

SB166 ENROLLED



1 RBD1YN-3
2 By Senator Givhan
3 RFD: Fiscal Responsibility and Economic Development
4 First Read: 04-Apr-23
5 2023 Regular Session



SB166 Enrolled

1 Enrolled, An Act,

2

3 Relating to municipalities; to add a new Article 3,
4 commencing with Section 11-54B-80 to Title 11, Chapter 54B,
5 Code of Alabama 1975, to provide that Class 3 municipalities
6 may establish self-help business improvement districts.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. A new Article 3, commencing with Section
9 11-54B-80, is added to Title 11, Chapter 54B of the Code of
10 Alabama 1975 to read as follows:

11 Article 3

12 §11-54B-80

13 (a) The Legislature makes the following findings:

14 (1) Patterns of urban development have had substantial
15 adverse impacts upon downtown and community business districts
16 vital to the economy of the State of Alabama.

17 (2) The public interest would be advanced by
18 authorizing the creation of self-help business improvement
19 districts and district management corporations to assist any
20 Class 3 municipality in promoting economic growth in business
21 districts.

22 (3) The public interest would also be advanced by
23 authorizing the creation of self-help business improvement
24 districts to assist any Class 3 municipality to increase
25 tourism with the support of businesses of a particular class.

26 (4) A district management corporation representing real
27 property owners, or in certain cases, owners of a particular
28 class of business, within self-help business improvement



SB166 Enrolled

29 districts can assist any Class 3 municipality in promoting
30 economic growth and employment or tourism by funding
31 supplemental business services through the levy of assessments
32 on real property owners or owners of a particular class of
33 business.

34 (5) Any Class 3 municipality should be authorized to
35 create self-help business improvement districts and designate
36 a district management corporation to execute self-help
37 programs to improve the local business or tourism climate.

38 (b) The Legislature further finds that it is the public
39 policy of the State of Alabama to permit any Class 3
40 municipality to protect the public welfare and the interests
41 of the public in the safe effective movement of persons, to
42 encourage healthy economic development and tourism, to promote
43 jobs, and to preserve and enhance the function and appearance
44 of business districts located within any Class 3 municipality
45 through the adoption of ordinances as authorized by this
46 article.

47 §11-54B-81

48 As used in this article, the following words and
49 phrases have the following meanings:

50 (1) AREA. In the case of a self-help business
51 improvement district formed to promote economic growth, the
52 geographical area or areas comprising the parcels of real
53 property designated to be located within the district,
54 regardless of whether the individual parcels are subject to
55 the special assessment.

56 (2) DISTRICT MANAGEMENT CORPORATION. An entity created



SB166 Enrolled

57 by incorporation under the Alabama Nonprofit Corporation Act,
58 Chapter 3 of Title 10A, and designated by ordinance by the
59 municipality to administer and provide services to a self-help
60 business improvement district.

61 (3) DISTRICT MEMBER. In the case of a self-help
62 business improvement district established to promote economic
63 growth, an owner of real property who is to benefit from and
64 pay the special assessment to fund supplemental services or,
65 in the case of a self-help business improvement district
66 established to increase tourism, an owner or operator of a
67 business in a particular class who is to benefit from and pay
68 the special assessment to fund supplemental services.

69 (4) MUNICIPALITY. Any Class 3 municipality as defined
70 in Section 11-40-12.

71 (5) OWNER OF REAL PROPERTY. In the case of a self-help
72 business improvement district to promote economic growth, an
73 owner of any parcel of real property who is to benefit from
74 and pay the special assessment under the self-help business
75 improvement plan.

76 (6) SELF-HELP BUSINESS IMPROVEMENT DISTRICT or
77 DISTRICT. An area within the municipality designated by
78 ordinance in which a special assessment may be levied on the
79 owners of real property located within the area to provide
80 supplemental services in order to promote the economic growth
81 of the district or, alternatively, an area or areas designated
82 by ordinance in which a special assessment may be levied on
83 businesses of a particular class located within the area or
84 areas to provide supplemental services in order to increase



SB166 Enrolled

85 tourism in the municipality.

