

HB91 INTRODUCED



1 HB91
2 55IW633-1
3 By Representative Clarke
4 RFD: State Government
5 First Read: 04-Feb-25
6 PFD: 24-Jan-25



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SYNOPSIS:

Under existing law, a county housing authority has numerous powers.

This bill would provide further powers to a county housing authority to manage housing projects and community facilities, including powers to participate in lawful forms of business organizations, make loans, create subsidiaries or other lawful business organizations, and enter into contracts.

This bill would ratify the creation of any wholly-owned subsidiary of a county housing authority.

This bill would further provide for a county housing authority's power to evaluate and award contracts.

This bill would exempt county housing authorities from all taxes.

This bill would also make nonsubstantive, technical revisions to update the existing code language to current style.

A BILL
TO BE ENTITLED
AN ACT



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29 Relating to county housing authorities; to amend
30 Sections 24-1-61 and 24-1-66, Code of Alabama 1975; to further
31 provide for the powers of a county housing authority; to
32 ratify certain previously created subsidiaries of county
33 municipal authorities; to exempt county housing authorities
34 from all taxes; and to make nonsubstantive, technical
35 revisions to update the existing code language to current
36 style.

37 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

38 Section 1. Sections 24-1-61 and 24-1-66, Code of
39 Alabama 1975, are amended to read as follows:

40 "§24-1-61

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

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

50 ~~(2)~~ (5) COUNTY. All of the county except ~~that~~ any
51 portion which lies within the territorial boundaries of any
52 ~~city or incorporated town~~ municipality.

53 ~~(3)~~ (6) COUNTY COMMISSION. The governing body of any
54 county.

55 ~~(4)~~ (9) HOUSING COMMISSIONER. One of the members of an
56 authority appointed in accordance with the provisions of this



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57 article.

58 ~~(5)~~ (8) GOVERNMENT. ~~Such term shall include the~~The state
59 ~~and or~~ federal governments ~~and or~~ any subdivision, agency, or
60 instrumentality, corporate or otherwise, of either ~~of them~~.

61 ~~(6)~~ (16) STATE. The State of Alabama.

62 (7) FEDERAL GOVERNMENT. ~~Such term shall include the~~The
63 United States of America, the ~~federal Secretary~~ United States
64 Department of Housing and Urban Development, or any agency,
65 instrumentality, corporate or otherwise, of the United States
66 of America.

67 ~~(8)~~ (10) HOUSING PROJECT. ~~Such term shall include all~~All
68 real and personal property, buildings and improvements,
69 stores, offices, public school buildings, lands for farming
70 and gardening, and community facilities acquired or
71 constructed, or to be acquired or constructed, pursuant to a
72 single plan of undertaking to demolish, clear, remove, alter,
73 or repair unsanitary or unsafe housing or to provide urban or
74 rural dwelling accommodations at rentals within the means of
75 persons of low income. The term ~~"housing project"~~ may also be
76 applied to the planning of the buildings and improvements ;
77 the acquisition of property ; the demolition of existing
78 structures ; the construction, reconstruction, alteration, and
79 repair of the improvements ; and all other work in connection
80 therewith.

81 ~~(9)~~ (3) COMMUNITY FACILITIES. ~~Such term shall include~~
82 ~~real~~Real and personal property and buildings and equipment for
83 recreational or social assemblies ; ~~or~~ for educational, health,
84 or welfare purposes ; and necessary utilities, when designed



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85 primarily for the benefit and use of the occupants of the
86 dwelling accommodations.

87 ~~(10)~~ (14) PERSONS OF LOW INCOME. ~~Persons~~ Individuals
88 receiving less than the incomes determined by the authority as
89 the amount ~~persons~~ individuals must receive to enable them to
90 pay the rent necessary to secure safe, sanitary, and
91 uncongested dwelling accommodations, other than dwelling
92 accommodations provided by a public housing agency or
93 authority of the county, within the boundaries of the
94 authority. Such determinations by the authority ~~from time to~~
95 ~~time~~ shall be binding and conclusive for all purposes of this
96 article.

97 ~~(11)~~ (2) BONDS. Any bonds, interim certificates, notes,
98 debentures, warrants, or other obligations of the authority
99 issued pursuant to this article.

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

105 ~~(13)~~ (17) TRUST INDENTURE. ~~Such term shall include~~
106 ~~instruments~~ Instruments pledging the revenues of real or
107 personal properties, but not conveying such properties or
108 conferring a right to foreclose and cause a sale thereof.

109 ~~(14)~~ (4) CONTRACT. Any agreement of an authority with or
110 for the benefit of an obligee, whether contained in a
111 resolution, trust indenture, mortgage, lease, bond, or other
112 instrument.



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113 (15) REAL PROPERTY. ~~Such term shall include lands~~Lands,
114 lands under water, structures, and any and all easements,
115 franchises and incorporeal hereditaments and every estate and
116 right therein, legal and equitable, including terms for years
117 and liens by way of judgment, mortgage or otherwise, but only
118 so far as such may, from time to time, be treated as real
119 property by the laws of Alabama applicable to other persons ~~or~~
120 ~~corporations~~.

