

SB271 ENROLLED



1 SB271
2 JPAP4YN-2
3 By Senator Allen
4 RFD: Transportation and Energy
5 First Read: 01-Apr-25



SB271 Enrolled

Enrolled, An Act,

Relating to municipalities; to amend Section 11-49-1, Code of Alabama 1975, to prohibit municipalities from imposing certain fees or charges on natural or manufactured gas utilities in connection with the granting of consent to use public streets and places; 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. Section 11-49-1, Code of Alabama 1974, is amended to read as follows:

"§11-49-1

(a) No person, firm, association, or corporation ~~shall be authorized to~~ may use the streets, avenues, alleys, and other public places of cities or towns for the construction or operation of any public utility or private enterprise without first obtaining the consent of the proper authorities of the city or town.

(b) No electric supplier, as defined in Section 37-14-31~~(1)~~, which has an assigned service territory established by general law ~~enacted by the Legislature and which is~~ subject to payment of a privilege or license tax or other tax or fee established by general law ~~enacted by the Legislature~~ to a city or town which authorizes a levy not to exceed three percent of the gross receipts of the business done by the electric supplier in the municipality during the



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preceding year, and which authorizes a levy not to exceed one and one-half percent of the gross receipts of the business done by the electric supplier in the police jurisdiction of the municipality during the preceding year, shall be subject to any separate fee, charge, tax, or other payment to the city or town in connection with the consent required under subsection (a) or any consent required otherwise by law.

(c) ~~Nothing herein~~ in this section shall affect any franchise fee, charge, tax, or other payment being currently paid by an electric supplier under a franchise agreement in effect on April 28, 2009, or any extension, assignment, or renewal at the same rate.

(d) Any franchise fee, charge, tax, or other payment paid by a natural or manufactured gas utility, as defined in Section 37-4-1(7)b., which is subject to the general supervision of the Alabama Public Service Commission pursuant to Section 37-1-32, and to payment of a privilege or license tax or other tax or fee established by general law to a city or town which authorizes a levy not to exceed three percent of the gross receipts of the business done by the natural or manufactured gas utility in the municipality during the preceding year, and which authorizes a levy not to exceed one and one-half percent of the gross receipts of the business done by the natural or manufactured gas utility in the police jurisdiction of the municipality during the preceding year, are prohibited from being increased after December 31, 2025, unless the increase is approved by a majority of the qualified electors residing in the municipality who vote on the proposed



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increase at an election held pursuant to Chapter 46.

~~(d)~~ (e) (1) ~~The provisions of subsection~~ Subsections (b) and (d) shall not be construed to affect the application of any of the following:

~~(1) health~~ a. Health, safety, and welfare rules and regulations to electric suppliers or natural gas or manufactured gas utilities, including, without limitation, payment of reasonable permit fees designed to recover the costs of processing and administering permits generally applicable to all other businesses holding permits issued by the cities or towns~~+~~.

~~(2) payment~~ b. Payment of publication costs associated with approval of a franchise as required by statute~~+~~.

~~(3) any~~ c. Any requirements stated in the franchise that the electric supplier or natural or manufactured gas utility repair and remediate property of the municipality damaged by the electric supplier's or natural or manufactured gas utility's operation and maintenance of its facilities and that the electric supplier or natural or manufactured gas utility indemnify the municipality for negligence or wrongful conduct of the electric supplier or natural or manufactured gas utility, or the electric supplier's or natural or manufactured gas utility's officers, agents, employees, or independent contractors, in the construction, operation, and maintenance of its facilities installed pursuant to the franchise~~+~~~~or~~.

~~(4) any~~ d. Any tort, contract, or other civil liability that would exist independently of the franchise.



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85 ~~(2) The provisions of this~~ This subsection ~~are is~~
86 intended to ~~be~~ provide examples of municipal powers that are
87 unaffected by ~~subsection~~ subsections (b) and (d) and shall not
88 be construed as limitations on the rights and powers of
89 municipalities.

90 ~~(e)~~ (f) Nothing in subsections (b) ~~to (d)~~ through (e),
91 ~~inclusive~~, shall affect the right of cities or towns to charge
92 electric suppliers, which have an assigned service territory,
93 or natural or manufactured gas utilities franchise fees for
94 their use of the streets, avenues, alleys, and other public
95 places of the cities or towns to provide services to the
96 public such as cable, voice, data, video, or other
97 ~~non-electric~~ nonelectric services and nonnatural or
98 manufactured gas services for which other providers are
99 required to pay franchise fees.

100 ~~(f)~~ (g) Should any of subsections (b), ~~(c), (d), or (e)~~
101 through (f) be declared unconstitutional or invalid by a final
102 decision of any court of competent jurisdiction, the remaining
103 subsections (b), (c), (d), ~~and (e)~~, and (f) shall become ~~null~~
104 ~~and~~ void and without effect. Nothing in this section shall be
105 deemed to amend, modify, or otherwise affect in any manner
106 Chapter 14 of Title 37."

107 Section 2. This act shall become effective on June 1,
108 2025.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

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Senate 24-Apr-25
I hereby certify that the within Act originated in and passed
the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 06-May-25

By: Senator Allen