

## HB90 ENROLLED



1 HB90  
2 SLJ6Z55-3  
3 By Representative Clarke  
4 RFD: State Government  
5 First Read: 04-Feb-25  
6 PFD: 24-Jan-25



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Enrolled, An Act,

Relating to municipal housing authorities; to amend Sections 24-1-22 and 24-1-27, Code of Alabama 1975; to further provide for the powers of a municipal housing authority; to exempt public housing authorities from all taxes in certain circumstances; to ratify certain previously created subsidiaries of municipal housing authorities; and to make nonsubstantive, technical revisions to update the existing code language to current style.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 24-1-22 and 24-1-27, Code of Alabama 1975, are amended to read as follows:

"§24-1-22

~~The following terms, wherever used or referred to in~~  
For the purposes of this article, shall have the following  
~~respective meanings, unless a different meaning clearly~~  
~~appears from the context~~ the following terms have the  
following meanings:

(1) AUTHORITY or HOUSING AUTHORITY. A public body organized as a body corporate and politic in accordance with the provisions of this article for the purposes, with the powers, and subject to the restrictions set forth in this article.

~~(2) (3) CITY. Any city or incorporated town municipality~~  
~~in the State of Alabama~~ this state.

~~(3) (8) COUNCIL. The legislative body, council, board of~~  
commissioners or other body charged with governing the city a



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29 municipality.

30 (4) CITY CLERK and MAYOR. The clerk, and the mayor or  
31 president of the board of commissioners, respectively, of the  
32 city, or the officers ~~thereof~~ charged with the duties  
33 customarily imposed on the clerk and mayor, respectively.

34 (5) COMMISSIONER. One of the members of an authority  
35 appointed in accordance with the provisions of this article.

36 ~~(6)~~ (10) GOVERNMENT. Such term shall include the state  
37 and federal governments and any subdivision, agency, or  
38 instrumentality, corporate or otherwise, of either of them.

39 ~~(7)~~ (17) STATE. The State of Alabama.

40 ~~(8)~~ (9) FEDERAL GOVERNMENT. ~~Such term shall include~~  
41 ~~the~~ The United States of America, the ~~federal Secretary~~ United  
42 States Department of Housing and Urban Development, or any  
43 agency, instrumentality, corporate or otherwise, of the United  
44 States of America.

45 ~~(9)~~ (11) HOUSING PROJECT. ~~Such term shall include all~~ All  
46 real and personal property, buildings and improvements,  
47 stores, offices, public school buildings, lands for farming  
48 and gardening, and community facilities acquired or  
49 constructed or to be acquired or constructed pursuant to a  
50 single plan of undertaking to demolish, clear, remove, alter  
51 or repair unsanitary or unsafe housing, or to provide dwelling  
52 accommodations at rentals within the means of persons of low  
53 income. ~~This~~ The term may also be applied to the planning of  
54 the buildings and improvements ; the acquisition of property ;  
55 the demolition of existing structures ; the construction,  
56 reconstruction, alteration and repair of the improvements ; and



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all other work in connection therewith.

~~(10)~~ (6) COMMUNITY FACILITIES. ~~Such term shall include~~  
~~real~~ Real and personal property and buildings and equipment for  
recreational or social assemblies~~;~~ ; for educational, health,  
or welfare purposes~~;~~ ; and necessary utilities, when designed  
primarily for the benefit and use of the occupants of the  
dwelling accommodations.

~~(11)~~ (15) PERSONS OF LOW INCOME. ~~Persons~~ Individuals  
receiving less than the income determined by the authority as  
the amount ~~persons~~ individuals must receive to enable them to  
pay the rent necessary to secure safe, sanitary, and  
uncongested dwelling accommodations, other than dwelling  
accommodations provided by the authority or any cities, within  
the boundaries of the authority. Such determinations by the  
authority ~~from time to time~~ shall be binding and conclusive  
for all purposes of this article.

~~(12)~~ (2) BONDS. Any bonds, interim certificates, notes,  
debentures, warrants, or other obligations of the authority  
issued pursuant to this article.

(13) MORTGAGES. ~~Such term shall include deeds~~ Deeds of  
trust, mortgages, building and loan contracts~~,~~ , or other  
instruments conveying real or personal property as security  
for bonds and conferring a right to foreclose and cause a sale  
thereof.

~~(14)~~ (18) TRUST INDENTURE. ~~Such term shall include~~  
~~instruments~~ Instruments pledging the revenues of real or  
personal properties but not conveying such properties  
conferring a right to foreclose and cause a sale thereof.



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85           ~~(15)~~ (7) CONTRACT. Any agreement of an authority with or  
86 for the benefit of an obligee whether contained in a  
87 resolution, trust indenture, mortgage, lease, bond, or other  
88 instrument.