86 §11-54B-82

87 A municipality, by ordinance, may provide for the
88 creation and maintenance of one or more self-help business
89 improvement districts pursuant to this article. This article
90 is intended as the exclusive procedure by which a Class 3
91 municipality may create and maintain a self-help business
92 improvement district.

93 §11-54B-83

94 A public hearing on the adoption of an ordinance
95 creating a self-help business improvement district may be
96 called only if the governing body of a municipality finds all
97 of the following:

98 (1) That a request for the creation of a self-help
99 business improvement district which satisfies the requirements
100 of Section 11-54B-84 has been filed with the clerk of the
101 municipality.

102 (2) That the area described in the self-help business
103 improvement plan would benefit from being designated as a
104 self-help business improvement district.

105 (3) That the self-help business improvement district
106 plan includes a designated district management corporation to
107 provide administrative and other services to benefit
108 businesses, properties, employees, residents, and consumers in
109 the self-help business improvement district.

110 (4) That the self-help business improvement district
111 plan includes a special assessment that will be levied by the
112 municipality on the district members to finance the



SB166 Enrolled

113 supplemental services described in the plan, and that the
114 assessment is expected to produce revenue that is consistent
115 with the annual budget adopted and approved as provided in
116 this article.

117 (5) That the copies of the articles of incorporation
118 and bylaws of the district management corporation satisfy the
119 requirements of Section 11-54B-89.

120 (6) That it is in the best interest of the municipality
121 and the public to designate the area described in the plan as
122 a self-help business improvement district.

123 (7) That the existing level of publicly funded services
124 provided by the municipality in the geographical area of the
125 proposed district has been documented in writing and certified
126 by the mayor of the municipality.

127 §11-54B-84

128 A request for the creation of a self-help business
129 improvement district shall contain all of the following:

130 (1) In the case of a district formed to promote
131 economic growth within the municipality, the signatures of the
132 owners of real property comprising at least 60 percent of the
133 total fair market value of all real property located within
134 the proposed district and the signatures of owners owning at
135 least 50 percent of parcels of real property within the
136 proposed district or, in the case of a district formed to
137 increase tourism, the signatures of the owners or operators of
138 the businesses in a particular class who would pay at least 60
139 percent of the total amount of the self-help improvement
140 district special assessment to be levied and the signatures of



SB166 Enrolled

141 the owners of at least 50 percent of the number of the
142 businesses in a particular class located within the proposed
143 district, in accordance with the following requirements:

144 a. There shall be no requirement that the real property
145 or the businesses in a particular class located within the
146 area of a district be contiguous, as long as there is an
147 accurate description of the proposed district, whether by lot
148 and block numbers, by street addresses, or by metes and
149 bounds.

150 b. The county property tax records of the assessor or
151 revenue commissioner shall determine ownership of real
152 property and the fair market value for a district proposed to
153 promote economic development.

154 c. When record title to real property is vested in a
155 public corporation or authority under a bond financing plan
156 provided for by law, the beneficial user of the real property
157 in which title may ultimately be vested by purchase shall be
158 deemed to be the owner of the real property for a district
159 proposed to promote economic development.

160 d. In the case of a district formed to increase
161 tourism, the municipality's records shall determine the
162 ownership of the businesses in a particular class.

163 (2) Copies of the self-help business improvement
164 district plan, which shall include all of the following:

165 a. A description of the supplemental services to be
166 provided to the district members with an explanation of how
167 the services promote economic development or increase tourism.

168 b. A budget outlining the annual cost of the



SB166 Enrolled

169 supplemental services described in paragraph a.

170 c. A description of the method that will be used to
171 determine the amount of the special assessment to be levied on
172 the district members to finance the supplemental services
173 described in paragraph a., including all of the following:

174 1. A description of how the methodology equitably
175 apportions the burden of the special assessment among the
176 district members.

177 2. In the case of a district to promote economic
178 growth, a list, by lot and block numbers or by street
179 addresses, of all real properties whose owners will benefit
180 from and pay the special assessment, including all of the
181 following:

182 (i) A clear presentation of any different classes of
183 real property to be levied at different rates based on the
184 fair market value or land use as reflected in the county tax
185 records of the assessor or revenue commissioner, or based on
186 another methodology.

