

**HB514 INTRODUCED**



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



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## 4     SYNOPSIS:

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

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

15                  This bill would also update language to current  
16    drafting style.

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A BILL

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TO BE ENTITLED

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AN ACT

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23                  Relating to municipal employees; to amend Section  
24    11-43-12, Code of Alabama 1975, to provide that a municipal  
25    employee may be the recipient of a grant program, even though  
26    funds flow through the municipal treasury, if certain  
27    conditions are met.

28    BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:



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

31                   "§11-43-12

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

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

45                   (1) The benefit to the employee is similar and in a  
46                   like manner to other recipients of the grant program; and  
47                   (2) The employee does not play any decision-making role  
48                   in eligibility for receiving funds from the grant program.

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

51                   ~~(b)~~(d) Any ~~person~~individual who violates ~~any of the~~  
52                   ~~provisions of~~ this section shall be guilty of a misdemeanor  
53                   and, on conviction~~thereof~~, shall be fined not less than  
54                   \$50.00 fifty dollars (\$50) nor more than \$1,000.00one thousand  
55                   dollars (\$1,000), and may also be sentenced to hard labor for  
56                   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.