89           (16) REAL PROPERTY. ~~Such term shall include lands~~ Lands,  
90 lands under water, structures and any and all easements,  
91 franchises and incorporeal hereditaments and every estate and  
92 right therein, legal and equitable, including terms for years  
93 and liens by way of judgment, mortgage, or otherwise.

94           ~~(17)~~ (14) OBLIGEE OF THE AUTHORITY or OBLIGEE. ~~Such term~~  
95 ~~shall include any~~ Any bondholder, trustee or trustees for any  
96 bondholders, any lessor demising property to the authority  
97 used in connection with a housing project or any assignee or  
98 assignees of such lessor's interest, or any part thereof, and  
99 the United States of America, when it is a party to any  
100 contract with the authority.

101           (12) MIXED-USE PROJECT. Any development project that  
102 provides more than one use or purpose within a shared building  
103 or development and which may include any combination of  
104 housing, lodging, office, retail, medical, recreational,  
105 commercial, governmental, industrial, or other components."

106           "§24-1-27

107           (a) An authority shall constitute a public body and a  
108 body corporate and politic exercising public powers, ~~and~~  
109 having all the powers necessary or convenient to carry out and  
110 effectuate the purposes and provisions of this article,  
111 including the following powers in addition to others granted  
112 in this article:



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113 (1) To investigate~~into~~ living, dwelling~~and, or~~  
114 housing conditions and~~into~~ the means and methods of improving  
115 such~~the~~ conditions.

116 (2) To determine where unsafe or unsanitary dwelling,  
117 public school, or housing conditions exist.

118 (3) To study and make recommendations concerning the  
119 plan of any city located within its boundaries~~in relation~~  
120 related to the problem of clearing, replanning, and  
121 reconstruction of areas in which unsafe or unsanitary  
122 dwelling, public school, or housing conditions exist~~, and;~~ the  
123 provision of dwelling accommodations for persons of low  
124 income~~, and to cooperate~~ or cooperation with any city or  
125 regional planning agency.

126 (4) To prepare, carry out,~~and or~~ operate housing  
127 projects.

128 (5) To provide for the construction, reconstruction,  
129 improvement, alteration, or repair of any housing project or  
130 any part~~thereof~~ of a housing project.

131 (6) To take over by purchase, lease, or otherwise any  
132 housing project undertaken by any government or by any city  
133 located within its boundaries.

134 (7) To manage, as agent of any city located within its  
135 boundaries, any housing project constructed or owned by~~such a~~  
136 city.

137 (8) To act as agent for the federal government in  
138 connection with the acquisition, construction, operation, or  
139 management of a housing project~~, or any part thereof~~ of a  
140 housing project.



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(9) To arrange with any city located within its boundaries or with ~~a~~ any other government for the furnishing, planning, replanning, opening~~7~~ or closing of streets, roads, roadways, alleys, ~~or other places,~~ or facilities, or for the acquisition by ~~such a~~ city~~7~~ or ~~a~~ other government~~7~~ of property, options, or property rights~~,~~ or for the furnishing of property or services in connection with a project.

(10) To lease or rent any of the ~~dwelling or~~ dwellings, other accommodations ~~or any of the,~~ lands, buildings, structures, or facilities embraced in any housing project or community facility and to establish ~~and~~ or revise ~~the~~ rents or charges ~~therefor~~.

(11) To enter ~~upon~~ any building or property in order to conduct investigations or to make surveys or soundings.

(12) To purchase, lease, obtain options upon, acquire by eminent domain, gift, grant, bequest, or devise~~7~~ ~~or~~ ~~otherwise,~~ any property, real or personal, or any interest therein in property from any ~~person, firm, corporation, city,~~ or government entity.

(13) To sell, exchange, transfer, assign, or pledge any property, real or personal, or any interest ~~therein in~~ property to any ~~person, firm, corporation, city, or government~~ entity.

(14) To own, hold, clear, ~~and~~ or improve property.

(15) To pay over to the city in which the authority is organized all or any part of the proceeds received from the sale of any real or personal property; provided, however, that an authority may pay over ~~such the~~ proceeds to the city in



169 which it is organized only in ~~such~~ the manner and to ~~such~~ the  
170 extent that ~~such~~ the payment will not violate the terms of any  
171 then existing contract to which the authority is a party; and,  
172 provided further, that an authority shall have no power to ~~so~~  
173 pay over any part of the proceeds derived from the sale of any  
174 real or personal property acquired in connection with a  
175 redevelopment project, ~~as that term is defined in Section~~  
176 ~~24-1-4~~ pursuant to Chapter 2.

