

SB60 INTRODUCED



1 SB60
2 5FUVMM3-1
3 By Senator Albritton
4 RFD: Finance and Taxation General Fund
5 First Read: 04-Feb-25



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SYNOPSIS:

Under existing law, the Alabama Corrections Institution Finance Authority is authorized to issue seven hundred eighty-five million dollars (\$785,000,000) in bonds, as necessary, to implement a prison modernization plan in a phased approach to replace existing bed space in Department of Corrections facilities through the construction of specific new facilities and the renovation and improvement of existing facilities.

This bill would allow the authority to increase the amount of bonds issued to implement the existing prison modernization plan to a total of one billion two hundred eighty-five million dollars (\$1,285,000,000).

A BILL
TO BE ENTITLED
AN ACT

Relating to the finance and construction and renovation of prisons; to amend Section 14-2-12, Code of Alabama 1975, to allow the the Alabama Corrections Institution Finance Authority to increase the amount of bonds issued to implement the existing prison modernization plan to a total of one



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29 billion two hundred eighty-five million dollars
30 (\$1,285,000,000).

31 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

32 Section 1. Section 14-2-12, Code of Alabama 1975, is
33 amended as follows:

34 "§14-2-12

35 (a) The authority is hereby authorized, from time to
36 time, to sell and issue, in addition to all bonds heretofore
37 authorized to be issued by the authority, its bonds in such
38 aggregate principal amounts as may be determined by the
39 corporation to be necessary for ~~For~~ the purpose of providing
40 funds for the acquisition of sites, for the construction,
41 reconstruction, alteration, and improvement of facilities, for
42 the procurement and installation of equipment therefor, and
43 for payment of obligations incurred and the principal of and
44 interest on any temporary loans made for any of the purposes.7
45 ~~the authority is hereby authorized, from time to time, to sell~~
46 ~~and issue, in addition to all bonds heretofore authorized to~~
47 ~~be issued by the authority, its bonds in such aggregate~~
48 ~~principal amounts as may be determined by the corporation to~~
49 ~~be necessary for the purposes, but~~ The aggregate principal
50 amount of additional bonds authorized pursuant to this
51 subsection shall not to exceed twenty-five million dollars
52 (\$25,000,000), plus an additional seven million five hundred
53 thousand dollars (\$7,500,000) pursuant to Act 97-950, ~~in~~
54 ~~aggregate principal amount.~~

55 (b) In addition to the authorization provided in
56 subsection (a), the authority is hereby authorized, from time



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57 to time, to sell and issue its bonds in amounts determined by
58 the authority to be necessary for the acquisition,
59 construction, reconstruction, alteration, and improvement of
60 facilities. Additional bonds may be issued to provide for
61 additional bedspace by improving properties currently owned by
62 the Department of Corrections or the authority. The total
63 additional bonds authorized by this subsection shall not
64 exceed sixty million dollars (\$60,000,000) ~~\$60 million~~.

65 (c) (1) Subject to subdivision (2), in addition to any
66 other authorization provided in this chapter, the authority is
67 hereby authorized, from time to time, to sell and issue bonds
68 in multiple series and in amounts determined by the authority
69 to be necessary to replace existing bed space in Department of
70 Corrections facilities through the implementation of the
71 phased plan set forth in Act 2021-546. The total additional
72 bonds authorized ~~by~~ to facilitate the phased plan set forth in
73 Act 2021-546 may not exceed one billion two hundred
74 eighty-five million dollars (\$1,285,000,000) ~~\$785 million~~.

75 (2) The additional bonds authorized under subdivision
76 (1) shall be issued by the authority as necessary for the
77 projects specified in each phase:

78 a.1. PHASE 1: Effective October 1, 2021, the authority
79 shall be authorized to issue bonds as necessary, and subject
80 to the limitation in this subsection, to fund the following
81 Phase 1 projects:

82 (i) The construction of the specialized men's prison
83 facility.

84 (ii) The construction of the Escambia men's prison



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85 facility.

86 2. Within one year from the completion of the
87 specialized men's prison facility and the Escambia men's
88 prison facility, the Staton, Elmore, and Kilby facilities
89 shall all be closed.

90 3. At a time to be determined by the Department of
91 Corrections, and following the closure of the facilities
92 described in subparagraph 2., the next major Department of
93 Corrections facility to be closed shall be the St. Clair
94 Correctional Facility.