121 ~~(16)~~ (13) OBLIGEE OF THE AUTHORITY or OBLIGEE. ~~Such term~~
122 ~~shall include any~~Any bondholder, trustee, or trustees for any
123 bondholders, any lessor demising property to the authority
124 used in connection with a housing project or any assignee or
125 assignees of such lessor's interest, or any part thereof, and
126 the United States of America, when it is a party to any
127 contract with the authority.

128 (11) MIXED-USE PROJECT. Any development project that
129 provides more than one use or purpose within a shared building
130 or development and which may include any combination of
131 housing, lodging, office, retail, medical, recreational,
132 commercial, governmental, industrial, or other components."

133 "§24-1-66

134 (a) An authority shall constitute a public body and a
135 body corporate and politic exercising public powers, and
136 ~~having~~ shall have all the powers necessary or convenient to
137 carry out and effectuate the purposes ~~and provisions~~ of this
138 article, including the following powers in addition to others
139 granted in this article:

140 (1) To investigate ~~into~~ living, dwelling, ~~and~~ or



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141 housing conditions and ~~into~~ the means and methods of improving
142 ~~such~~ conditions ~~;~~ .

143 (2) To determine where unsafe or unsanitary dwelling,
144 public school, or housing conditions exist ~~;~~ .

145 (3) To study and make recommendations concerning the
146 plan of the county ~~in relation~~ related to the problem of
147 clearing, replanning, and reconstruction of areas in which
148 unsafe or unsanitary dwelling, public school, or housing
149 conditions exist ~~;~~ and; the provision of dwelling
150 accommodations for persons of low income ~~;~~ and to cooperate; or
151 cooperation with the county or any regional planning agency ~~;~~ .

152 (4) To prepare, carry out, ~~and~~ or operate housing
153 projects ~~;~~ .

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

157 (6) To take over by purchase, lease, or otherwise any
158 housing project undertaken by any government or by the
159 county ~~;~~ .

160 (7) To manage as agent of the county any housing
161 project constructed or owned by the county ~~;~~ .

162 (8) To act as agent for the federal government in
163 connection with the acquisition, construction, operation, or
164 management of a housing project or any part ~~thereof;~~ of a
165 housing project.

166 (9) To arrange with any ~~city or town~~ municipality or
167 the county or with ~~a~~ any other government for the furnishing,
168 planning, replanning, opening ~~;~~ or closing of streets, roads,



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169 roadways, alleys, ~~or other~~ places, , or facilities, or for the
170 acquisition by the county or ~~a~~ another government, ~~,~~ of
171 property, options or property rights, , or for the furnishing of
172 property or services in connection with a project ~~;~~ .

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

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

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

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

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

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

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



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197 (17) To borrow money upon its bonds, notes, warrants,
198 debentures, or other evidences of indebtedness and to secure
199 the same by pledges of its revenues, and, subject to the
200 limitations ~~hereinafter~~ imposed by this article, by mortgages
201 upon property held or to be held by it, or in any other
202 manner ~~;~~ .

203 (18) In connection with any loan, to agree to
204 limitations upon its right to dispose of any housing project,
205 or part ~~thereof~~ of a housing project, or to undertake
206 additional housing projects ~~;~~ .

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

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

214 (21) To sue and be sued ~~;~~ .

215 (22) To have a seal and to alter the ~~same at pleasure~~ ~~;~~
216 seal.

217 (23) To have perpetual succession ~~;~~ .

218 (24) To make and execute contracts ~~and~~ or other
219 instruments necessary or convenient to the exercise of the
220 powers of the authority ~~;~~ .

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



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

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

234 (28) To make available to~~such~~ any agencies, boards, or
235 commissions~~as are~~ charged with the duty of abating nuisances
236 or demolishing unsafe or unsanitary structures within~~its~~ the
237 authority's territorial limits~~;~~ its findings and
238 recommendations with regard to any building or property where
239 conditions exist which are dangerous to the public health,
240 morals, safety, or welfare~~;~~and.

241 (29) To operate, lease, convey, or otherwise manage any
242 housing project, community facility, or mixed-use project upon
243 terms the authority deems appropriate, useful, or expedient,
244 regardless of who owns or will own or acquire the project or
245 facility.

246 (30) To participate in any lawful form of business
247 organization that is involved in the development or
248 operational activities of any buildings, structures,
249 facilities, or other improvements constituting a housing
250 project, community facility, or mixed-use project that the
251 board of directors of the authority determines are
252 appropriate, useful, or expedient to the authority's purposes.



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253 An authority may appoint an individual to a governing body or
254 to enter into a contract or other agreement with another party
255 for the development, operation, design, marketing,
256 maintenance, financing, leasing, or use of any housing
257 project, community facility, or mixed-use project upon terms
258 the authority's board of directors determines are appropriate,
259 useful, or expedient to the authority's purposes. Any
260 determination by the board of directors shall be conclusive.

