

**HB91 ENGROSSED**



1 HB91  
2 N9UFJT8-2  
3 By Representative Clarke  
4 RFD: State Government  
5 First Read: 04-Feb-25  
6 PFD: 24-Jan-25



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A BILL  
TO BE ENTITLED  
AN ACT

Relating to county housing authorities; to amend Sections 24-1-61 and 24-1-66, Code of Alabama 1975; to further provide for the powers of a county housing authority; to ratify certain previously created subsidiaries of county housing authorities; to exempt county housing authorities from all taxes in certain circumstances; 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 24-1-61 and 24-1-66, Code of Alabama 1975, are amended to read as follows:

"§24-1-61

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



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29 article.

30 ~~(2)~~ (5) COUNTY. All of the county except ~~that~~ any  
31 portion which lies within the territorial boundaries of any  
32 ~~city or incorporated town~~ municipality.

33 ~~(3)~~ (6) COUNTY COMMISSION. The governing body of any  
34 county.

35 ~~(4)~~ (9) HOUSING COMMISSIONER. One of the members of an  
36 authority appointed in accordance with the provisions of this  
37 article.

38 ~~(5)~~ (8) GOVERNMENT. ~~Such term shall include the~~ The state  
39 ~~and or federal governments and~~ government or any subdivision,  
40 agency, or instrumentality, corporate or otherwise, of either  
41 ~~of them~~.

42 ~~(6)~~ (16) STATE. The State of Alabama.

43 (7) FEDERAL GOVERNMENT. ~~Such term shall include the~~ The  
44 United States of America, ~~the federal Secretary~~ United States  
45 Department of Housing and Urban Development, or any agency,  
46 instrumentality, corporate or otherwise, of the United States  
47 of America.

48 ~~(8)~~ (10) HOUSING PROJECT. ~~Such term shall include all~~ All  
49 real and personal property, buildings and improvements,  
50 stores, offices, public school buildings, lands for farming  
51 and gardening, and community facilities acquired or  
52 constructed, or to be acquired or constructed, pursuant to a  
53 single plan of undertaking to demolish, clear, remove, alter,  
54 or repair unsanitary or unsafe housing or to provide urban or  
55 rural dwelling accommodations at rentals within the means of  
56 persons of low income. The term ~~"housing project"~~ may also be



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57 applied to the planning of the buildings and improvements~~;~~  
58 the acquisition of property~~;~~ the demolition of existing  
59 structures~~;~~ the construction, reconstruction, alteration, and  
60 repair of the improvements~~;~~ and all other work in connection  
61 therewith.

62 ~~(9)~~ (3) COMMUNITY FACILITIES. ~~Such term shall include~~  
63 ~~real~~Real and personal property and buildings and equipment for  
64 recreational or social assemblies~~;~~ or for educational, health,  
65 or welfare purposes~~;~~ and necessary utilities, when designed  
66 primarily for the benefit and use of the occupants of the  
67 dwelling accommodations.

68 ~~(10)~~ (14) PERSONS OF LOW INCOME. ~~Persons~~Individuals  
69 receiving less than the incomes determined by the authority as  
70 the amount~~persons~~ individuals must receive to enable them to  
71 pay the rent necessary to secure safe, sanitary, and  
72 uncongested dwelling accommodations, other than dwelling  
73 accommodations provided by a public housing agency or  
74 authority of the county, within the boundaries of the  
75 authority. Such determinations by the authority~~from time to~~  
76 ~~time~~ shall be binding and conclusive for all purposes of this  
77 article.

78 ~~(11)~~ (2) BONDS. Any bonds, interim certificates, notes,  
79 debentures, warrants, or other obligations of the authority  
80 issued pursuant to this article.

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



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85 thereof.

86 ~~(13)~~ (17) TRUST INDENTURE. ~~Such term shall include~~  
87 ~~instruments~~ Instruments pledging the revenues of real or  
88 personal properties, but not conveying such properties or  
89 conferring a right to foreclose and cause a sale thereof.

90 ~~(14)~~ (4) CONTRACT. Any agreement of an authority with or  
91 for the benefit of an obligee, whether contained in a  
92 resolution, trust indenture, mortgage, lease, bond, or other  
93 instrument.

94 (15) REAL PROPERTY. ~~Such term shall include lands~~ Lands,  
95 lands under water, structures, and any and all easements,  
96 franchises and incorporeal hereditaments and every estate and  
97 right therein, legal and equitable, including terms for years  
98 and liens by way of judgment, mortgage or otherwise, but only  
99 so far as such may, from time to time, be treated as real  
100 property by the laws of Alabama applicable to other persons ~~or~~  
101 ~~corporations~~.

102 ~~(16)~~ (13) OBLIGEE OF THE AUTHORITY or OBLIGEE. ~~Such term~~  
103 ~~shall include any~~ Any bondholder, trustee, or trustees for any  
104 bondholders, any lessor demising property to the authority  
105 used in connection with a housing project or any assignee or  
106 assignees of such lessor's interest, or any part thereof, and  
107 the United States of America, when it is a party to any  
108 contract with the authority.