177 (16) To insure or provide for the insurance of the  
178 property or operations of the authority against ~~such~~ risks as  
179 the authority may deem advisable.

180 (17) To procure insurance or guarantees from the  
181 federal government of the payment of any debts, or parts  
182 ~~thereof~~ of debts, secured by mortgages made or held by the  
183 authority on any property included in any housing project.

184 (18) To borrow money upon its bonds, notes, warrants,  
185 debentures, or other evidences of indebtedness, and to secure  
186 the same by pledges of its revenues, and, subject to the  
187 limitations ~~hereinafter~~ imposed by this article, by mortgages  
188 upon property held or to be held by it, or in any other  
189 manner.

190 (19) In connection with any loan, to agree to  
191 limitations upon its right to dispose of any housing project,  
192 or part ~~thereof~~, of a housing project or to undertake  
193 additional housing projects.

194 (20) In connection with any loan by a government, to  
195 agree to limitations upon the exercise of any powers conferred  
196 upon the authority by this article.



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(21) To invest any funds held in reserves~~or~~, sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control.

(22) To sue and be sued.

(23) To have a seal and to alter the~~same at pleasure~~ seal.

(24) To have perpetual succession.

(25) To make and execute contracts~~and~~ or other instruments necessary or convenient to the exercise of the powers of the authority.

(26) To make~~and from time to time~~, amend~~and~~, or repeal bylaws, rules,~~and~~ or regulations, not inconsistent with this article, to carry into effect the powers~~and~~ or purposes of the authority.

(27) To conduct examinations~~and~~ or investigations~~and~~, to hear testimony~~and~~, or to take proof under oath, at public or private hearings, on any matter material for its information.

(28) To issue subpoenas requiring the attendance of witnesses or the production of books~~and~~ or papers~~and~~, or to issue commissions for the examination of witnesses who are out of the state or unable to attend before the authority or excused from attendance.

(29) To make available to~~such~~ any agencies, boards, or commissions~~as are~~ charged with the duty of abating nuisances or demolishing unsafe or unsanitary structures within~~its~~ the authority's territorial limits, its findings and



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recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety, or welfare.

(30) To operate, lease, convey, or otherwise manage any housing project or community facility upon terms the authority deems appropriate, useful, or expedient, regardless of who owns or who will own or acquire the project or facility.

(31) To participate in any lawful form of business organization that is involved in the development or operational activities of any buildings, structures, facilities, or other improvements constituting a housing project, community facility, or mixed-use project which the board of directors of the authority determines are appropriate, useful, or expedient to the authority's purposes. An authority may appoint an individual to a governing body or to enter into a contract or other agreement with another party for the development, operation, design, marketing, maintenance, financing, leasing, or use of any housing project, community facility, or mixed-use project upon terms the authority's board of directors determines are appropriate, useful, or expedient to the authority's purposes. Any determination by the board of directors shall be conclusive.

(32) To make or arrange for loans, contributions to capital, or other debt or equity financing for the activities of any lawful business organization of which the authority is a member; to guarantee loans, issue bonds, or incur other forms of indebtedness on behalf of any lawful business organization of which the authority is a member; or to loan



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funds to other entities upon terms the authority determines are appropriate, useful, or expedient for the authority's purposes. Any determination by the board of directors shall be conclusive. A business organization, affiliate, or subsidiary not wholly owned by the authority, or a partnership entered into or created by the authority with a private business entity, shall not have the power of eminent domain.

(33) To create, establish, acquire, operate, or support for-profit or nonprofit subsidiaries or affiliates to assist the authority in fulfilling its purposes.

(34) To create, establish, or support other nonaffiliated lawful business organizations that further the authority's purposes.

(35) To accomplish or facilitate the creation, establishment, acquisition, development, operation, or support of any subsidiary, affiliate, or other nonaffiliated lawful business organization by means of loans of funds, leases of real or personal property, gifts or grants of funds, or guarantees of indebtedness or contractual performance of subsidiaries, affiliates, or nonaffiliated public or private parties.

(36) To enter contracts, agreements, or understandings with any other party, including, but not limited to, any of the following:

a. Design-build, design-build-operate, design-build-own-operate, design-build-own-operate-maintain, design-build-finance-operate-maintain, or other similar arrangements or agreements pursuant to which the design,



281 right-of-way acquisition, relocation of structures or  
282 utilities, construction, financing, ownership, management,  
283 maintenance, or operation of a housing project or community  
284 facility is accomplished by or on behalf of the authority. To  
285 the extent that an authority is using any state or local  
286 public funds to pay for goods or services in connection with  
287 this paragraph, the authority shall comply with the provisions  
288 of Title 39, as applicable.