261 (31) To make or arrange for loans, contributions to
262 capital, or other debt or equity financing for the activities
263 of any lawful business organization of which the authority is
264 a member; to guarantee loans, issue bonds, or incur other
265 forms of indebtedness on behalf of any lawful business
266 organization of which the authority is a member; or to loan
267 funds to other entities upon terms the authority determines
268 are appropriate, useful, or expedient for the authority's
269 purposes. Any determination by the board of directors shall be
270 conclusive. Any agreements or contracts entered into by an
271 authority shall be subject to Section 24-1-40.

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

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

278 (34) To accomplish or facilitate the creation,
279 establishment, acquisition, development, operation, or support
280 of any subsidiary, affiliate, or other nonaffiliated lawful



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281 business organization by means of loans of funds, leases of
282 real or personal property, gifts or grants of funds, or
283 guarantees of indebtedness, or contractual performance of
284 subsidiaries, affiliates, or nonaffiliated public or private
285 parties.

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

289 a. Design-build, design-build-operate,
290 design-build-own-operate, design-build-own-operate-maintain,
291 design-build-finance-operate-maintain, or other similar
292 arrangements or agreements pursuant to which the design,
293 right-of-way acquisition, relocation of structures or
294 utilities, construction, financing, ownership, management,
295 maintenance, or operation of a housing project or community
296 facility is accomplished by or on behalf of the authority.

297 b. Leases, licenses, franchises, concessions, or other
298 agreements for the development, operation, management,
299 financing, or undertaking of all or any part of a housing
300 project or community facility on or on behalf of the
301 authority.

302 ~~(29)~~ (36) To do all things necessary or convenient to
303 carry out the powers given in this article.

304 (b) Any of the investigations or examinations provided
305 for in this article may be conducted by the authority~~, or;~~ by
306 a committee appointed by ~~it,~~ the authority consisting of one
307 or more housing commissioners~~, or;~~ by counsel~~;~~ or by an
308 officer or employee ~~specifically~~ specifically authorized by the



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309 authority ~~to conduct it~~. Any housing commissioner, counsel ~~for~~
310 ~~the authority,~~ or ~~any other~~ person designated by ~~it~~ the
311 authority to conduct an investigation or examination ~~shall~~
312 ~~have power to~~ may administer oaths, take affidavits, ~~and or~~
313 issue subpoenas or commissions.

314 (c) (1) An authority may exercise ~~any or~~ all of the
315 powers conferred upon it in this article, either generally or
316 with respect to any specific housing project or ~~projects~~
317 community facility, through or by an agent or agents which it
318 may designate, including any ~~corporation or corporations which~~
319 ~~are~~ lawful form of business organization that is or ~~shall~~ may
320 be formed under the laws of this state, and for such purposes
321 an authority may cause ~~one or more corporations~~ any lawful
322 form of business organization to be formed under the laws of
323 this state or may acquire ~~the capital stock of any corporation~~
324 ~~or corporations~~ equity interest in any lawful form of business
325 organization.

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

331 (3) Any corporate agent established under this section
332 that satisfies each of the following criteria shall constitute
333 a governmental entity under Chapter 93 of Title 11, and any
334 suits in torts against the agent shall be subject to the
335 limitations and provisions of Chapter 93 of Title 11, as
336 applicable to each corporate agent whose assets, operations,



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337 and management are legally and effectively controlled by the
338 housing authority and through which the housing authority's
339 functions or policies are implemented:

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

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

345 c. The organizational documents of the corporate agent
346 contain provisions that in the event of a change in the
347 controlling interests of the corporate agent, all public
348 housing assets of the corporate agent are returned to the
349 housing authority.

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

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

364 (e) Any previous creation, establishment,



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365 incorporation, or formation by any authority of any business
366 entity wholly owned by the authority, together with all
367 proceedings, acts, or other things undertaken, performed, or
368 done by the entity prior to June 1, 2025, are validated,
369 ratified, confirmed, approved, and declared legal in all
370 respects.

371 (f) Notwithstanding any provision of law to the
372 contrary, proposals under this section may be evaluated or
373 awarded by the authority based on the qualifications of
374 participants or the best value, or both, as evaluated by the
375 procedures of the authority and taking into consideration the
376 best interests of the authority. Evaluation criteria for a
377 contract procured pursuant to this subsection shall be set
378 forth in the contract's request for proposal. A contract may
379 also be awarded through any existing procurement authority,
380 proposal, or any other means of procurement available to the
381 authority."

382 Section 2. (a) For the purposes of this section, the
383 term "county housing authority" shall have the same meaning as
384 in Section 24-1-61, Code of Alabama 1975.

385 (b) All of the following shall be exempt from all
386 taxation in this state, including, but not limited to, deed
387 taxes, mortgage taxes, license taxes, or excise 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 (c) A county housing authority shall be exempt from all
396 fees, taxes, or other costs imposed by a judge of probate.

397 (d) The exemptions created pursuant to this section
398 shall apply to any wholly-owned subsidiary of a county housing
399 authority.

400 Section 3. This act shall become effective on June 1,
401 2025.