

1 SB418  
2 118302-1  
3 By Senators French and Orr (Constitutional Amendment)  
4 RFD: Industrial Development and Recruitment  
5 First Read: 11-FEB-10

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8 SYNOPSIS: This bill would propose an amendment to the  
9 Constitution of Alabama of 1901, to provide for a  
10 ten year road and bridge construction program to be  
11 funded with appropriations from the Alabama Trust  
12 Fund and to provide for a transfer of funds to the  
13 County and Municipal Government Capital Improvement  
14 Fund.

15  
16 A BILL  
17 TO BE ENTITLED  
18 AN ACT  
19

20 To propose an amendment to the Constitution of  
21 Alabama of 1901, to provide for a ten year road and bridge  
22 construction program to be funded with appropriations from the  
23 Alabama Trust Fund and to provide for a transfer of funds to  
24 the County and Municipal Government Capital Improvement Fund.  
25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. The following amendment to the  
27 Constitution of Alabama of 1901, as amended, is proposed and

1 shall become valid as a part thereof when approved by a  
2 majority of the qualified electors voting thereon and in  
3 accordance with Sections 284, 285, and 287 of the Constitution  
4 of Alabama of 1901, as amended:

5 PROPOSED AMENDMENT

6 Beginning in the fiscal year ending September 30,  
7 2011 and continuing through the fiscal year ending September  
8 30, 2020, the Legislature shall appropriate from the Alabama  
9 Trust Fund for each fiscal year the lesser amount of (a) one  
10 hundred million dollars (\$100,000,000) or (b) net oil and gas  
11 capital payments deposited into the Alabama Trust Fund for the  
12 previous fiscal year, subject to the limitation in Section 3.  
13 For purposes of this amendment, net oil and gas capital  
14 payments shall mean total oil and gas capital payments  
15 received during the fiscal year minus transfers made to the  
16 Department of Conservation and Natural Resources, the Alabama  
17 Capital Improvement Trust Fund, and the County and Municipal  
18 Capital Improvement Trust Fund during the same fiscal year.  
19 The appropriation may be made in either the general  
20 appropriations act or a separate appropriations act, and the  
21 funds shall be distributed as provided in subdivisions 1 and 2  
22 below. Not less than twenty-five percent of this amount shall  
23 be used for maintenance and repairs.

24 (1) Seventy-five percent of the appropriation from  
25 the Alabama Trust Fund shall be distributed to the Department  
26 of Transportation for state highways, roads, and bridges and

1 other transportation purposes to be further allocated as  
2 follows:

3 a. One million (\$1,000,000) of this amount shall be  
4 distributed to the Alabama Shortline Railroad Infrastructure  
5 Rehabilitation Fund established by Act No. 2008-382 in the  
6 2008 Regular Session. These funds shall be granted in a manner  
7 which will enhance economic development and growth by  
8 providing for the proper rehabilitation and upgrading of  
9 shortline railroads. In order to be eligible to receive grant  
10 funds from this allocation an eligible grantee must provide  
11 matching funds equal to 20% of the amount of the grant award  
12 which shall be allocated for the same purposes for which the  
13 grant is made.

14 b. The remaining funds shall be allocated among the  
15 sixty-seven counties of the state on the basis of the ratio of  
16 the population of each county to the total population of the  
17 state according to the then next preceding federal decennial  
18 census, however, the Department of Transportation shall be  
19 allowed a variance of ten percent from each county total over  
20 the first five years appropriations. The Department shall  
21 likewise be allowed a variance of ten percent from each county  
22 total over the next five years appropriations.

23 c. The Department shall not distribute any funds to  
24 any company or corporation providing transportation products  
25 or services unless the company or corporation certifies to the  
26 Department that it is an Alabama based company or corporation  
27 employing only Alabama residents.

1           (2) The remaining twenty-five (25%) shall be  
2 distributed to the counties and municipalities to be used for  
3 new construction and maintenance and repair. This amount shall  
4 be allocated as follows:

5           a. Forty-five percent (45%) shall be allocated  
6 equally among the sixty-seven counties of the state.

