

1 SB336
2 208980-3
3 By Senators Allen, Singleton and Reed
4 RFD: Local Legislation
5 First Read: 16-MAR-21

1 SB336

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4 ENROLLED, An Act,

5 Relating to Tuscaloosa County; amending Sections 11
6 and 11A of Act 56 of the 1953 Regular Session (Acts 1953, p.
7 76), as amended by Act 94-535 of the 1994 Regular Session
8 (Acts 1994, p. 976), Act 94-554, 1994 Regular Session (Acts
9 1994, p. 1010), and Act 2015-202 of the 2015 Regular Session
10 (Acts 2015, p. 596), which authorized the levy and collection
11 of sales and use taxes in the county; to make further
12 provision for the duties and operation of the Tuscaloosa
13 County Road Improvement Commission and the commitment by the
14 commission of tax proceeds.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. Sections 11 and 11A of Act 56 of the 1953
17 Regular Session (Acts 1953, p. 76), as amended by Act 94-535
18 of the 1994 Regular Session (Acts 1994, p. 976), Act 94-554,
19 1994 Regular Session (Acts 1994, p. 1010), and Act 2015-202 of
20 the 2015 Regular Session (Acts 2015, p. 596), are amended to
21 read as follows:

22 "Section 11.

23 "(a) Any and all expenses, including ~~(but without~~
24 ~~limitation to)~~, but not limited to, salaries, office rent, and
25 other expenses that may be necessary to provide for the

1 collection and distribution of the taxes herein levied as may
2 be authorized or approved by the tax board, shall be deducted
3 by the tax board and paid out of the proceeds from collections
4 under this act before any distribution of proceeds. Provided,
5 however, that under no circumstances shall the funds held or
6 collected pursuant to Sections 3A and 4A of this act be
7 commingled with other funds held or collected by the tax
8 board, but shall be separately invested and accounted for and
9 all the expenses shall be charged against the proceeds
10 distributed to each recipient in proportion to the amount of
11 proceeds distributed. After deduction of expenses, the tax
12 board shall distribute the remaining proceeds from the taxes
13 collected under this act as follows:

14 "(1) No later than November 30 of each fiscal year,
15 sums sufficient to satisfy all pledges of tax proceeds
16 collected under this act that were entered into on or before
17 April 1, 2015, shall be paid to the general fund of the ~~city~~
18 City of Tuscaloosa, the City of Northport, the county, the
19 hospital authority, the county school system, and the ~~city~~
20 City of Tuscaloosa school system, as applicable, for payment
21 pursuant to such pledges; however, no sums may be distributed
22 pursuant to this subdivision in excess of the distribution
23 that the recipient would have received under this act as in
24 effect before the 2015 amendment to ~~the~~ this act.

1 "(2) No later than November 30 of each fiscal year,
2 twenty-five thousand dollars (\$25,000) shall be disbursed to
3 the general fund of each of the municipalities of Lakeview,
4 Brookwood, Vance, Coaling, and Coker for general municipal
5 purposes. This disbursement shall be made after the
6 distribution made pursuant to subdivision (1) and before any
7 other distribution is made pursuant to subdivisions (3) to
8 (9), inclusive.

9 "(3) Nineteen percent of the net distributable
10 amount, less and except any amounts paid to the ~~city~~ City of
11 Tuscaloosa pursuant to subdivision (1), shall be paid to the
12 ~~city~~ City of Tuscaloosa for general municipal purposes.

13 "(4) Five percent of the net distributable amount,
14 less and except any amounts paid to the City of Northport
15 pursuant to subdivision (1), shall be paid to the City of
16 Northport for general municipal purposes.

17 "(5) Fourteen and three-tenths percent of the net
18 distributable amount, less and except any amounts paid to the
19 county pursuant to subdivision (1), shall be paid to the
20 county for general county purposes.

21 "(6) Six and seven-tenths percent of the net
22 distributable amount, less and except any amounts paid to the
23 hospital authority pursuant to subdivision (1), shall be paid
24 to the hospital authority, which shall use the proceeds solely
25 to defray all or a part of the costs of any hospital operated

1 by the hospital authority for hospital services furnished to
2 charity patients who are residents of the county, including
3 any municipality therein.

4 "(7) Twenty-five percent of the net distributable
5 amount, less and except any amounts paid to the county school
6 system pursuant to subdivision (1), shall be paid to the
7 county school system, which shall use the proceeds solely for
8 public school purposes in the county, including, but ~~without~~
9 ~~limitation~~ not limited to, payment of any obligations of the
10 county board of education which have heretofore or may
11 hereafter be issued for any public school purposes, together
12 with the interest thereon and the necessary expenses in
13 connection with the issuance thereof, acquiring, providing, or
14 constructing schoolhouses and related buildings necessary or
15 convenient for public school purposes, and equipping,
16 furnishing, maintaining, repairing, or replacing any buildings
17 and acquiring sites therefor, or any other general public
18 school purposes.