187 (ii) Any exemptions from, or reductions to, the special
188 assessment based on the benefit to the district member.

189 d. The number of years, not to exceed five years, that
190 the special assessment described in paragraph c. shall be
191 levied.

192 e. Copies of the articles of incorporation and bylaws
193 of the district management corporation designated by the plan
194 to provide the administrative and other services to the
195 district.

196 §11-54B-85



SB166 Enrolled

197 (a) (1) At least 20 days prior to the date set for a
198 public hearing on the proposed self-help business improvement
199 district plan, notice of the date, time, and place of the
200 hearing, with a description of the area proposed to be
201 included in the district, the proposed ordinance, and the
202 self-help business improvement district plan shall be mailed
203 to all prospective district members.

204 (2) In the case of a proposed district to promote
205 economic growth, the notice shall be mailed to all known
206 owners of real property at the address listed in the county
207 property tax records of the assessor or the revenue
208 commissioner.

209 (3) In the case of a proposed district to increase
210 tourism, the notices shall be mailed to the owners of the
211 businesses in the particular class that is to comprise the
212 district.

213 (b) A copy of the notice shall be posted in at least
214 three places located within the area proposed to be included
215 in the district and on the municipality's website.

216 (c) An owner of real property or a business owner in
217 the particular class may not contest the validity of a
218 self-help business improvement district established by
219 ordinance on the grounds that he or she did not receive a copy
220 of the notice.

221 §11-54B-86

222 (a) The governing body of the municipality, upon review
223 of the self-help business improvement district plan and after
224 public hearing, by ordinance, may designate, establish, and



SB166 Enrolled

225 maintain the area described in the plan as a self-help
226 business improvement district.

227 (b) The ordinance shall include all of the following:

228 (1) A statement that the district shall take effect 30
229 days after the date of adoption of the ordinance.

230 (2) A statement that the district management
231 corporation provided for in the plan shall provide
232 administrative and other services to the district.

233 (3) A statement that the municipality and the district
234 management corporation are authorized to enter a contract
235 setting out the services to be respectively provided by the
236 district and the municipality, and providing that the
237 municipality shall continue the same level of services in the
238 district as provided before its creation.

239 (4) In the case of a district formed to promote
240 economic development, a list of all real properties by street
241 addresses which shall benefit from and pay the special
242 assessment, accompanied with a map of the district area or, in
243 the case of a district formed to increase tourism, a list of
244 all businesses in a particular class by street address which
245 shall benefit from and pay the special assessment.

246 (5) A summary of the proposed supplemental services to
247 promote economic growth or increase tourism, which shall be
248 funded by a levy of a special assessment on the district
249 members.

250 (6) An adequate description of the method used to
251 determine the special assessment, including different
252 assessment rates if applicable, and how the burden of the



SB166 Enrolled

253 special assessment is equitably apportioned among district
254 members.

255 §11-54B-87

256 (a) The special assessment to be levied in order to
257 fund supplemental services in the self-help business
258 improvement district shall be collected by the district
259 management corporation or the municipal revenue department.

260 (b) The ordinance adopted by the governing body of the
261 municipality establishing the district shall include, in
262 addition to the requirements of 11-54B-86, a notice that
263 contains both of the following:

264 (1) A statement that the amount of any delinquent
265 special assessment levied on a district member, together with
266 any accrued interest and penalties, shall be a lien on the
267 real property or business in a particular class with priority
268 over all other liens, whether created before or after the date
269 of the special assessment, except a lien for any of the
270 following:

271 a. State, county, or municipal taxes.

272 b. A prior special assessment.

273 c. A prior recorded mortgage, deed of trust, or similar
274 security instrument.

275 (2) A statement that except for foreclosures for state,
276 county, or municipal taxes, a prior special assessment, or a
277 prior recorded mortgage, deed of trust, or similar security
278 instrument, the lien for the special assessment shall not be
279 defeated or postponed by any private or judicial sale, or by
280 any mortgage, deed of trust, or similar security instrument



SB166 Enrolled

281 recorded after the date of final adoption by the municipality
282 of the self-help business improvement district ordinance.

