

SB185 ENROLLED



1 SB185
2 ZQFECWR-2
3 By Senators Coleman-Madison, Waggoner, Smitherman, Woods,
4 Coleman (N & P)
5 RFD: Jefferson County Legislation
6 First Read: 20-Jan-26



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1 Enrolled, An Act,

2

3 Relating to public transportation in counties having a
4 population of 600,000 or more; to amend Section 11-32-7, Code
5 of Alabama 1975, to provide that a transit authority is
6 authorized to participate in business organizations relating
7 to transit operations, land acquisitions, and activities
8 incidental to the operation of the authority; to create,
9 establish, acquire, operate, or support subsidiaries of the
10 authority; to make or arrange for loans for the activities of
11 the business organizations; to provide that the business
12 organizations with which the authority participates shall not
13 have the power of eminent domain; to revise Section 11-32-2,
14 Code of Alabama 1975, to make conforming changes; and to make
15 nonsubstantive, technical revisions to update the existing
16 code language to current style.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Section 11-32-7, Code of Alabama 1975, is
19 amended to read as follows:

20 "§11-32-7

21 (a) The authority shall exercise powers and duties
22 necessary to the discharge of its powers and duties in
23 corporate form as follows:

24 (1) Have succession by its corporate name in perpetuity
25 subject to Section 11-32-20.

26 (2) Sue and be sued in its own name in civil suits and
27 actions and defend suits against it.

28 (3) Adopt and make use of a corporate seal and alter



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29 the same at its pleasure.

30 (4) Adopt and alter bylaws for the regulation and
31 conduct of its affairs and business.

32 (5) Acquire, receive, take, by purchase, gift, lease,
33 devise, or otherwise, and hold property of every description,
34 real, personal, or mixed, whether located in one or more
35 counties or municipalities and whether located within or
36 outside the authorizing county.

37 (6) Make, enter into, and execute contracts,
38 agreements, leases, and other instruments and take other
39 actions as may be necessary or convenient to accomplish any
40 purpose for which the authority was organized, or exercise any
41 power expressly granted under this chapter. It is further
42 provided that personnel employed and vendors hired with funds
43 provided under this chapter shall reflect the racial and
44 gender percentages within the authorizing county.

45 (7) Plan, establish, develop, acquire, purchase, lease,
46 construct, reconstruct, enlarge, improve, maintain, equip, and
47 operate a system for the provision of public transportation
48 service within the authorizing county, or within any other
49 county of the state, and without any requirement that the
50 system be interconnected or otherwise constitute an integrated
51 operational unit.

52 (8) Acquire real and personal property, franchises, and
53 easements deemed necessary or desirable in connection with the
54 system.

55 (9) Establish long-range plans and an annual program
56 for public transportation in consultation with plans adopted



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57 by the Metropolitan Planning Organization and the Regional
58 Planning Commission, the plans and programs to be coordinated
59 with the plans for land use and development by counties and
60 municipalities in the geographic area of the authority, in
61 cooperation with the Regional Planning Commission and the
62 Metropolitan Planning Organization; assure consistency between
63 public transportation plans and related land use policies and
64 plans; and provide for funds sufficient to ensure the planning
65 and consultation as required among the authority, the
66 Metropolitan Planning Organization, and the Regional Planning
67 Commission.

68 (10) Develop or make grants for development of
69 alternative transportation projects designed to enhance access
70 to public transportation service in furtherance of the goal of
71 improved mobility within the system providing public
72 transportation service and in accordance with ~~Section 23~~ U.S.C.
73 § 134 of Title 23 and Chapter 49 U.S.C. § 53 of Title 49 of
74 ~~the United States Code.~~

75 (11) Own, operate, finance, and provide public
76 transportation service within the authorizing county or in any
77 part of any other county upon the terms and for rates or other
78 consideration as the board may prescribe.

79 (12) Provide charter service within the state upon the
80 terms and for the rates or other consideration as the board
81 may prescribe unless prohibited by federal or state law, and
82 use or operate any part of any transportation system owned by
83 the authority in the charter service.