19 "(8) Twenty percent of the net distributable amount,
20 less and except any amounts paid to the ~~city~~ City of
21 Tuscaloosa school system pursuant to subdivision (1), shall be
22 paid to the ~~city~~ City of Tuscaloosa school system, which shall
23 use the proceeds solely for public school purposes in the ~~city~~
24 City of Tuscaloosa, including, but without limitation to,
25 payment of any obligations of the city which have heretofore

1 or may hereafter be issued for any public school purposes,
2 together with the interest thereon and the necessary expenses
3 in connection with the issuance thereof, acquiring, providing,
4 or constructing schoolhouses and related buildings necessary
5 or convenient for public school purposes, and equipping,
6 furnishing, maintaining, repairing, or replacing any ~~such~~
7 building and acquiring sites therefor, or any other general
8 public school purposes.

9 "(9) All proceeds remaining shall be paid to, or at
10 the written direction of, the commission, for any application
11 provided in this act.

12 "(b) Tax proceeds shall be paid over to the
13 recipients ~~thereof~~ on or before the tenth day of the calendar
14 month next succeeding the calendar month in which the proceeds
15 have been received by the tax board. The tax board is hereby
16 authorized to retain on hand at all times as a revolving or
17 contingent fund for payment of its expenses, as provided for
18 in subsection (c) of Section 9, such amount of tax proceeds as
19 it deems expedient; provided, that as disbursements are made
20 from the revolving or contingent fund, the tax board shall
21 have the power, immediately or at such times as it deems
22 convenient, to restore the ~~moneys~~ monies so disbursed out of
23 the proceeds from the taxes herein levied; and provided
24 further, that the revolving or contingent fund shall not at

1 any time exceed 10 percent of the collections made under this
2 act during the then preceding calendar month.

3 "(c) The recipient of taxes under subsection (a) and
4 recipients of appropriations by the commission, by appropriate
5 proceedings, may appropriate, pledge, or enter into long-term
6 contracts encumbering or restricting the use of the tax
7 proceeds distributable to the recipient."

8 "Section 11A.

9 "(a) The Tuscaloosa County Road Improvement
10 Commission is created to provide oversight for the
11 prioritization and financing of public road and bridge
12 construction and maintenance projects that are financed by the
13 tax proceeds allocated for use by the commission in accordance
14 with ~~subdivision (9) of subsection (a) of Section 11~~ this act.
15 The commission shall not constitute, and shall not have the
16 authority and powers of, a private or public corporation, body
17 politic, or political subdivision of the State of Alabama;
18 provided, all of the following:

19 "(1) That the commission shall constitute a
20 governmental body for purposes of Chapter 25A of Title 36,
21 Code of Alabama 1975, and, for purposes of that chapter, the
22 commission may elect officers from its membership, a majority
23 of members shall constitute a quorum for the authorization of
24 the performance of the duties of the commission under this
25 act, and the commission and its members shall have the same

1 immunity from liability as a municipality and officers of a
2 municipality.

3 "(2) That the commission may receive the proceeds of
4 the taxes collected under this act as provided in Section
5 11(a)(9) and act as custodian for those proceeds, for
6 allocation and application as provided in this act and for no
7 other purpose.

8 "(3) That the commission may execute, deliver, and
9 perform agreements, commitments, and obligations the
10 commission determines necessary or required by law to provide
11 for the application of the tax proceeds allocated to or at the
12 direction of the commission for purposes of this act, and the
13 commission may exercise powers in aid of or necessary to
14 perform its duties under this act.

15 "(4) That the commission may perform any of its
16 duties under this act without consent of, filing with, or
17 notice to, the State of Alabama or any agency, board,
18 corporation, or department thereof.

19 "(5) That the commission and all funds held by the
20 commission or allocated at the direction of the commission are
21 exempt from all taxation by the State of Alabama and any
22 taxing authority of the state. Title to any property financed
23 or purchased by the proceeds of the taxes allocated to or at
24 the direction of the commission shall pass to and vest in the

1 governmental authority having jurisdiction over the property
2 immediately upon acquisition of the property.

3 "(6) That all agreements, commitments, and
4 obligations made or undertaken by the commission in
5 furtherance of the purposes of this act and which, on the date
6 of adoption of the amendatory act adding this language, are in
7 effect and are not the subject of judicial proceedings in any
8 court of proper jurisdiction are ratified and confirmed.

