

SB194 INTRODUCED



1 SB194
2 DG2P1NT-1
3 By Senator Melson
4 RFD: Agriculture, Conservation, and Forestry
5 First Read: 25-Feb-25



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SYNOPSIS:

Under existing law, an agriculture authority is vested with certain powers, including powers relating to real property.

This bill would authorize an agriculture authority to terminate or move easements on authority owned property using the power of eminent domain in the same manner as the state.

A BILL
TO BE ENTITLED
AN ACT

Relating to agriculture authorities; to amend Section 11-20-73, as last amended by Act 2024-236, 2024 Regular Session, Code of Alabama 1975, to authorize authorities to terminate or move easements on authority property via eminent domain.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 11-20-73, as last amended by Act 2024-236, 2024 Regular Session, Code of Alabama 1975, is amended to read as follows:

"§11-20-73

(a) An agriculture authority shall have the following



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29 powers, which it may exercise in the agriculture authority's
30 authorized operational area:

31 (1) To have succession by its corporate name until
32 dissolved as provided in this article.

33 (2) To adopt bylaws making provisions for its actions
34 not inconsistent with this article.

35 (3) To institute and defend legal proceedings in any
36 court of competent jurisdiction and proper venue; provided,
37 however, that the board may not be sued in any trial court
38 other than the courts of the county of incorporation;
39 provided, further, that the officers, directors, agents, and
40 employees of an agriculture authority may not be sued for
41 their actions on behalf of the authority except for actions
42 that are unreasonable or known by the person to be unlawful or
43 are performed with reckless disregard for the lawfulness of
44 such actions.

45 (4) To plan for construction and development of an
46 agriculture center within the operational area of the
47 agriculture authority on property owned by the authority.
48 Construction and development may include, without limitation,
49 any or all of the following:

50 a. Buildings to hold offices for use by the federal
51 government, the state or any agency of the state, the county,
52 or one or more municipalities within the county.

53 b. Buildings to house or accommodate public facilities
54 of the federal government, the state or any agency of the
55 state, the county, or one or more municipalities within the
56 county.



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57 c. Streets, boulevards, walkways, parkways, parks, or
58 other places of recreation.

59 d. Monuments, statues, or other structures beautifying
60 the agriculture center.

61 e. Community houses, meeting houses, or auditoriums.

62 f. Arenas, convention halls, sports facilities,
63 stadiums, hotels or other facilities for use as a transient
64 guest housing facility, multifamily housing, dormitory
65 housing, food courts or other food venue facilities, any
66 facilities that provide for or support any public or private
67 educational institution, and any other facilities related to
68 or incidental to the foregoing.

69 g. Music halls, art museums, art exhibits, or other
70 exhibits for the advancement of the humanities and cultural
71 development.

72 h. Any other buildings, structures, facilities, and
73 other improvements that the board of directors of the
74 agriculture authority determines are appropriate, useful, or
75 expedient to the authority's purposes from time to time. The
76 determination of the authority board of directors shall be
77 conclusive.

78 (5) To acquire property and rights and interests in
79 property by gift, grant, lease, or purchase.

80 (6) To accept or receive gifts, bequests, and devises.

81 (7) To have and use a corporate seal and alter the seal
82 at its pleasure.

83 (8) To appoint officers, agents, employees, and
84 attorneys and to fix their compensation.



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85 (9) To hire professionals and enter into contracts for
86 their services in designing and supervising the construction
87 of any building, agriculture center, auditorium, arena,
88 convention hall, music hall, art museum, place of recreation,
89 art exhibit, office building, or other structure that it
90 desires to construct.

91 (10) To make and enter into contracts and to execute
92 all instruments necessary or convenient to lease or purchase
93 and own real or personal property to be used for the
94 furtherance of the purposes for the accomplishment of which
95 the authority is created.

96 (11) To plan for programs and exhibits in the
97 agriculture center for the advancement of the agricultural,
98 cultural, and workforce development interests of the citizens
99 of the county and of the municipalities thereof.

100 (12) To purchase or lease real property and rights or
101 easements therein necessary or convenient for its purposes and
102 to use the same so long as its existence shall continue.

103 (13) To accept pledges of revenues or grants of money
104 from any person or governmental entity.

105 (14) To sell and lease its property to any person or
106 governmental entity.

107 (15) To enter into financing agreements with federal or
108 state agencies that may require the authority to mortgage its
109 property.

110 (16) To plan for programs and exhibits in the
111 agriculture center for the advancement of agricultural and
112 workforce development interests in the county.



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141 any person locating a project in the authority's operational
142 area and may enter into contracts or options, including
143 contracts or options for the conveyance, sale, or lease of
144 property, to the person and make direct grants of money,
145 property, or services for the purpose of inducing the person
146 to locate a project in the authority's operational area.

147 (20) To enter into deeds, mortgages, leases, loan
148 agreements, or other agreements with any person.