84 (13) Sell and issue bonds of the authority in order to



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85 provide funds for any corporate function, use, or purpose, the
86 bonds to be payable solely from the sources specified in
87 Sections 11-32-9 and 11-32-13.

88 (14) Assume obligations secured by a lien on, or
89 payable out of or secured by a pledge of the revenues from,
90 any transit system or any part thereof, that may be acquired
91 by the authority, any obligation so assumed to be payable by
92 the authority solely from the sources from which bonds of the
93 authority may be made payable pursuant to Sections 11-32-9 and
94 11-32-13.

95 (15) Pledge for payment of any bonds issued or
96 obligations assumed by the authority any revenues from which
97 those bonds or obligations are made payable as provided in
98 this chapter.

99 (16) Execute and deliver, in accordance with Sections
100 11-32-9 and 11-32-13, mortgages and deeds of trust and trust
101 indentures, or either.

102 (17) Exercise the power of eminent domain, except as
103 limited by state law, except the authority may not acquire,
104 without the consent of the owner, any transportation system
105 from which public transportation service is currently being
106 furnished. The authority may not acquire, by eminent domain,
107 ~~acquire~~ any real property or rights owned or held by public or
108 private railroads or utilities.

109 (18) Expend funds for the purchase or lease of
110 materials, equipment, supplies, or other personal property
111 without compliance with Chapter 16 of Title 41.

112 (19) Appoint, employ, contract with, and provide for



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113 the compensation of, officers, employees, and agents,
114 including, but without limitation to, engineers, attorneys,
115 management consultants, fiscal advisers, or other consultants
116 without regard to Chapter 16 of Title 41, or any law
117 establishing a civil service or merit system that might
118 otherwise be applicable, as the business of the authority may
119 deem necessary or desirable, and also provide a system of
120 disability pay, employee insurance, retirement compensation,
121 pensions, or other employee benefit plans as the authority may
122 deem necessary or desirable. This chapter may not be construed
123 to affect the rights and privileges of the employees of the
124 system.

125 (20) Make and enforce reasonable rules and regulations
126 governing the use of any public transportation service
127 provided by the authority.

128 (21) Provide for any insurance as the board may deem
129 advisable.

130 (22) Invest funds of the authority that the board may
131 determine are not presently needed in the operation of its
132 properties in bonds of, or guaranteed by, the United States of
133 America or any agency of the United States, bonds of the
134 state, bonds of any county or municipality, interest-bearing
135 bank deposits, any agreement to repurchase any one or more of
136 the foregoing, any money market fund consisting of any one or
137 more of the foregoing, or any combination thereof.

138 (23) Cooperate with the United States of America or its
139 agencies or instrumentalities, the state, any county,
140 municipality, or other political subdivision of the state, and



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141 any public corporation organized under the laws of the state
142 and make or receive funds from any of them in the terms as the
143 board may deem advisable or prescribe to make contracts with
144 them, or any of them, as the board deems advisable to
145 accomplish the purposes for which the authority was
146 established.

147 (24) Sell and convey its properties that may have
148 become obsolete or worn out or that may no longer be needed or
149 useful as a part of any transportation system of the
150 authority.

151 (25) Sell and convey, with or without valuable
152 consideration, any of its transit systems or any portion of a
153 transit system, to any one or more counties, municipalities,
154 or public corporations organized under the laws of the state,
155 which have the corporate power to operate the system, or
156 portions of a transit system, conveyed, and the property and
157 income of which are not subject to taxation except that the
158 sale and conveyance may be made only of the following:

159 a. With the consent of the authorizing county, the
160 principal municipality, and each participating municipality,
161 the consent to be evidenced by a resolution adopted by the
162 governing body of each consenting county and municipality.

163 b. If the conveyance would not constitute a breach of
164 any then outstanding mortgage and deed of trust, trust
165 indenture, or other agreement to which the authority is a
166 party.

167 (26) Enter into agreements with all or any part of the
168 employees of the authority or with any groups or associations



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169 representing the employees.