9 "(b) The commission shall be composed of the
10 following members:

11 "(1) The Mayor of the City of Tuscaloosa, or his or
12 her appointee, who shall be a resident of the ~~city~~ City of
13 Tuscaloosa and serve a term of office coextensive with the
14 term of office of the ~~mayor of the city~~ Mayor of the City of
15 Tuscaloosa making the appointment. The acceptance or
16 appointment shall be evidenced by an instrument signed by the
17 mayor of the city and delivered to the commission.

18 "(2) The Mayor of the City of Northport, or his or
19 her appointee, who shall be a resident of the City of
20 Northport and serve a term of office coextensive with the term
21 of office of the Mayor of the City of Northport making the
22 appointment. The acceptance or appointment shall be evidenced
23 by an instrument signed by the Mayor of the City of Northport
24 and delivered to the commission.

1 "(3) The ~~Chair~~ chair of the Tuscaloosa County
2 Commission, or his or her appointee, who shall be a resident
3 of the county and serve a term of office coextensive with the
4 term of office of the chair. The acceptance or appointment
5 shall be evidenced by an instrument signed by the chair and
6 delivered to the commission.

7 "(4) One member appointed by the West Alabama
8 Chamber of Commerce, who shall be a resident of the county and
9 shall serve a term of office of four years from the date of
10 appointment. The appointment shall be evidenced by an
11 instrument signed by the chair of the chamber of commerce and
12 delivered to the commission.

13 "(5) The Executive Director of the Tuscaloosa County
14 Industrial Development Authority, or his or her appointee, who
15 shall serve a term of office of four years from the date of
16 appointment. The acceptance or appointment shall be evidenced
17 by an instrument signed by the executive director and
18 delivered to the commission.

19 "(6) One member of the Tuscaloosa County Legislative
20 Delegation, selected by a majority of the members of the
21 delegation, who shall be a minority and a resident of the
22 county and serve a term of office coextensive with the term of
23 office of the members of the delegation. The selection shall
24 be evidenced by an instrument signed by a majority of the
25 members of the delegation and delivered to the commission.

1 "(7) One member of the Tuscaloosa County Legislative
2 Delegation, selected by a majority of the members of the
3 delegation, who shall be a resident of the county and serve a
4 term of office coextensive with the term of office of the
5 members of the delegation. The selection shall be evidenced by
6 an instrument signed by a majority of the members of the
7 delegation and delivered to the commission.

8 "(8) The Director of the Alabama Department of
9 Transportation, or his or her appointee, who shall serve in an
10 ex officio, unofficial, advisory, and nonvoting capacity and
11 shall serve a term of office coextensive with the term of
12 office of the Governor. The acceptance or appointment shall be
13 evidenced by an instrument signed by the director of the
14 department and delivered to the commission.

15 "(c) The commission shall apply the tax proceeds
16 received under this act in the following priority, with the
17 scope and the amount to be provided for each project to be
18 determined by the commission, in its sole discretion. The
19 commission, consistent with the following priorities, may
20 appropriate, convey, and transfer funds to the county, the
21 ~~city~~ City of Tuscaloosa, the City of Northport, the Alabama
22 Highway Authority, the Alabama Transportation Infrastructure
23 Bank, the Alabama Department of Transportation, or other
24 appropriate governmental bodies solely for the purpose of
25 funding roads and highways in the county. The commission shall

1 endeavor to fully fund each project, or the obligations issued
2 to fund each project, in a timely manner, after taking into
3 account other funding sources from the state or federal
4 government. The commission is under no obligation to fully
5 fund each project listed below before moving to the next
6 project listed:

7 "(1) Funds sufficient for the reimbursement of that
8 portion of the City of Northport, Alabama General Obligation
9 Warrants Series 2014-A, in the original amount of sixteen
10 million five hundred twenty thousand dollars (\$16,520,000),
11 issued on July 21, 2014, that is used for improvements to Mitt
12 Lary Road, determined as follows:

13 "a. The amount needed to defease the debt service on
14 that portion of the warrants; or

15 "b. An amount needed to defease 10 percent of such
16 amount each year for 10 years or, if sooner, until the
17 warrants have been fully paid or defeased; or

18 "c. The annual debt service on such portion of the
19 warrants until the same are paid in full or defeased.

20 "(2) Improvements to SR69 South.

21 "(3) Improvements to SR69 North including, but not
22 limited to, the intersection of Highway 43 and 69; however,
23 this shall not include any part of the Mitt Lary Road warrant
24 reimbursement identified in subdivision (1).

1 "(4) Martin Luther King Boulevard/Jack Warner
2 Parkway improvements.