7           b. Fifty-five percent (55%) shall be allocated among  
8 the sixty-seven counties of the state on the basis of the  
9 ratio of the population of each county to the total population  
10 of the state according to the then next preceding federal  
11 decennial census.

12           c. Ten percent of the total amount allocated to each  
13 county in accordance with subdivisions (2)a. and b. of this  
14 amendment shall be distributed among the municipalities within  
15 the county on the basis of the ratio of the population of each  
16 municipality to the total population of all municipalities in  
17 the county according to the then next preceding federal  
18 decennial census.

19           d. A county or municipality shall not distribute any  
20 funds to any company or corporation providing transportation  
21 products or services unless that company or corporation  
22 certifies to the county or city that it is an Alabama based  
23 company or corporation employing only Alabama residents.

24           Section 2. Funds expended under Section 1 shall  
25 comply with the United States Department of Transportation's  
26 Disadvantaged Business Enterprise (DBE) Program.

1           Section 3. No part of any appropriation may be  
2 allotted if such allotment would cause the trust capital of  
3 the Alabama Trust Fund as of the end of the previous fiscal  
4 year to fall below two billion dollars (\$2,000,000,000) and  
5 all appropriations from the Alabama Trust Fund shall be  
6 suspended until such time as the trust capital of the Alabama  
7 Trust Fund reaches and exceeds such amount as of the end of  
8 the previous year, at which time the appropriations shall  
9 resume to be allotted.

10           Section 4. Each company awarded a contract funded by  
11 the proceeds from this amendment shall employ 50 percent of  
12 all new hires from state unemployment rolls. The unemployment  
13 roll hires shall have been on the rolls for a minimum of 26  
14 weeks and shall be placed on the company payroll within 60  
15 days of receiving project funds.

16           Section 5. In order to compensate for the reduction  
17 in interest earnings to local governments due to the transfer  
18 of funds from the Alabama Trust Fund, the following additional  
19 transfers shall be made from the Alabama Trust Fund in each of  
20 the following fiscal years to be divided equally between the  
21 Municipal Government Capital Improvement Fund created in Code  
22 of Alabama 1975, Section 11-66-4 and the County Government  
23 Capital Improvement Fund created in Code of Alabama 1975,  
24 Section 11-29-4.

25           FY 2011 -- 1% of the amount appropriated for FY 2011

26           FY 2012 -- 1% of total amounts appropriated through

27 2012

1                   FY 2013 -- 1% of total amounts appropriated through  
2                   2013  
3                   FY 2014 -- 1% of total amounts appropriated through  
4                   2014  
5                   FY 2015 -- 1% of total amounts appropriated through  
6                   2015  
7                   FY 2016 -- 1% of total amounts appropriated through  
8                   2016  
9                   FY 2017 -- 1% of total amounts appropriated through  
10                  2017  
11                  FY 2018 -- 1% of total amounts appropriated through  
12                  2018  
13                  FY 2019 -- 1% of total amounts appropriated through  
14                  2019  
15                  FY 2020 -- 1% of total amounts appropriated through  
16                  2020

17                  Section 6. An election upon the proposed amendment  
18                  shall be held in accordance with Sections 284 and 285 of the  
19                  Constitution of Alabama of 1901, now appearing as Sections 284  
20                  and 285 of the Official Recompilation of the Constitution of  
21                  Alabama of 1901, as amended, and the election laws of this  
22                  state.

23                  Section 7. The appropriate election official shall  
24                  assign a ballot number for the proposed constitutional  
25                  amendment on the election ballot and shall set forth the  
26                  following description of the substance or subject matter of  
27                  the proposed constitutional amendment:

1                   "Proposing an amendment to the Constitution of  
2 Alabama of 1901, as amended, relating to the Alabama Trust  
3 Fund, to provide for the appropriation of funds in the Alabama  
4 Trust Fund to be distributed for state and local  
5 transportation purposes and to provide for funds for the  
6 County and Municipal Government Capital Improvement Fund.

7                   "Proposed by Act \_\_\_\_\_."

8                   This description shall be followed by the following  
9 language:

10                  "Yes ( ) No ( )."