149 (21) To acquire real property for the purpose of
150 establishing one or more agriculture centers; to improve
151 agriculture center sites, whether owned by the authority or by
152 any other person, including the improvement of the centers or
153 sites by the construction of roads, curbing, gutters,
154 drainage, sewerage, utilities, railroad spurs, docks, harbors,
155 ports, grading, and the like; to construct, for its own
156 account or the account of others, improvements thereon,
157 including any project, for the purpose of conveying, leasing,
158 or selling the same to any person, including the power to
159 convey, lease, or sell the same for its own account or to
160 construct the same as an inducement for any person to locate
161 and operate a project in the agriculture center or operational
162 area, even though the person may not have been identified at
163 the time that the improvement may be constructed.

164 (22) To sell, exchange, donate, and convey any or all
165 of its properties whenever its board of directors finds the
166 action to be in furtherance of the purposes for which the
167 authority was organized.

168 (23) To issue its bonds for the purpose of carrying out



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169 any of its powers and to apply proceeds from the sale of its
170 bonds, whether heretofore or hereafter issued, not only for
171 payment of interest thereon prior to and during the
172 construction and equipment of any buildings, structures,
173 facilities, or other improvements being financed thereby, but
174 also for payment of interest thereon.

175 (24) To mortgage and pledge any or all of its
176 properties both real and personal or any part or parts
177 thereof, as security for the payment of the principal of and
178 the interest on any bonds so issued and any agreements made in
179 connection therewith, whether then owned or thereafter
180 acquired, and to pledge the revenues and receipts therefrom or
181 from any thereof.

182 (25) To enter into contracts, agreements, options,
183 leases, loan agreements, deeds, and other instruments, and to
184 take other actions as may be necessary or convenient to
185 accomplish any purpose for which an authority is organized or
186 to exercise any power expressly granted hereunder.

187 (26) To enter into contracts, agreements, leases, or
188 other instruments, either independently or through another
189 entity, to design, develop, construct, own, or operate any
190 commercial facility, to acquire lands or other assets for the
191 facility, to raise revenue from the operation of the facility,
192 and to use any revenue from the operation of the facility to
193 fund projects and operations in support of the authority's
194 mission, including the payment of any expenses and debt of the
195 authority. The power provided in this subdivision shall
196 include the power to make advance payments to third parties



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197 for services.

198 (27) To terminate or relocate an easement on property
199 owned by the authority using the same power of eminent domain
200 as the state possesses, which shall be exercised in the same
201 manner and under the same conditions as are provided by law
202 for the exercise of the power of eminent domain by the state.

203 (b) Contracts of an agriculture authority shall be
204 executed in the name of the authority by the chair and
205 attested by the secretary of the authority. The board may
206 provide by resolution for a different form for the execution
207 of a contract by an officer or agent other than the chair and
208 secretary. A contract, irrespective of its form and of the
209 persons executing the contract, shall not be binding unless
210 the contract is authorized or ratified by the board.

211 (c) An agriculture authority may deposit its funds not
212 needed to meet expenses or obligations in any bank or building
213 and loan association, provided the deposit is fully insured by
214 a federal corporation or agency of the federal government
215 insuring deposits in financial institutions.

216 (d) In exercising the powers enumerated in this
217 section, all mortgages, contracts, judgments, investments,
218 loans, debts, and other obligations of any sort of the
219 authority due to any third party shall be recovered and
220 enforced only against the authority unless the county
221 commission approving the formation of the authority
222 specifically agrees to accept the obligation by a separate
223 affirmative vote of a majority of the members of the county
224 commission.



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253 shareholder; any joint venture in which the authority is a
254 joint venture; any limited partnership or general partnership
255 of which the authority is a general or limited partnership;
256 any nonprofit corporation in which the authority is a member
257 of any other lawful form of business organization of which the
258 authority is a member; and to guarantee loans, issue bonds, or
259 incur other forms of indebtedness on behalf of the
260 corporation, joint venture, partnership, nonprofit
261 corporation, or other business entity, for such purposes. An
262 authority may loan funds that include seller financing
263 arrangements whereby the authority is a seller to other
264 governmental entities or other business entities whether for
265 profit or nonprofit and whether affiliated or non-affiliated
266 with the authority, upon the terms as the authority shall
267 determine appropriate, useful, or expedient for the
268 authority's purposes and the determination by the authority
269 shall be conclusive.

270 (3) To create, establish, acquire, operate, or support
271 subsidiaries and affiliates, either for profit or nonprofit,
272 to assist the authority in fulfilling its purposes.

273 (4) To create, establish, or support nonaffiliated for
274 profit or nonprofit corporations or other lawful business
275 organizations that operate and have as their purposes the
276 furtherance of the authority's purposes.

277 (5) Without limiting the generality of subdivisions (1)
278 through (4), to accomplish and facilitate the creation,
279 establishment, acquisition, development, operation, or support
280 of any subsidiary, affiliate, nonaffiliated corporation, or



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309 contract may also be awarded through any existing procurement
310 authority, proposals, or other means of procurement otherwise
311 available to the authority."

312 Section 2. This act shall become effective on October
313 1, 2025.