283 (c) Any defect in the proceeding of the governing body
284 of the municipality or of the board of directors of the
285 district management corporation shall not exempt any owner of
286 real property or business in the particular class from the
287 lien or from payment thereof.

288 §11-54B-88

289 (a) The board of directors of the district management
290 corporation may adopt a resolution recommending to the
291 governing body of the municipality a modification of the
292 district plan at a regular board meeting by one of the
293 following methods:

294 (1) By agreement of the board of directors.

295 (2) Upon written request made to the board of directors
296 by, in the case of a district formed to promote economic
297 growth, the signatures of owners of real property consistent
298 with the signatures required under Section 11-54B-84(1) or, in
299 the case of a district formed to increase tourism, the
300 signatures of owners of businesses in a particular class
301 required under Section 11-54B-84(1).

302 (b) The resolution of the board of directors of the
303 district management corporation pursuant to subsection (a)
304 shall include a request to the governing body of the
305 municipality to approve the proposed modification to the
306 district plan and shall be transmitted to the governing body
307 for consideration at a public hearing.

308 (c) (1) At least 20 days prior to the date set for a



SB166 Enrolled

309 public hearing on the proposed modification of the self-help
310 business improvement district ordinance, notice of the date,
311 time, and place of the hearing shall be mailed to all district
312 members.

313 (2) A copy of the notice shall be posted in at least
314 three public places located within the district and on the
315 websites of the municipality and the district.

316 (3) At the hearing, the municipality may approve the
317 proposed modification to the district plan by adopting an
318 ordinance reflecting the modification if the governing body
319 finds that it is consistent with Section 11-54B-83.

320 (4) A district member may not contest the validity of
321 the modification of the district plan established by ordinance
322 on the grounds that he or she did not receive a copy of the
323 hearing notice.

324 (d) (1) The governing body of the municipality may
325 modify the ordinance approving the district in the case of a
326 district formed to promote economic growth, to either enlarge
327 or reduce the area of the district following submission of a
328 resolution by the board of directors requesting the
329 enlargement or reduction of the district.

330 (2)a. Where a request for expansion is sought under
331 this subsection, the request shall contain the signatures of
332 the owners of real property located in the area to be added to
333 the district consistent with the signatures required under
334 Section 11-54B-84(1).

335 b. The county property tax records of the assessor or
336 the revenue commissioner shall determine ownership of the



SB166 Enrolled

337 property and the fair market value.

338 c. When record title to real property is vested in a
339 public corporation or authority under a bond financing plan
340 provided for by law, the beneficial user of the real property
341 in which title may ultimately be vested by purchase shall be
342 deemed to be the owner of the real property.

343 (3) A resolution by the board of directors requesting
344 expansion or reduction of the district area shall include an
345 accurate description of the area that is the subject of the
346 expansion or reduction, whether by metes and bounds, by lot
347 and block numbers, or by street addresses, with the district
348 plan as modified, and accompanied with a map of the resulting
349 district if the expansion or reduction is approved.

350 (4)a. At least 20 days prior to the date set for a
351 public hearing on the proposed expansion or reduction, notice
352 of the date, time, and place of the hearing, together with a
353 description of the area which is the subject of the expansion
354 or reduction, shall be mailed to all owners of real property
355 located within the area who are the subject of the reduction
356 or all prospective owners of real property in the area who are
357 the subject of the expansion at the address listed in the
358 county property tax assessment records.

359 b. A copy of the notice shall be posted in at least
360 three public places located within the area that is the
361 subject of the reduction or expansion and on the websites of
362 the municipality and the district.

363 c. An owner of real property may not contest the
364 validity of the reduction or expansion of the district on the



SB166 Enrolled

365 grounds that he or she did not received a copy of the notice.

366 (5) The municipality, upon review of the request for
367 the expansion or reduction of the self-help business
368 improvement district and after public hearing, by ordinance,
369 may expand or reduce the self-help business improvement
370 district as modified which shall include all of the following:

371 a. An effective date that is 30 days after the date of
372 adoption of the ordinance by the municipality.