289 b. Leases, licenses, franchises, concessions, or other  
290 agreements for the development, operation, management,  
291 financing, or undertaking of all or any part of a housing  
292 project or community facility of or on behalf of the  
293 authority.

294 ~~(30)~~ (37) To do all things necessary or convenient to  
295 carry out the powers given in this article.

296 (b) Any of the investigations or examinations provided  
297 for in this article may be conducted by the authority, ~~or;~~ by  
298 a committee appointed by ~~it,~~ the authority consisting of one  
299 or more commissioners, ~~or;~~ by counsel, ~~;~~ or by an officer or  
300 employee ~~especially~~ specifically authorized by the authority  
301 ~~to conduct it.~~ Any commissioner, counsel ~~for the authority,~~ or  
302 ~~any other~~ person designated by ~~it~~ the authority to conduct an  
303 investigation or examination shall have the power to  
304 administer oaths, take affidavits, ~~and~~ or issue subpoenas or  
305 commissions.

306 (c) (1) An authority may exercise ~~any or~~ all of the  
307 powers conferred upon it in this article either generally, or  
308 with respect to any specific housing project or ~~projects~~



community facility, through or by an agent or agents which it may designate, including any ~~corporation or corporations~~ lawful form of business organization ~~which are~~ that is or ~~shall~~ may be formed under the laws of this state, and for such purposes an authority may cause ~~one or more corporations~~ any lawful form of business organization to be formed under the laws of this state or may acquire ~~the capital stock of any corporation or corporations~~ equity interest in any lawful form of business organization.

(2) Any corporate agent, ~~all of the stock of which shall be~~ is solely owned by the authority or its nominee or nominees, ~~may~~, to the extent permitted by law, may exercise any of the powers conferred upon the authority in this article.

(3) Any corporate agent established under this section that satisfies each of the following criteria shall constitute a governmental entity under Chapter 93 of Title 11, and any suits in tort against the agent shall be subject to the limitations and provisions of Chapter 93 of Title 11, as applicable to each ~~such~~ corporate agent whose assets, operations, and management are legally and effectively controlled by the housing authority and through which the housing authority's functions or policies are implemented:

a. The housing authority's board of commissioners constitutes all of the board of directors of the corporate agent.

b. The housing authority's executive director serves as the president of the corporate agent.



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c. The organizational documents of the corporate agent contain provisions that in the event of a change in the controlling interest of the corporate agent, all public housing assets of the corporate agent are returned to the housing authority.

d. The sole purpose for which the corporate agent is formed and authorized is to develop, own, manage, operate, or maintain the housing authority's real property that serves as dwelling accommodations for persons of low income or as a community facility, including any real property the housing authority transfers to the corporate agent for the aforementioned purpose.

(d) In addition to all of the other powers conferred upon it in this section, an authority may do all things necessary and convenient to carry out the power expressly given in this article. No provisions with respect to the acquisition, operation, or disposition of property by other public bodies shall be applicable to an authority, ~~unless the Legislature shall specifically so state~~ provided by law.

(e) Any previous creation, establishment, incorporation, or formation by any authority of any business entity wholly-owned by the authority, together with all proceedings, acts, or other things undertaken, performed, or done by the entity prior to June 1, 2025, are validated, ratified, confirmed, approved, and declared legal in all respects.

(f) To the extent that an authority is using any state or local funds, evaluation criteria for a contract procured



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365 pursuant to this section shall be made in compliance with  
366 Title 39."

367 Section 2. (a) All of the following shall be exempt  
368 from all state taxes:

369 (1) A municipal housing authority and the authority's  
370 property and income.

371 (2) Bonds issued by the authority.

372 (3) Income from bonds issued by the authority.

373 (4) Conveyances to or from the authority.

374 (5) Leases, mortgages, or deeds of trust to or from the  
375 authority.

376 (b) An authority may be exempted from the taxes levied  
377 by a county, municipality, or other political subdivision of  
378 the state, including, but not limited to, deed taxes, mortgage  
379 taxes, license taxes, or excise taxes. The county exemption  
380 provided by this subsection shall only apply if approved by a  
381 resolution pertaining to county taxes adopted by the county  
382 commission. The municipal exemption provided by this  
383 subsection shall only apply if approved by an ordinance  
384 pertaining to municipal taxes adopted by the city council.

385 (c) A municipal housing authority shall be exempt from  
386 all fees, taxes, or other costs imposed by a judge of probate;  
387 provided, that with respect to any fees, taxes, or other costs  
388 otherwise payable to a county, an authority shall only be  
389 exempt if approved by a resolution adopted by the county  
390 commission.

391 Section 3. This act shall become effective on June 1,  
392 2025.



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and  
was passed by the House 10-Apr-25.

John Treadwell  
Clerk

Senate

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**07-May-25**

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Passed