95 b. PHASE 2: Upon substantial completion of at least 60
96 percent of the construction of Phase 1 projects, in the
97 aggregate, or anytime thereafter, as certified by the
98 Commissioner of Corrections, and upon certification by the
99 Director of Finance, the Chair of the House Ways and Means
100 General Fund Committee, and the Chair of the Senate Finance
101 and Taxation General Fund Committee that the General Fund can
102 support additional lease payments from the department to the
103 authority or that the funding otherwise exists to complete any
104 of the Phase ~~1~~2 projects and it is in the best interest of
105 the state to do so, the authority shall be authorized to issue
106 bonds as necessary, and subject to the limitation in this
107 subsection, to fund any of the following Phase 2 projects:

108 1. The construction of a women's prison facility.
109 Within one year of completion of this women's facility, the
110 Julia Tutwiler Prison shall be closed.

111 2. The renovation and improvement, or, if necessary,
112 the demolition and reconstruction, of existing state-owned



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113 prison facilities in Jefferson and Limestone Counties.

114 3. The renovation and improvement, or, if necessary,
115 the demolition and reconstruction, of an existing state-owned
116 men's prison facility to be selected by the authority and to
117 be located in Barbour or Bullock County.

118 c. PHASE 3: Prior to substantial completion of 75
119 percent of the renovation and improvement of Phase 2 projects,
120 in the aggregate, as certified by the Commissioner of
121 Corrections, the Department of Corrections, in consultation
122 with the Joint Legislative Prison Oversight Committee, shall
123 perform an evaluation of men's prison facilities based on a
124 current facilities assessment and inmate population trends to
125 determine if additional facility beds need to be replaced.
126 This evaluation shall include a site assessment of the Bibb
127 Correctional Facility to determine the feasibility of
128 repurposing the existing facility, on existing property, into
129 a correctional or rehabilitation facility or for any other
130 purpose. A copy of the evaluation shall be provided to the
131 Legislature.

132 (3) If bond proceeds exceed the amount authorized in
133 subdivision (1) due to receipt of original issue premium in
134 connection with the sale of bonds or due to any other reason,
135 the bond proceeds in excess of those amounts shall be
136 allocated by the authority for the expense of issuance,
137 including capitalized interest, or as determined necessary for
138 the purposes provided in subdivision (1).

139 (4) Within 30 days of the completion of any bond sale
140 pursuant to this subsection, the authority shall provide a



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141 report in concise, simple language to the Legislature which
142 reflects the date of the issuance of the bonds pursuant to
143 this subsection, total amount of the bonds, maturity date,
144 schedule of payments, including interest and principal, amount
145 of attorney fees, architect fees and bond attorney fees,
146 underwriting fees, and all other costs incurred in the
147 issuance of and sale of the bonds herein authorized, and to
148 what person, firm, corporation, company, or other entity to
149 which any such fees or money is to be or has been paid.

150 (d) Any monetary transactions by the authority
151 completed pursuant to Act 2010-729 and Act 2021-546 shall be
152 fully disclosed to the public.

153 (e) Any bonds issued pursuant to this section shall be
154 sold pursuant to the terms of Section 14-2-16.

155 (f) (1) The authority is strongly encouraged to utilize
156 businesses and companies in all aspects of the bond portions
157 of this chapter that reflect the racial and ethnic diversity
158 of the state.

159 (2) It is the intent of the Legislature that the
160 authority encourage participation by minority businesses in
161 the construction of prison facilities as provided by ~~the~~ Act
162 2021-546. Accordingly, the authority shall adopt a plan that
163 achieves to the greatest extent possible a level of
164 participation by minority businesses, with a focus on ethnic
165 minority businesses, including prevailing ethnic minority
166 businesses. The authority shall administer training programs
167 and other educational activities to enable eligible minority
168 businesses to compete for participation on an equal basis, and



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169 shall focus on developing ethnic minority businesses,
170 including prevailing ethnic minority businesses. The authority
171 shall monitor the results of minority business participation
172 and shall report at least on a quarterly basis the results of
173 minority business participation, with specificity, to the
174 Governor, the President Pro Tempore of the Senate, the Speaker
175 of the House of Representatives, the Senate Minority Leader,
176 and the House Minority Leader."

177 Section 2. This act shall become effective on July 1,
178 2025.