373 b. Provide that the modification in the district area
374 is consistent with 11-54B-83.

375 c. Provide that the contract between the municipality
376 and the district management corporation setting out the
377 services to be respectively provided by the district and the
378 municipality shall be amended to provide that the same level
379 of services provided by the municipality shall continue as
380 before the expansion or reduction of the area comprising the
381 self-help business improvement district.

382 §11-54B-89

383 (a) District management corporations provided for in
384 this article shall be incorporated under the Alabama Nonprofit
385 Corporation Act, Chapter 3 of Title 10A, and shall exercise
386 their powers in a manner consistent with that law.

387 (b) To qualify for designation by ordinance to manage a
388 self-help business improvement district, the articles of
389 incorporation of a proposed district management corporation
390 shall provide all of the following:

391 (1) A board of directors, numbering no fewer than three
392 and no more than 13, shall manage the property, business, and



SB166 Enrolled

393 affairs of the corporation.

394 (2) The names and addresses of the initial members of
395 the board of directors.

396 (3) The initial members of the board shall be divided
397 into three groups that are as equal in number as is possible,
398 with those groups serving initial terms of one, two, and three
399 years respectively, and all directors thereafter elected
400 serving for a term of three years, provided that the district
401 is renewed pursuant to Section 11-54B-97.

402 (4) The members of the board of directors elected after
403 the expiration of the initial terms set forth in subdivision
404 (3) shall be elected by a majority vote of the district
405 members after notice by first class mail.

406 (5) A majority of the board of directors shall be
407 district members.

408 (6) Bylaws shall be adopted providing for officers of
409 the corporation consistent with Chapter 3 of Title 10A,
410 including their qualifications, appointment, and terms.

411 (7) No funds received by the corporation from
412 assessments on the district members shall be expended except
413 in accordance with the budget adopted or amended under the
414 provisions of this article.

415 (8) Vacancies on the board of directors resulting from
416 death, resignation, or removal shall be filled by the
417 remaining members of the board of directors for the unexpired
418 portion of the term.

419 (9) At least once a year after creation of the
420 district, the corporation shall hold a general membership and



SB166 Enrolled

421 public meeting appropriately advertised in at least three
422 public places within the district area and on the district's
423 website.

424 (10) The corporation shall receive written suggestions
425 from businesses in the district at any time.

426 (11) Municipal representatives designated by the mayor
427 and by the governing body of the municipality shall be
428 authorized to attend and participate in regular and called
429 meetings of the board of directors, but shall not vote on any
430 matters considered by directors.

431 (12) No amendment to the articles of incorporation or
432 any bylaws shall be effective unless approved by the board of
433 directors.

434 (13) A director shall receive no compensation for his
435 or her service as a director, but shall be entitled to receive
436 reimbursement for expenses actually incurred in the
437 performance of his or her duties as approved by the board.

438 (14) Upon dissolution, or upon any withdrawal of the
439 designation as the district management corporation, all
440 interests in and title to funds held by or for the
441 corporation, and all property of the corporation shall be
442 transferred and assigned to a successor district management
443 corporation, or if no successor district management
444 corporation exists, to the general fund of the municipality
445 for use in funding the programs as the board of directors of
446 the district management corporation shall direct and
447 designate.

448 (c) The district management corporation may do all



SB166 Enrolled

449 things necessary to implement its purposes, including, but not
450 limited to, the following:

451 (1) Adopt bylaws for the regulation of its affairs and
452 the conduct of its business and prescribe rules, regulations,
453 and policies in connection with the performance of its
454 functions and duties.

455 (2) Employ individuals as may be required and fix and
456 pay their compensation from funds available to the
457 corporation.

458 (3) Apply for, accept, administer, and comply with the
459 requirements respecting an appropriation of funds or a gift,
460 grant, or donation of property or money.

461 (4) Enter into contracts as may be necessary or
462 convenient to the exercise of the powers and functions of the
463 corporation, including contracts with any individual, firm,
464 corporation, governmental agency, or other entity.

465 (5) Administer and manage corporate funds and accounts
466 and pay corporate obligations.

467 (6) Borrow money from private lenders or from
468 governmental entities.

