

1 HB148
2 189332-1
3 By Representative Davis
4 RFD: County and Municipal Government
5 First Read: 09-JAN-18

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8 SYNOPSIS: Under existing law, a county may issue
9 warrants for the purpose of financing the cost of
10 acquiring public facilities, by construction,
11 purchase, or otherwise.

12 This bill would provide that the facilities
13 acquired may be owned by a municipality.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT

18
19 To amend Section 11-28-1.1, Code of Alabama 1975,
20 authorizing a county to issue warrants for the purpose of
21 financing public facilities, to include public facilities
22 owned or acquired by a municipality located within the county
23 as public facilities for purposes of this chapter.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Section 11-28-1.1, Code of Alabama 1975,
26 is amended to read as follows:

27 "§11-28-1.1.

1 "As used in this chapter, the following words and
2 phrases shall have the following respective meanings, unless
3 the context clearly indicates otherwise:

4 "(1) COSTS. When used with reference to or in
5 connection with any public facility or any portion thereof,
6 include all or any part of the cost of acquiring,
7 constructing, altering, enlarging, extending, reconstructing,
8 or remodeling such public facility, including the cost of all
9 lands, structures, real or personal property, rights,
10 rights-of-way, franchises, easements, permits, licenses, and
11 interests acquired or used for, in connection with or with
12 respect to such public facility, the cost of demolishing or
13 removing any buildings or structures on land so acquired,
14 including the cost of acquiring land to which such buildings
15 or structures may be moved, the cost of all machinery,
16 equipment, furniture, furnishings, and fixtures acquired or
17 used for, in connection with or with respect to such public
18 facility, the cost of architectural, engineering, financial,
19 and legal services incurred in connection with the acquisition
20 or construction of all or any part of such public facility and
21 the financing thereof, including the expenses of preparing
22 plans, specifications, surveys, and studies to determine the
23 financial or engineering feasibility of such public facility,
24 the cost of selling bonds, notes, warrants, or other debt
25 instruments issued to finance such public facility or to
26 refund debt previously incurred for such purpose, including
27 underwriters' commissions and discounts, printing costs, fees

1 of rating services, fees and disbursements of attorneys,
2 accountants, financial advisors and other consultants, fees
3 and disbursements of trustees and escrow agents, and other
4 incidental expenses, the costs of insurance, letters of credit
5 or other third party commitments for the payment of such
6 bonds, notes, warrants or other debt instruments obtained in
7 order to enhance the marketability thereof, capitalized
8 interest on money borrowed to pay the costs of such public
9 facility prior to, during and for a period of not exceeding
10 six months following the estimated completion of the
11 acquisition or construction of such public facility, amounts
12 used to fund reserves for the payment of debt service, repair
13 and replacement costs and operating expenses, and such other
14 expenses as may be incident to the acquisition, construction,l
15 and financing of such public facility and the placement
16 thereof in operation.

17 "(2) COUNTY. Any county in the State of Alabama.

18 "(3) FEDERAL OBLIGATIONS. (i) Direct general
19 obligations of the United States of America or (ii)
20 obligations the payment of the principal of and interest on
21 which is unconditionally and irrevocably guaranteed by the
22 United States of America.

23 "(4) PLEDGED FUNDS. When used with reference to any
24 warrants issued by any county pursuant to the provisions of
25 this chapter, ~~mean~~ any taxes, revenues,l or other funds pledged
26 pursuant to Section 11-28-3 for the payment of the principal
27 of and interest on such warrants, irrespective of whether such

1 warrants constitute general obligations of such county or
2 limited obligations payable solely from the taxes, revenues or
3 other funds so pledged.

4 "(5) PUBLIC FACILITIES. When used with reference to
5 or in connection with any county, ~~mean~~ any or all of the
6 following facilities which such county may at any time have
7 been or be authorized to acquire, by construction, purchase,
8 or otherwise, pursuant to any laws other than this chapter, or
9 facilities that a municipality may have been or be authorized
10 to acquire, including all land and all easements and other
11 rights or interests in land necessary or desirable for such
12 facilities:

13 "a. All courthouses, jails, hospitals, office
14 buildings, school buildings, libraries, storage facilities,
15 parking structures, equipment repair facilities, and other
16 buildings and structures of every kind needed for the
17 performance of governmental functions and responsibilities of
18 such county.