3 "(5) Improvements to McFarland Boulevard/U.S. 82,
4 however, excluding any projects which have begun, for which a
5 bid has been let, or for which funds have been encumbered for
6 county projects on or before the effective date of the act
7 adding this section.

8 "(6) Improvements to McWright's Ferry Road.

9 "(7) Improvements to the Bear Creek Cutoff Road.

10 "(d) Any tax proceeds remaining after the
11 construction of or the repayment of any obligations issued for
12 the projects prescribed in subdivisions (1) to (7), inclusive,
13 of subsection (c) shall be allocated as follows:

14 "(1) Seventy-five percent to be administered by the
15 commission for significant roadway infrastructure projects to
16 be identified and prioritized by the commission.

17 "(2) Twenty-five percent to the county and to each
18 municipality located therein, in proportion to population,
19 with the population of the county to be determined for this
20 purpose net of the populations of the municipalities located
21 therein, to be administered by the county or municipalities,
22 respectively, for local roadway infrastructure projects to be
23 determined by the county or municipalities in their sole
24 discretion. For a municipality situated in both the county and
25 another county, only the population of the municipality

1 residing within the county shall be considered for purposes of
2 this subdivision.

3 ~~"(d)(e) The commission may bind itself by funding~~
4 ~~agreement, indenture, resolution, or other appropriate~~
5 ~~instrument to make appropriations in amounts specified by~~
6 ~~dollar amount or formula in future years, and may bind future~~
7 ~~road improvement boards by such means. However, the road~~
8 ~~improvement board is not obligated and may not obligate itself~~
9 ~~to pay more than it receives from the tax board. The recipient~~
10 ~~of any appropriations may pledge or otherwise commit or~~
11 ~~encumber such appropriations in accordance with law. apply any~~
12 ~~or all of the tax proceeds received under this act directly~~
13 ~~for the purposes of this act, including, but not limited to,~~
14 ~~either of the following:~~

15 ~~"(1) The commission may appropriate, convey, and~~
16 ~~transfer, from time to time or on a continuing basis, and~~
17 ~~solely for use for the purposes of and as provided in this~~
18 ~~act, any or all of the tax proceeds received by the commission~~
19 ~~under this act to, or to a public corporation created by~~
20 ~~authorization of, any or all of the following:~~

21 ~~"a. The State of Alabama or other appropriate~~
22 ~~governmental body.~~

23 ~~"b. The City of Tuscaloosa.~~

24 ~~"c. The county.~~

25 ~~"d. The City of Northport.~~

1 "(2)a. The commission may anticipate the receipt of,
2 and assign and pledge, under a long-term agreement, and solely
3 for use for the purposes of and as provided in this act, any
4 or all of the tax proceeds received thereby under this act to
5 or for the benefit of, or to or for the benefit of any public
6 corporation created by authorization of, any or all of the
7 following:

8 "1. The State of Alabama or other appropriate
9 governmental body.

10 "2. The City of Tuscaloosa.

11 "3. The county.

12 "4. The City of Northport.

13 "b. Any tax proceeds assigned or pledged by the
14 commission under a long-term agreement as provided in this act
15 shall constitute a trust fund which shall be impressed with a
16 lien in favor of the assignee or pledgee thereof and the
17 owners of any obligations issued for the purposes of this act
18 by such assignee or pledgee, unless otherwise agreed to by the
19 parties.

20 "(3) The commission may use the proceeds of the
21 taxes received under this act to borrow money and issue bonds
22 in evidence thereof, and use the proceeds as necessary to
23 perform its duties under this act.

24 "c. Any assignee or pledgee of tax proceeds under a
25 long-term agreement of the commission is authorized to assign

1 and pledge in succession any or all of the tax proceeds for
2 the benefit of any obligations issued or incurred, pursuant to
3 any laws other than this act, to finance the acquisition and
4 construction of any of the projects described in subsection
5 (c) and subdivision (d)(1).

6 "(f) The taxes levied by this act shall continue in
7 full force and effect for such time and at such rates, and the
8 proceeds shall be allocated and disbursed to the commission at
9 such times and in such amounts, as shall enable the commission
10 to make all appropriations and payments of proceeds at the
11 times and in the amounts required by any agreements,
12 commitments, pledges, and obligations made by the commission
13 pursuant to this act and at any time in effect."

14 Section 2. The provisions of this act are severable.
15 If any part of this act is declared invalid or
16 unconstitutional, that declaration shall not affect the part
17 which remains.

18 Section 3. This act shall become effective
19 immediately following its passage and approval by the
20 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB336

Senate 08-APR-21

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 15-APR-21

By: Senator Allen