469 (7) Enforce the conditions of any loan, grant, sale, or
470 lease made by the corporation.

471 (8) Provide security, sanitation, and other services to
472 the district supplemental to those provided by the
473 municipality.

474 (9) Advertise the district and businesses included
475 within the district.

476 (10) Recruit new businesses to fill vacancies in the



SB166 Enrolled

477 district.

478 (11) Organize and promote special events in the
479 district.

480 (12) Provide special parking arrangements or manage
481 ongoing parking programs for the district.

482 (13) Participate in other governmental programs that
483 are qualified and included in its approval plan.

484 (14) Undertake other activities or initiatives within
485 the district as the board of directors of the district
486 management corporation deem appropriate.

487 (d) The nonprofit corporation designated as a district
488 management corporation under this article shall be exempt from
489 the state corporate income tax, corporate franchise tax, and
490 permit fee, and from state, county, and municipal sales, use,
491 license, gross receipts, and ad valorem taxes.

492 §11-54B-90

493 (a) The officers of the district management corporation
494 shall submit a detailed annual budget for approval by its
495 board of directors, including proposed expenditures and
496 proposed sources of funding, which may include voluntary
497 donations. The budget shall explain how it contributes to the
498 goals for the self-help business improvement district.

499 (b) The budget shall be introduced, approved, amended,
500 and adopted by resolution passed by not less than a majority
501 of the full membership of the board of directors by the
502 procedure as follows:

503 (1) Introduction and preliminary approval of the
504 budget.



SB166 Enrolled

505 (2) Public advertising of the budget.

506 (3) Public hearings relating to the budget.

507 (4) Amendments to the budget and public hearings
508 relating to those amendments.

509 (5) Adoption of the budget.

510 (c) No budget shall be adopted until a public hearing
511 has been held and all persons having an interest therein have
512 been given an opportunity to present objections.

513 (d) The board of directors may amend the budget during
514 or after the public hearing.

515 (e) No amendment to the budget by the board of
516 directors shall be effective until district members and all
517 persons having an interest therein have been granted a public
518 hearing, if the amendment does any of the following:

519 (1) Adds a new item in an amount in excess of 20
520 percent of the total expenditures as stated in the approved
521 budget.

522 (2) Increases or decreases any item within the budget
523 by more than 20 percent of the amount stated in the approved
524 budget for the item.

525 (3) Increases the amount needed to be raised by special
526 assessment by more than 20 percent of the total special
527 assessment revenues stated in the approved budget.

528 §11-54B-91

529 The municipality and its governing body shall retain
530 its police powers and other rights and powers relating to any
531 streets or parts thereof located within the area of a
532 self-help business improvement district.



SB166 Enrolled

533 §11-54B-92

534 No self-help business improvement district or district
535 management corporation shall have the power of eminent domain.

536 §11-54B-93

537 No structure, fixture, movable personal property, or
538 activity located in the area of the self-help business
539 improvement district and authorized by the district management
540 corporation, by reason of its location or use, shall be deemed
541 a nuisance or an unlawful obstruction or condition,
542 notwithstanding any law regulating the use of public streets
543 and highways, and neither the municipality, the corporation,
544 nor any user acting under the corporation's authority shall be
545 liable for any injury to person or property, unless the
546 structure, fixture, moveable personal property, or activity is
547 negligently constructed, maintained, or operated.

548 §11-54B-94

549 A municipality, by ordinance, may authorize the
550 district management corporation to contract construction and
551 maintenance work to be done on any street or on other
552 municipal property included in the self-help business
553 improvement district, provided that the plans and
554 specifications of any construction work to be contracted shall
555 be approved by the municipal engineer prior to initiation of
556 any actions for the awarding of a contract under this article.

557 §11-54B-95

558 This article shall not prohibit a municipality from
559 including a self-help business improvement district within the
560 bounds of any area, district, or zone, including any



SB166 Enrolled

561 enterprise zone established pursuant to law which has as one
562 of its purposes the encouragement of the construction of
563 improvements or the rehabilitation of properties located
564 within those boundaries, or the inducement of private
565 enterprises to locate within those boundaries, whether by tax
566 credits, exemptions, or abatements, or by special public
567 financing arrangements.

