HB394

XCAKZ7E-1

By Representatives Reynolds, Whitt, Blackshear

RFD: Ways and Means General Fund

First Read: 02-Apr-24

SYNOPSIS:

This bill would amend those provisions of Act No. 90-602 enacted at the 1990 Regular Session of the Legislature of Alabama, codified as Sections 41-10-458 and 41-10-461, Code of Alabama 1975, to allow the Alabama Building Renovation Finance Authority to issue bonds in an amount not to exceed $50 million for authorized projects allowed under Section 41-10-456, Code of Alabama 1975, and clarify certain provisions related to the sale of bonds by the Authority.

A BILL

TO BE ENTITLED

AN ACT

To amend those provisions of Act No. 90-602 enacted at the 1990 Regular Session of the Legislature of Alabama, codified as Sections 41-10-458 and 41-10-461, Code of Alabama 1975, to allow the Alabama Building Renovation Finance Authority to issue bonds in an amount not to exceed $50 million for authorized projects allowed under Section

41-10-456, Code of Alabama 1975, and to clarify certain provisions related to the sale of bonds by the Authority.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Definitions. The following terms, whenever used in this act, shall have the following respective meanings unless the context clearly indicates otherwise:

(1) "Authority" means Alabama Building Renovation Finance Authority established pursuant to the 1990 Act.

(2) "Bonds" (except where that word is used with reference to bonds issued under another act) means those bonds authorized to be issued pursuant to the authorization contained in this act.

(3) "1990 Act" means Act No. 90-602 enacted at the 1990 Regular Session of the Legislature of Alabama, codified as Article 14 of Chapter 10 of Title 41, Code of Alabama 1975.

(4) "1998 Act" means Act No. 98-245 enacted at the 1998 Regular Session of the Legislature of Alabama.

(5) "2006 Act" means Act No. 06-618 enacted at the 2006 Regular Session of the Legislature of Alabama.

Section 2. In addition to those bonds authorized to be issued or refunded by the Authority pursuant to the 1990, 1998, and 2006 Acts, the Authority, acting pursuant to and exercising the powers granted to it by Article 14 of Chapter 10 of Title 41 of the Code of Alabama 1975, as heretofore and hereby amended, is hereby authorized to sell and issue its Bonds in an aggregate principal amount not to exceed fifty

million dollars ($50,000,000) for the purpose of the construction, renovation, reconstruction, improvement, alteration, addition, demolition, surfacing and resurfacing of land for parking and other uses to produce revenue, equipment, operation and maintenance of public office building facilities (including the State Capitol) and any other public office facility or improvement related thereto, paying the costs of such projects as shall be necessary or convenient, and paying the costs of issuance of the Bonds.

Section 3. Section 41-10-461, Code of Alabama 1975 is amended to read as follows:

"§41-10-461

Bonds may be sold by the authority from time to time in series, and if sold in more than one series may all be authorized in one initial resolution of the board of directors with the pledges therefor made in such initial resolution although some of the details applicable to each series may be specified in the respective resolutions under which the different series are issued; provided, however, that no bonds of the authority that are authorized under Act 98-245 shall be sold or counsel hired prior to February 1, 1999. Each series of the bonds may be sold at public or private sale, or via negotiation, as determined by the authority, at such price or prices as the authority shall determine, and, if sold at public sale either on sealed bids or at public auction, on a basis determined by the authority to enable it to effect the sale of the bonds being sold at the lowest ~~effective borrowing~~ true interest cost to the authority; provided, that if in the

event of public sale of the bonds no bid acceptable to the authority is received it may reject all bids. ~~Notice of each public sale or summary notice of sale or both shall be given by publication in either a financial journal or a financial newspaper published in the City of New York, New York, and also by publication in a newspaper published in the state which is customarily published not less than five days during each calendar week, each of which notices must be published at least one time not less than 10 days prior to the date fixed for the sale.~~ The ~~board of directors~~authority may fix the terms and conditions under which each such sale may be held; provided, that such terms and conditions shall not conflict with any of the requirements of this article. Approval by the Governor of the terms and conditions under which any of the bonds may be issued shall be requisite to their validity, which approval signed by the Governor shall be entered on the minutes of the respective meetings of the board of directors at which the series of the bonds proposed to be issued are authorized or sold."

Section 4. All laws or parts of laws which conflict with this act are repealed.

Section 5. The provisions of this act are severable. If any part of this act is declared invalid or unconstitutional, that declaration shall not affect the part which remains.

Section 6. This act shall become effective immediately upon its passage and approval by the Governor, or its otherwise becoming a law.