



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



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 housing authorities; to exempt county housing authorities from
34 all taxes in certain circumstances; and to make
35 nonsubstantive, technical revisions to update the existing
36 code language to current 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



57 article.

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

62 ~~(6)~~ (16) STATE. The State of Alabama.

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

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

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



or welfare purposes; and necessary utilities, when designed primarily for the benefit and use of the occupants of the dwelling accommodations.

~~(10)~~ (14) PERSONS OF LOW INCOME. ~~Persons~~ Individuals receiving less than the incomes 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 a public housing agency or authority of the county, 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.

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

(12) MORTGAGE. ~~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.

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

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



instrument.

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

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

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

"§24-1-66

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



141 (1) To investigate~~into~~ living, dwelling,~~and or~~
142 housing conditions and~~into~~ the means and methods of improving
143 ~~such~~ conditions~~;~~.

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

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

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

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

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

161 (7) To manage as agent of the county any housing
162 project constructed or owned by the county; however, an
163 authority shall not be deemed to be acting as an agent of the
164 county when managing a housing project not constructed or
165 owned by the county or when managing any community facility or
166 mixed-use project.

167 (8) To act as agent for the federal government in
168 connection with the acquisition, construction, operation, or



management of a housing project or any part ~~thereof;~~ of a housing project.

(9) To arrange with any ~~city or town~~ municipality or the county or with ~~a~~ any other government for the furnishing, planning, replanning, opening~~,~~ or closing of streets, roads, roadways, alleys, ~~or other~~ places~~,~~ or facilities, or for the acquisition by the county or ~~a~~ another government~~,~~ 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~~,~~ ~~or otherwise,~~ any property, real or personal, or any interest therein in property from any ~~person, firm, corporation, city, county, 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, county, or government;~~ entity.

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

(15) To insure or provide for the insurance of the property or operations of the authority against ~~such~~ risks as



the authority may deem advisable~~+~~.

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

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

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

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

(20) 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~~+~~.

(21) To sue and be sued~~+~~.

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

(23) To have perpetual succession~~+~~.

(24) To make and execute contracts ~~and~~ or other instruments necessary or convenient to the exercise of the



225 powers of the authority~~;~~.

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

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

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

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

246 (29) To operate, lease, convey, or otherwise manage any
247 housing project, community facility, or mixed-use project upon
248 terms the authority deems appropriate, useful, or expedient,
249 regardless of who owns or will own or acquire the project or
250 facility.

251 (30) To participate in any lawful form of business
252 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 that 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. 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.

(31) 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 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. Any agreements or contracts entered into by an authority shall be subject to Section 24-1-40.



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

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

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

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

298 a. Design-build, design-build-operate,
299 design-build-own-operate, design-build-own-operate-maintain,
300 design-build-finance-operate-maintain, or other similar
301 arrangements or agreements pursuant to which the design,
302 right-of-way acquisition, relocation of structures or
303 utilities, construction, financing, ownership, management,
304 maintenance, or operation of a housing project or community
305 facility is accomplished by or on behalf of the authority. To
306 the extent that an authority is using any state or local
307 public funds to pay for goods or services in connection with
308 this paragraph, the authority shall comply with Title 39 as



309 applicable.

310 b. Leases, licenses, franchises, concessions, or other
311 agreements for the development, operation, management,
312 financing, or undertaking of all or any part of a housing
313 project or community facility on or on behalf of the
314 authority.

315 ~~(29)~~ (36) To do all things necessary or convenient to
316 carry out the powers given in this article.

317 (b) Any of the investigations or examinations provided
318 for in this article may be conducted by the authority~~, or;~~ by
319 a committee appointed by ~~it,~~ the authority consisting of one
320 or more housing commissioners~~, or;~~ by counsel~~;~~ or by an
321 officer or employee ~~specifically~~ specifically authorized by the
322 authority ~~to conduct it.~~ Any housing commissioner, counsel ~~for~~
323 ~~the authority,~~ or ~~any other~~ person designated by ~~it~~ the
324 authority to conduct an investigation or examination ~~shall~~
325 ~~have power to~~ may administer oaths, take affidavits, ~~and or~~
326 issue subpoenas or commissions.

327 (c) (1) An authority may exercise ~~any or~~ all of the
328 powers conferred upon it in this article, either generally or
329 with respect to any specific housing project or ~~projects~~
330 community facility, through or by an agent or agents which it
331 may designate, including any ~~corporation or corporations which~~
332 ~~are~~ lawful form of business organization that is or ~~shall~~ may
333 be formed under the laws of this state, and for such purposes
334 an authority may cause ~~one or more corporations~~ any lawful form
335 of business organization to be formed under the laws of this
336 state or may acquire ~~the capital stock of any corporation or~~



337 ~~corporations~~ equity interest in any lawful form of business
338 organization.

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

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

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

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

358 c. The organizational documents of the corporate agent
359 contain provisions that in the event of a change in the
360 controlling interests of the corporate agent, all public
361 housing assets of the corporate agent are returned to the
362 housing authority.

363 d. The sole purpose for which the corporate agent is
364 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 powers 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 pursuant to this section shall be made in compliance with Title 39 as applicable.

(g) All financial obligations assumed, incurred, or issued by an authority, or by a lawful business organization of which the authority is a member, shall be solely and exclusively an obligation of the authority or the lawful business organization and shall not create a direct, indirect,



or contingent obligation or pecuniary liability or general obligation, or charge against the general assets, credit, funds, property, revenues, or taxing power of the county that authorized the formation of the authority.

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

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

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

(2) Bonds issued by the authority.

(3) Income from bonds issued by the authority.

(4) Conveyances to or from the authority.

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

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



421 the county.

422 (c) The exemptions from state taxes created by
423 subsection (b) shall apply to any wholly owned subsidiary of
424 an authority.

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

429 Section 3. This act shall become effective on June 1,
430 2025.