170 (27) Enter into a management agreement or agreements
171 with any person for the management by or for the authority of
172 any public transportation service upon any mutually agreeable
173 terms and conditions.

174 (28) Require that all laborers and mechanics employed
175 by contractors or subcontractors in the performance of
176 construction work for the authority be paid wages at rates not
177 less than those prevailing on similar construction in the
178 locality where the work is performed as determined by the
179 United States Secretary of Labor or any department, agency, or
180 instrumentality of the United States or of the state.

181 (29) If the authority acquires an existing system for
182 the provision of public transportation service, enter into
183 arrangements necessary or desirable to protect the interest of
184 employees of any acquired system including, without limiting
185 the generality of the ~~foregoing~~following:

186 a. The preservation of rights, privileges, and benefits
187 including continuation of pension rights and benefits under
188 existing agreements.

189 b. The protection of individual employees against a
190 worsening of their positions with respect to their employment.

191 c. Assurance of employment to the employees of acquired
192 transportation systems, except executives and administrative
193 officers, and priority of reemployment of the employees
194 terminated or laid off.

195 d. Paid training or retraining programs.

196 (30) Fix and revise from time to time reasonable rates,



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197 fees, and other charges for public transportation service
198 furnished or to be furnished by any system owned or operated
199 by the authority, and collect all charges made by it.

200 (31) Prepare, adopt, and implement a set of policies
201 that shall govern and set standards for, the conduct of all
202 members of the board and all employees of the authority which
203 shall include, but are not limited to, the following:

204 a. Provide for penalties for a violation.

205 b. Prohibit unethical conduct and require each director
206 and employee of the authority to comply with all the
207 provisions of the policy which shall include, but not
208 necessarily be limited to, the provisions of the code of
209 ethics for public officials and employees as provided for in
210 Chapter 25 of Title 36, and rules ~~and regulations~~
211 ~~promulgated~~ adopted thereunder by the ~~state~~ State Ethics
212 Commission.

213 c. Allow for the reimbursement of the expenses of
214 directors and employees, subject to any requirements provided
215 in the policy.

216 d. Provide a method of keeping records for expenses of
217 directors and employees.

218 e. Regulate business dealings and contracts between the
219 authority and directors or employees of the authority and
220 business dealings between the authority and members of the
221 family of directors or employees of the authority.

222 (32) Do any and all things necessary to own, operate,
223 facilitate, provide, or promote public transportation services
224 within the authorizing county or any other county of the



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225 state.

226 (b) (1) To assist the authority in fulfilling its
227 purpose, in addition to the powers and duties in subsection
228 (a), the authority may do any of the following:

229 a. Participate: (i) as a shareholder of a corporation;
230 (ii) as a limited or general partner of a limited or general
231 partnership; (iii) as a joint venture partner of a joint
232 venture; (iv) as a member of a nonprofit corporation; or (v)
233 as a member of any other lawful form of business organization
234 relating to transit operations, land acquisitions, or other
235 incidental operations of the authority.

236 b. Create, establish, acquire, operate, or support
237 subsidiaries and affiliates of the authority, either for
238 profit or nonprofit.

239 c. Make or arrange for loans, contributions to capital,
240 and other debt and equity financing for the activities of the
241 business organization described in paragraph a.

242 (2) Nothing in this subsection authorizes any business
243 organization with which an authority participates or any
244 subsidiary or affiliate of the authority to exercise eminent
245 domain.

246 (c) (1) The board shall establish a separate and
247 independently accountable TCAB. The TCAB shall be established
248 by the board by July 23, 2013. The TCAB shall be composed of
249 persons~~individuals~~ each of whom is a duly qualified elector of
250 the authorizing county. In addition, the executive director of
251 the authority shall serve as an ex officio nonvoting member of
252 the TCAB. The procedure for making appointments to the TCAB



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253 and establishing the terms of the appointments shall be
254 determined by the board in its sole discretion. The procedure
255 shall include the approval of ~~persons~~individuals appointed to
256 the TCAB by the authorizing county, principal municipality, or
257 participating municipalities. In making appointments to the
258 TCAB the following shall be considered:

259 a. Representation from all geographic regions served by
260 the authority.

