

HB514 INTRODUCED



1 HB514
2 MSRSK1H-1
3 By Representative Datcher
4 RFD: Ethics and Campaign Finance
5 First Read: 03-Apr-25



SYNOPSIS:

Under existing law, an officer or employee of a municipality, directly or indirectly, may not have an interest in any work, business, or contract paid from the municipal treasury.

This bill would authorize an employee to receive funds from a grant program ultimately paid through the municipal treasury if the funds received are in a like manner to other recipients and the employee is not involved in the decision-making for eligibility for grant program funds.

This bill would also update language to current drafting style.

A BILL
TO BE ENTITLED
AN ACT

Relating to municipal employees; to amend Section 11-43-12, Code of Alabama 1975, to provide that a municipal employee may be the recipient of a grant program, even though funds flow through the municipal treasury, if certain conditions are met.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:



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Section 1. Section 11-43-12, Code of Alabama 1975, is amended to read as follows:

"§11-43-12

(a) No ~~alderman or~~ officer or employee of the municipality shall ~~be~~ have, directly or indirectly, ~~interested~~ a financial interest in any work, business, or contract, the expense, price, or consideration of which is paid from the treasury, nor shall any member of the council or officer of the municipality be surety for any person having a contract, work, or business with ~~such~~ the municipality for the performance of which a surety may be required.

(b) Notwithstanding subsection (a), an employee, if otherwise qualified, is not prohibited from accepting or receiving funds from a community development block grant or other grant program, where the funds flow through the municipal treasury, provided:

(1) The benefit to the employee is similar and in a like manner to other recipients of the grant program; and

(2) The employee does not play any decision-making role in eligibility for receiving funds from the grant program.

(c) The exception in subsection (b) is not available to any municipal elected official.

~~(b)~~ (d) Any ~~person~~ individual who violates ~~any of the provisions of~~ this section shall be guilty of a misdemeanor and, on conviction ~~thereof~~, shall be fined not less than ~~\$50.00~~ fifty dollars (\$50) nor more than ~~\$1,000.00~~ one thousand dollars (\$1,000), and may also be sentenced to hard labor for the county for not more than six months."



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57 Section 2. This act shall become effective on October
58 1, 2025.