



FISCAL NOTE

House Bill 163

Committee: County and Municipal
Government

Sponsor: Representative Troy Stubbs

Analyst: Mathieu Fuller

Date: 01/21/2026

House Bill 163 as introduced would rename the Property Insurance and Energy Reduction Act to the Property Insurance Reduction and Capital Expenditure Act of Alabama and would remove the authority for a local government to finance certain capital projects, with bonds, and instead provide for local government to place liens of qualifying properties for debt of certain private capital financing. This bill would also cap the fees imposed by local government to offset administrative costs by the lesser of: 1) 1 percent of the principal amount financed; or 2) \$50,000.

This bill would also provide that the private capital provider, rather than the local government, would be responsible for serving all mortgage-holders and lienholders notice of any enforcement actions.

This bill would also prohibit local governments from using public funds to repay any loans or pledging to back any liens between capital providers and property owners.