19 "b. All public highways, roads, streets, bridges,
20 ferries, and other facilities used for public travel,
21 including all landscaping, lighting, storm sewers, and
22 drainage facilities in connection therewith, that such county
23 is authorized or required to construct, maintain, and repair,
24 whether at its sole expense or in conjunction with other
25 governmental entities.

26 "c. All utility systems which may at any time have
27 been or be acquired and operated by such county, or by any

1 public corporation organized or created pursuant to
2 authorization, determination, finding or other action by the
3 county commission of such county acting singly or in
4 conjunction with the governing bodies of one or more other
5 governmental entities, pursuant to any local or general law
6 applicable to such county, including, without limitation
7 thereto, any of the following:

8 "1. Sanitary sewer systems and all mains, laterals,
9 sewage disposal plants, sewage treatment plants, equipment,
10 and other necessary or desirable appurtenances for such
11 systems, including, without limitation thereto, all sanitary
12 sewer systems that may at any time have been or be acquired by
13 such county pursuant to any of the statutes codified as
14 Sections 11-3-11(15), 11-9-1 through 11-9-5, and 11-81-160
15 through 11-81-190, ~~and~~.

16 "2. Water distribution systems, whether providing
17 water for human consumption or industrial use, and all
18 reservoirs, wells, intakes, mains, laterals, aqueducts,
19 pumping stations, filtration and purification plants,
20 equipment, and other necessary or desirable appurtenances for
21 such systems, including, without limitation thereto, all water
22 distribution systems that may at any time have been or be
23 acquired by such county pursuant to any of the statutes
24 codified as Sections 11-9-20 through 11-9-28 and 11-81-160
25 through 11-81-190.

26 "d. All capital equipment and other capital personal
27 property of every kind that such county may at any time have

1 been or be authorized to acquire and use in the performance of
2 its governmental functions and responsibilities, including,
3 without limitation thereto, school buses and other equipment
4 used for educational purposes, office equipment, computers,
5 automobiles and trucks, and equipment used in the construction
6 and maintenance of buildings or roads, ~~and.~~

7 "e. Capital improvements located within the county
8 owned or acquired by a municipality. The application of any
9 proceeds of warrants issued under authority of this chapter to
10 the cost of improvements under this paragraph shall be
11 governed by an agreement between the county and the
12 municipality that owns the improvements.

13 "e.f. All other public facilities of every kind that
14 such county may at any time have been or be authorized to
15 acquire, including, without limitation thereto, parks, and
16 related facilities for recreation, industrial parks and
17 related facilities, drainage facilities, facilities necessary
18 or desirable for the protection and preservation of the public
19 health and safety, and revenue producing undertakings at any
20 time authorized by the statutes codified as Sections 11-81-140
21 through 11-81-150.

22 "(6) REFUNDABLE DEBT. With respect to any county,
23 (i) any debt of such county evidenced by warrants issued
24 pursuant to the provisions of this chapter and (ii) any valid
25 debt of such county that is evidenced by bonds, notes,
26 warrants or other instruments issued pursuant to laws other
27 than this chapter and that was initially incurred to pay the

1 costs of public facilities or to refund debt that, through one
2 or more prior refundings, was initially incurred to pay the
3 costs of public facilities. Refundable debt may be a general
4 obligation of any county or a limited obligation payable
5 solely from one or more specified sources, may have been
6 initially incurred by any county or initially incurred by
7 another governmental entity or public body and thereafter
8 validly assumed by such county pursuant to any law other than
9 this chapter, and may have been incurred or assumed by any
10 county before or after December 21, 1983."

11 Section 2. This act shall become effective
12 immediately following its passage and approval by the
13 Governor, or its otherwise becoming law.