amount equal to 50 percent of the assessed value of taxable
13 property therein as determined for state taxation, in order to
14 secure funds for the purchase, construction, lease, or
15 acquisition of any of the property described in subdivision
16 (1), or to be used in furtherance of any of the other powers
17 or authorities granted in this amendment. The obligations or
18 evidences of indebtedness may be issued upon the full faith
19 and credit of the county or any municipality or may be limited
20 as to the source of their payment.

21 "(b) The recital in any bonds, warrants, notes, or
22 other obligations, or evidences of indebtedness that they were
23 issued pursuant to this amendment, or that they were issued to
24 provide funds to be used in furtherance of any power or
25 authority herein authorized shall be conclusive, and no
26 purchaser or holder thereof need inquire further. The bonds,
27 warrants, notes, or other obligations or evidences of

1 indebtedness issued hereunder ~~shall not be considered~~ do not
2 constitute an indebtedness of the county or any municipality
3 for the purpose of determining the borrowing capacity of the
4 county or municipality under this Constitution.

5 "~~(b)~~ (c) In carrying out the purpose of this
6 amendment, ~~neither the county nor any municipality located~~
7 ~~therein~~ a county or a municipality shall not be subject to
8 ~~Section 93 or 94 of this Constitution or be required to comply~~
9 ~~with Section 222 of this Constitution. Each public corporation~~
10 ~~heretofore~~ Section 93 or 94 of this Constitution, nor shall a
11 county or municipality be required to comply with the
12 provisions of Section 222 of this Constitution, unless issuing
13 general obligation bond instruments establishing a requirement
14 for repayment. Each public corporation created by the county
15 or by any municipality located therein on or before the
16 adoption of this amendment, including specifically any
17 industrial development board incorporated under Article 4 of
18 Chapter 54 of Title 11 of the Code of Alabama 1975, and any
19 industrial development authority incorporated or
20 reincorporated under Chapter 92A of Title 11 of the Code of
21 Alabama 1975, and the Shoals Economic Development Authority
22 enacted under Act No. 95-512, 1995 Regular Session, are
23 validated and the powers granted to the board or authority
24 under its respective enabling legislation are validated,
25 notwithstanding any other provision of law or of this
26 Constitution. The powers granted by this amendment may be
27 exercised as an exclusive alternative to, or cumulative with,

1 and in no way restrictive of, powers otherwise granted by this
2 Constitution or any law to the county, or to any municipality,
3 or to any agency, board, or authority created pursuant to the
4 laws of this state.

5 "~~(c)~~(d) Neither the county nor any municipality
6 located therein shall lend its credit to, or grant any public
7 funds or thing of value to, or in aid of, any private entity
8 under the authority of this amendment unless prior ~~thereto~~ to
9 doing so, both of the following are satisfied:

10 "(1) The action proposed to be taken by the county
11 or municipality is approved at a public meeting of the
12 governing body of the county or municipality, as the case may
13 be, by a resolution containing a determination by the
14 governing body that the expenditure of public funds for the
15 purpose specified will serve a valid and sufficient public
16 purpose, notwithstanding any incidental benefit accruing to
17 any private entity or entities.

18 "(2) At least seven days prior to the public
19 meeting, a notice is published in ~~the~~ a newspaper ~~having the~~
20 ~~largest circulation~~ in circulation in the county or
21 municipality, as the case may be, describing in reasonable
22 detail the action proposed to be taken, a description of the
23 public benefits sought to be achieved by the action, and
24 identifying each individual, firm, corporation, or other
25 business entity to whom, or for whose benefit, the county or
26 the municipality proposes to lend its credit or grant public
27 funds or thing of value.

1 "(e) For purposes of the foregoing, any sale, lease,
2 or other disposition of property for a price equal to ~~the~~ its
3 fair market value thereof shall not constitute the lending of
4 credit or a grant of public funds or thing of value in aid of
5 a private entity.

6 "(f) Nothing in this amendment shall authorize the
7 county commission to own or operate a cable television system.

8 "~~(d)~~ (g) Any action taken, or agreement made, under
9 Amendment 772 by any county or municipality prior to the date
10 this amendment is ratified and confirmed in all respects as of
11 that date, except to the extent that its validity is being
12 challenged in appropriate judicial proceedings in any court of
13 competent jurisdiction on the date this amendment is ratified.
14 ~~This amendment~~ These amendatory provisions shall have
15 prospective application only. Any local constitutional
16 amendments previously adopted and any local law enacted
17 pursuant to such amendment shall remain in full force and
18 effect."

19 Section 2. An election upon the proposed amendment
20 shall be held in accordance with Sections 284 and 285 of the
21 Constitution of Alabama of 1901, now appearing as Sections 284
22 and 285 of the Official Recompilation of the Constitution of
23 Alabama of 1901, as amended, and the election laws of this
24 state.

25 Section 3. The appropriate election official shall
26 assign a ballot number for the proposed constitutional
27 amendment on the election ballot and shall set forth the

1 following description of the substance or subject matter of
2 the proposed constitutional amendment:

3 "Proposing an amendment to revise Amendment 772 to
4 the Constitution of Alabama of 1901, as amended, to specify
5 that all counties and municipalities may exercise the
6 authority and powers granted by Amendment 772 to provide for
7 economic and industrial development; to permit notice for
8 Amendment 772 projects to be published in any newspaper in
9 circulation in the county or municipality; and to ratify all
10 actions and agreements of any county or municipality done
11 under Amendment 772 unless subject to pending judicial
12 proceedings on the date of adoption of this amendment.

13 "Proposed by Act _____."

14 This description shall be followed by the following
15 language:

16 "Yes () No ()."

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Urban and Rural
Development..... 08-MAR-22

Read for the second time and placed
on the calendar..... 10-MAR-22

Read for the third time and passed
as amended..... 17-MAR-22

Yeas 101, Nays 0, Abstains 0

Jeff Woodard
Clerk