261 b. Minority representation to reflect the racial,
262 gender, geographic, urban, rural, and and economic diversity
263 within the geographic regions served by the authority.

264 c. Representation from users of the system providing
265 public transportation service, paratransit users, and
266 advocates.

267 (2) The board shall ensure that the authorizing county,
268 the principal municipality, and each participating
269 municipality shall be represented on the TCAB and that the
270 number of representatives of each shall roughly approximate
271 the funding normally provided by each.

272 ~~(2)~~(3) The TCAB shall be advisory to the authority and
273 perform the following duties:

274 a. Serve as a body to advise the authority, the board,
275 and private persons on the development and implementation of
276 policies and programs relating to public transportation, and
277 assist in the coordination of these activities.

278 b. Adopt bylaws, elect officers including a chair, and
279 establish procedures for its operation within 30 days of its
280 creation; provided, however, that the bylaws for the TCAB



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281 shall be subject to approval or amendment by the board.

282 c. Advise and make recommendations regarding transit
283 development plans, comprehensive operations analysis, annual
284 service, and marketing and annual advertising plans developed
285 by the authority.

286 ~~(3)~~ (4) The board and the TCAB shall meet together at
287 least once every six months at the time and place as shall be
288 mutually agreeable.

289 ~~(4)~~ (5) The board ~~may~~, by three-fourths vote of the
290 members of the board, may determine to disband and
291 reconstitute the TCAB.

292 ~~(e)~~ (d) The board shall establish, from time to time, a
293 fiscal year for the authority.

294 ~~(d)~~ (e) A majority of the directors then in office shall
295 constitute a quorum at any meeting of the board for the
296 transaction of business. The act of a majority of the
297 directors present at any meeting at which there is a quorum
298 shall be an act of the board.

299 ~~(e)~~ (f) The recovery of damages under any judgment or
300 judgments against the authority shall be limited to one
301 hundred thousand dollars (\$100,000) for bodily injury or death
302 for one person in any single occurrence. Recovery of damages
303 under any judgment or judgments against the authority shall be
304 limited to three hundred thousand dollars (\$300,000) in the
305 aggregate where more than three persons have claims or
306 judgments on account of bodily injury or death arising out of
307 any single occurrence. Recovery of damages under any judgment
308 or judgments against the authority shall be limited to one



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309 hundred thousand dollars (\$100,000) for damage or loss of
310 property arising out of any single occurrence. The authority
311 may not settle or compromise any claim for bodily injury,
312 death, or property damage for an amount in excess of the
313 amounts stated in this subsection."

314 Section 2. Section 11-32-2, Code of Alabama 1975, is
315 amended to make conforming changes to read as follows:

316 "§11-32-2

317 As used in this chapter, the following words and
318 phrases shall mean the following unless the context clearly
319 indicates otherwise:

320 (1) AD VALOREM TAX. Those real and personal property ad
321 valorem taxes collected by the county tax collector, the
322 director of revenue of the county, or revenue commissioner, if
323 any, for the county, but shall exclude all ad valorem taxes
324 collected for the State of Alabama and all boards of
325 education, municipalities, fire districts, or other entities
326 located in the county.

327 (2) APPLICANT. A natural person who files a written
328 application with the governing body of any county to which
329 this chapter applies and with a municipality in the county,
330 all in accordance with Section 11-32-3.

331 (3) AUTHORITY. The public corporation organized
332 pursuant to this chapter, which shall be an agency of the
333 state but shall not be a political subdivision of the state.

334 (4) AUTHORIZING COUNTY. Any county the governing body
335 of which shall have adopted an authorizing resolution, even if
336 the population of the county ~~should fall~~falls below 600,000.



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337 (5) AUTHORIZING MUNICIPALITY. Any municipality the
338 governing body of which shall have adopted an authorizing
339 resolution.