109 (11) MIXED-USE PROJECT. Any development project that  
110 provides more than one use or purpose within a shared building  
111 or development and which may include any combination of  
112 housing, lodging, office, retail, medical, recreational,



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113 commercial, governmental, industrial, or other components."

114 "§24-1-66

115 (a) An authority shall constitute a public body and a  
116 body corporate and politic exercising public powers, ~~and~~  
117 ~~having~~ shall have all the powers necessary or convenient to  
118 carry out and effectuate the purposes ~~and provisions~~ of this  
119 article, including the following powers in addition to others  
120 granted in this article:

121 (1) To investigate ~~into~~ living, dwelling, ~~and~~ or  
122 housing conditions and ~~into~~ the means and methods of improving  
123 ~~such~~ conditions.

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

126 (3) To study and make recommendations concerning the  
127 plan of the county ~~in relation~~ related to the problem of  
128 clearing, replanning, and reconstruction of areas in which  
129 unsafe or unsanitary dwelling, public school, or housing  
130 conditions exist, ~~and~~ ; the provision of dwelling  
131 accommodations for persons of low income, ~~and to cooperate; or~~  
132 cooperation with the county or any regional planning agency .

133 (4) To prepare, carry out, ~~and~~ or operate housing  
134 projects .

135 (5) To provide for the construction, reconstruction,  
136 improvement, alteration, or repair of any housing project or  
137 any part ~~thereof~~ ; of a housing project.

138 (6) To take over by purchase, lease, or otherwise any  
139 housing project undertaken by any government or by the  
140 county .



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141 (7) To manage as agent of the county any housing  
142 project constructed or owned by the county; however, an  
143 authority shall not be deemed to be acting as an agent of the  
144 county when managing a housing project not constructed or  
145 owned by the county or when managing any community facility or  
146 mixed-use project.

147 (8) To act as agent for the federal government in  
148 connection with the acquisition, construction, operation, or  
149 management of a housing project or any part ~~thereof;~~ of a  
150 housing project.

151 (9) To arrange with any ~~city or town~~ municipality or  
152 the county or with ~~a~~ any other government for the furnishing,  
153 planning, replanning, opening~~7~~ or closing of streets, roads,  
154 roadways, alleys, ~~or other~~ places, or facilities, or for the  
155 acquisition by the county or ~~a~~ another government~~7~~ of  
156 property, options or property rights, or for the furnishing of  
157 property or services in connection with a project~~7~~.

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

163 (11) To enter ~~upon~~ any building or property in order to  
164 conduct investigations or to make surveys or soundings~~7~~.

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



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169 ~~county, or government;~~ entity.

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

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

175 (15) To insure or provide for the insurance of the  
176 property or operations of the authority against ~~such~~ risks as  
177 the authority may deem advisable ~~;~~ .

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

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

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

192 (19) In connection with any loan by a government, to  
193 agree to limitations upon the exercise of any powers conferred  
194 upon the authority by this article ~~;~~ .

195 (20) To invest any funds held in reserves ~~or,~~ sinking  
196 funds, or any funds not required for immediate disbursement,





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197 in property or securities in which savings banks may legally  
198 invest funds subject to their control~~7~~.

199 (21) To sue and be sued~~7~~.

200 (22) To have a seal and to alter the ~~same at pleasure,~~  
201 seal.

202 (23) To have perpetual succession~~7~~.

203 (24) To make and execute contracts ~~and~~ or other  
204 instruments necessary or convenient to the exercise of the  
205 powers of the authority~~7~~.

206 (25) To make ~~and from time to time,~~ amend ~~and,~~ or  
207 repeal bylaws, rules, ~~and~~ or regulations~~7~~, not inconsistent  
208 with this article~~7~~, to carry into effect the powers ~~and~~ or  
209 purposes of the authority~~7~~.

210 (26) To conduct examinations ~~and~~ or investigations ~~and,~~  
211 to hear testimony ~~and,~~ or to take proof under oath, at public  
212 or private hearings, on any matter material for its  
213 information~~7~~.

214 (27) To issue subpoenas requiring the attendance of  
215 witnesses or the production of books ~~and~~ or papers, and to  
216 issue commissions for the examination of witnesses who are out  
217 of the state or unable to attend before the authority, or  
218 excused from attendance~~7~~.

219 (28) To make available to ~~such~~ any agencies, boards, or  
220 commissions ~~as are~~ charged with the duty of abating nuisances  
221 or demolishing unsafe or unsanitary structures within ~~its~~ the  
222 authority's territorial limits~~7~~, its findings and  
223 recommendations with regard to any building or property where  
224 conditions exist which are dangerous to the public health,



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225 morals, safety, or welfare; ~~and.~~

226 (29) To operate, lease, convey, or otherwise manage any  
227 housing project, community facility, or mixed-use project upon  
228 terms the authority deems appropriate, useful, or expedient,  
229 regardless of who owns or will own or acquire the project or  
230 facility.