568 §11-54B-96

569 (a) Within 90 days after the close of each fiscal year,
570 the district management corporation shall make an annual
571 report of its activities for the preceding fiscal year to the
572 governing body of the municipality.

573 (1) Each annual report shall include, at a minimum, all
574 of the following:

575 a. A financial statement for the preceding year,
576 including a balance sheet, statement of income and loss, and
577 such other information as is reasonably necessary to reflect
578 the corporation's actual performance, certified by the
579 treasurer of the corporation.

580 b. The budget for the current fiscal year.

581 c. In the case of a district whose purpose is to
582 increase tourism, a list of the businesses in the designated
583 class that are currently operating within the district.

584 (2) A copy of each annual report shall be sent to the
585 mayor, the members of the governing body of the municipality,
586 and to all district members.

587 (b) (1) The district management corporation shall have
588 its books, accounts, and financial transactions annually



SB166 Enrolled

589 audited by a certified public accountant.

590 (2) The audit shall be performed within 90 days of the
591 close of each fiscal year.

592 (3) Certified copies of the audit report shall be filed
593 within 120 days after the close of the fiscal year with the
594 governing body of the municipality, the mayor, and the finance
595 director or other financial control officer of the
596 municipality.

597 §11-54B-97

598 (a) (1) The board of directors of the district
599 management corporation shall set a hearing when one of the
600 following occurs:

601 a. Within 60 days after the adoption and approval of
602 the fifth annual budget for the district, to determine
603 continuation, modification, or termination of the district.

604 b. Whenever a petition is presented to the board of
605 directors requesting termination of the district signed by
606 district members who paid more than 50 percent of the special
607 assessment in the last fiscal year for which the assessment
608 was collected.

609 (2) At least 20 days before the hearing, notice of the
610 date, time, and place of the hearing shall be posted in at
611 least three public places within the district, on the websites
612 of the municipality and the district, and mailed to each
613 district member.

614 (3) At or immediately after the hearing, the board of
615 directors shall adopt a resolution requesting the governing
616 body of the municipality to adopt an ordinance providing for



SB166 Enrolled

617 one of the following:

618 a. Continuation of the district as described in the
619 self-help business improvement plan for an additional five
620 years if the hearing was held pursuant to paragraph (a)(1)a.

621 b. Continuation of the district with modification for
622 an additional five years if the hearing was held pursuant to
623 paragraph (a)(1)a., as reflected by modifying the self-help
624 business improvement district plan consistent with Section
625 11-54B-88, including enlargement or reduction of the district.

626 c. Termination of the district if one of the following
627 occurs:

628 1. At a hearing held pursuant to paragraph (a)(1)a., it
629 is demonstrated that district members who paid more than 50
630 percent of the special assessment in the last fiscal year for
631 which the special assessment was collected object to the
632 continuation of the district.

633 2. At a hearing in response to a petition received
634 pursuant to paragraph (a)(1)b., at which no signatures are
635 withdrawn reducing support for termination of the district to
636 fewer than 50 percent of the district members who paid the
637 special assessment in the last fiscal year for which the
638 assessment was collected.

639 (b) The governing body of the municipality shall adopt
640 an ordinance ratifying the board of directors' resolution
641 pursuant to subdivision (a)(4), to take effect at the end of
642 the current fiscal year, to continue, modify, or terminate the
643 district.

644 (c) In the event of termination of the district, any



SB166 Enrolled

645 remaining revenues, after all outstanding debts are paid,
646 derived from the collection of the special assessment or
647 derived from the sale of district assets acquired with the
648 revenues shall be spent as near as possible in accordance with
649 the district plan or shall be refunded to district members who
650 paid the special assessment by applying the same method that
651 was used to calculate the assessment in the last fiscal year
652 for which the special assessment was collected.

653 Section 2. This act shall become effective on the
654 first day of the third month following its passage and
655 approval by the Governor, or its otherwise becoming law.



SB166 Enrolled

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB166
Senate 27-Apr-23
I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Passed: 16-May-23

By: Senator Givhan