340 (6) AUTHORIZING RESOLUTION. A resolution, adopted by
341 the governing body of any county to which this chapter applies
342 or by a municipality in the county, all in accordance with
343 Section 11-32-3.

344 (7) BOARD. The Board of Directors of an authority.

345 (8) BONDS. Bonds, notes, warrants, certificates, and
346 other obligations representing an obligation to pay money.

347 (9) COUNTY. Any county in the state.

348 (10) DIRECTOR. A member of the board.

349 (11) FISCAL YEAR. The 12-month period provided for in
350 ~~subsection (c) of~~ Section 11-32-7(d).

351 (12) GOVERNING BODY. With respect to a county, its
352 county commissioners, board of revenue, or other like
353 governing body and with respect to a municipality, its city or
354 town council, board of commissioners, or other like governing
355 body.

356 (13) INCORPORATORS. The persons forming a public
357 corporation organized pursuant to this chapter.

358 (14) LABOR UNION. An organization in which employees
359 participate for the purpose of dealing with one or more
360 employers concerning grievances, labor disputes, wages, rates
361 of pay, hours of employment, or conditions of work.

362 (15) METROPOLITAN PLANNING ORGANIZATION. The forum for
363 cooperative transportation decision making for a metropolitan
364 planning area pursuant to 23 U.S.C. § 134 and 49 U.S.C. §



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365 5303.

366 (16) MUNICIPALITY. An incorporated city or town of this
367 state.

368 (17) PARATRANSIT. Comparable transportation service
369 required by the Americans with Disabilities Act for
370 individuals who are unable to use fixed route transportation
371 systems.

372 (18) PARTICIPATING MUNICIPALITY. A municipality in an
373 authorizing county, other than the principal municipality,
374 which is then providing funds for the authority, pursuant to
375 resolution, contract, or otherwise.

376 (19) PERSON. Unless limited to a natural person by the
377 context in which it is used, includes a public or private
378 corporation, municipality, county, or an agency, department,
379 or instrumentality of the state or of a county or
380 municipality.

381 (20) PRINCIPAL MUNICIPALITY. The municipality in an
382 authorizing county having the largest population in the
383 authorizing county according to the last or any subsequent
384 federal decennial census.

385 (21) PRINCIPAL OFFICE. The place at which the
386 certificate of incorporation and amendments to the certificate
387 of incorporation, the bylaws, and the minutes of proceedings
388 of the board are kept.

389 (22) PROPERTY. Real and personal property, and any and
390 all interests in the real and personal property.

391 (23) PUBLIC TRANSPORTATION SERVICE. All service
392 involved in the transportation of passengers for hire by means



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393 of buses, street railway, elevated railway, subway,
394 underground railroad, light rail, mass transit systems, motor
395 vehicles, or other means of conveyance generally associated
396 with or developed for mass surface or sub-surface
397 transportation of the public, but does not include any service
398 involved in transportation by taxicab, airport limousine, or
399 industrial bus; however, public transportation service does
400 not include aircraft or any air service subject to the Air
401 Carrier Access Act of 1986 or managed by an airport authority
402 of the principal municipality.

403 (24) REGIONAL PLANNING COMMISSION. The regional
404 organization representing governing bodies of local
405 governments under Act 584 of the 1963 Regular Session (Acts
406 1963, p. 1278) or Act 1126 of the 1969 Regular Session (Acts
407 1969, p. 2084).

408 (25) TCAB. The transit citizens advisory board
409 established herein.

410 (26) TRANSIT SYSTEM. Land, plants, systems, facilities,
411 buildings, garages, vehicles of all types, rails, lines, and
412 any combination of any of the following, used or useful or
413 capable of future use in furnishing public transportation
414 service, and all other property deemed necessary or desirable
415 by an authority for use in furnishing public transportation
416 service.

417 (27) STATE. The State of Alabama."

418 Section 3. This act shall become effective on October
419 1, 2026.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB185
Senate 10-Feb-26
I hereby certify that the within Act originated in and passed
the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 17-Mar-26

By: Senator Coleman-Madison