231 (30) To participate in any lawful form of business  
232 organization that is involved in the development or  
233 operational activities of any buildings, structures,  
234 facilities, or other improvements constituting a housing  
235 project, community facility, or mixed-use project that the  
236 board of directors of the authority determines are  
237 appropriate, useful, or expedient to the authority's purposes.  
238 An authority may appoint an individual to a governing body or  
239 to enter into a contract or other agreement with another party  
240 for the development, operation, design, marketing,  
241 maintenance, financing, leasing, or use of any housing  
242 project, community facility, or mixed-use project upon terms  
243 the authority's board of directors determines are appropriate,  
244 useful, or expedient to the authority's purposes. Any  
245 determination by the board of directors shall be conclusive. A  
246 business organization, affiliate, or subsidiary not wholly  
247 owned by the authority or a partnership entered into or  
248 created by the authority with a private business entity shall  
249 not have the power of eminent domain.

250 (31) To make or arrange for loans, contributions to  
251 capital, or other debt or equity financing for the activities  
252 of any lawful business organization of which the authority is



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253 a member; to guarantee loans, issue bonds, or incur other  
254 forms of indebtedness on behalf of any lawful business  
255 organization of which the authority is a member; or to loan  
256 funds to other entities upon terms the authority determines  
257 are appropriate, useful, or expedient for the authority's  
258 purposes. Any determination by the board of directors shall be  
259 conclusive. Any agreements or contracts entered into by an  
260 authority shall be subject to Section 24-1-40.

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

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

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

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

278 a. Design-build, design-build-operate,  
279 design-build-own-operate, design-build-own-operate-maintain,  
280 design-build-finance-operate-maintain, or other similar



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

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

295 ~~(29)~~ (36) To do all things necessary or convenient to  
296 carry out the powers given in this article.

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

307 (c) (1) An authority may exercise ~~any or~~ all of the  
308 powers conferred upon it in this article, either generally or



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309 with respect to any specific housing project or ~~projects~~  
310 community facility, through or by an agent or agents which it  
311 may designate, including any ~~corporation or corporations~~ which  
312 are lawful form of business organization that is or shall may  
313 be formed under the laws of this state, and for such purposes  
314 an authority may cause ~~one or more corporations~~ any lawful form  
315 of business organization to be formed under the laws of this  
316 state or may acquire ~~the capital stock of any corporation or~~  
317 ~~corporations~~ equity interest in any lawful form of business  
318 organization.

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

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

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

336 b. The housing authority's executive director serves as



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337 the president of the corporate agent.

338 c. The organizational documents of the corporate agent  
339 contain provisions that in the event of a change in the  
340 controlling interests of the corporate agent, all public  
341 housing assets of the corporate agent are returned to the  
342 housing authority.

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

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

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

364 (f) To the extent that an authority is using any state



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365 or local funds, evaluation criteria for a contract procured  
366 pursuant to this section shall be made in compliance with  
367 Title 39 as applicable.

368 (g) All financial obligations assumed, incurred, or  
369 issued by an authority, or by a lawful business organization  
370 of which the authority is a member, shall be solely and  
371 exclusively an obligation of the authority or the lawful  
372 business organization and shall not create a direct, indirect,  
373 or contingent obligation or pecuniary liability or general  
374 obligation, or charge against the general assets, credit,  
375 funds, property, revenues, or taxing power of the county that  
376 authorized the formation of the authority.

377 (h) Neither a county commission that authorized the  
378 formation of a county housing authority nor the county  
379 commission's members or employees shall be liable in their  
380 official capacity or in a private capacity for the actions or  
381 inactions of the authority, its members, officers, employees,  
382 agents, or representatives, or for the actions or inactions of  
383 any lawful business organization of which the authority is a  
384 member."

385 Section 2. (a) All of the following shall be exempt  
386 from all state taxes, including, but not limited to, deed  
387 taxes or mortgage taxes:

388 (1) A county housing authority and the authority's  
389 property and income.

390 (2) Bonds issued by the authority.

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

392 (4) Conveyances to or from the authority.



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393 (5) Leases, mortgages, or deeds of trust to or from the  
394 authority.

395 (b) An authority may be exempted from the taxes levied  
396 by a county, municipality, or other political subdivision of  
397 the state, including, but not limited to, deed taxes, mortgage  
398 taxes, license taxes, or excise taxes. The exemption provided  
399 by this subsection shall only apply if approved by a  
400 resolution or ordinance adopted by the local governing body of  
401 the county.

402 (c) The exemptions from state taxes created by  
403 subsection (b) shall apply to any wholly owned subsidiary of  
404 an authority.

405 (d) A county housing authority may be exempt from all  
406 fees, taxes, or other costs imposed by a judge of probate, if  
407 approved by a resolution adopted by the local governing body  
408 of the county.

409 Section 3. This act shall become effective on June 1,  
410 2025.





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### House of Representatives

414 Read for the first time and referred .....04-Feb-25  
415 to the House of Representatives  
416 committee on State Government

417  
418 Read for the second time and placed .....03-Apr-25  
419 on the calendar:  
420 0 amendments

421  
422 Read for the third time and passed .....10-Apr-25  
423 as amended  
424 Yeas 96  
425 Nays 6  
426 Abstains 1

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John Treadwell  
Clerk