

SB185 INTRODUCED



1 SB185
2 ZQFECWR-1
3 By Senators Coleman-Madison, Waggoner, Smitherman, Woods,
4 Coleman (N & P)
5 RFD: Jefferson County Legislation
6 First Read: 20-Jan-26



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4 A BILL
5 TO BE ENTITLED
6 AN ACT
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9 Relating to public transportation in counties having a
10 population of 600,000 or more; to amend Section 11-32-7, Code
11 of Alabama 1975, to provide that a transit authority is
12 authorized to participate in business organizations relating
13 to transit operations, land acquisitions, and activities
14 incidental to the operation of the authority; to create,
15 establish, acquire, operate, or support subsidiaries of the
16 authority; to make or arrange for loans for the activities of
17 the business organizations; to provide that the business
18 organizations with which the authority participates shall not
19 have the power of eminent domain; to revise Section 11-32-2,
20 Code of Alabama 1975, to make conforming changes; and to make
21 nonsubstantive, technical revisions to update the existing
22 code language to current style.

23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24 Section 1. Section 11-32-7, Code of Alabama 1975, is
25 amended to read as follows:

26 "§11-32-7

27 (a) The authority shall exercise powers and duties
28 necessary to the discharge of its powers and duties in



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corporate form as follows:

(1) Have succession by its corporate name in perpetuity subject to Section 11-32-20.

(2) Sue and be sued in its own name in civil suits and actions and defend suits against it.

(3) Adopt and make use of a corporate seal and alter the same at its pleasure.

(4) Adopt and alter bylaws for the regulation and conduct of its affairs and business.

(5) Acquire, receive, take, by purchase, gift, lease, devise, or otherwise, and hold property of every description, real, personal, or mixed, whether located in one or more counties or municipalities and whether located within or outside the authorizing county.

(6) Make, enter into, and execute contracts, agreements, leases, and other instruments and take other actions as may be necessary or convenient to accomplish any purpose for which the authority was organized, or exercise any power expressly granted under this chapter. It is further provided that personnel employed and vendors hired with funds provided under this chapter shall reflect the racial and gender percentages within the authorizing county.

(7) Plan, establish, develop, acquire, purchase, lease, construct, reconstruct, enlarge, improve, maintain, equip, and operate a system for the provision of public transportation service within the authorizing county, or within any other county of the state, and without any requirement that the system be interconnected or otherwise constitute an integrated



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operational unit.

(8) Acquire real and personal property, franchises, and easements deemed necessary or desirable in connection with the system.

(9) Establish long-range plans and an annual program for public transportation in consultation with plans adopted by the Metropolitan Planning Organization and the Regional Planning Commission, the plans and programs to be coordinated with the plans for land use and development by counties and municipalities in the geographic area of the authority, in cooperation with the Regional Planning Commission and the Metropolitan Planning Organization; assure consistency between public transportation plans and related land use policies and plans; and provide for funds sufficient to ensure the planning and consultation as required among the authority, the Metropolitan Planning Organization, and the Regional Planning Commission.

(10) Develop or make grants for development of alternative transportation projects designed to enhance access to public transportation service in furtherance of the goal of improved mobility within the system providing public transportation service and in accordance with ~~Section~~23 U.S.C. § 134 ~~of Title 23 and Chapter 49 U.S.C. § 53 of Title 49 of the United States Code.~~

(11) Own, operate, finance, and provide public transportation service within the authorizing county or in any part of any other county upon the terms and for rates or other consideration as the board may prescribe.



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(12) Provide charter service within the state upon the terms and for the rates or other consideration as the board may prescribe unless prohibited by federal or state law, and use or operate any part of any transportation system owned by the authority in the charter service.

(13) Sell and issue bonds of the authority in order to provide funds for any corporate function, use, or purpose, the bonds to be payable solely from the sources specified in Sections 11-32-9 and 11-32-13.

(14) Assume obligations secured by a lien on, or payable out of or secured by a pledge of the revenues from, any transit system or any part thereof, that may be acquired by the authority, any obligation so assumed to be payable by the authority solely from the sources from which bonds of the authority may be made payable pursuant to Sections 11-32-9 and 11-32-13.

(15) Pledge for payment of any bonds issued or obligations assumed by the authority any revenues from which those bonds or obligations are made payable as provided in this chapter.

(16) Execute and deliver, in accordance with Sections 11-32-9 and 11-32-13, mortgages and deeds of trust and trust indentures, or either.

(17) Exercise the power of eminent domain, except as limited by state law, except the authority may not acquire, without the consent of the owner, any transportation system from which public transportation service is currently being furnished. The authority may not acquire, by eminent domain,



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113 ~~acquire~~ any real property or rights owned or held by public or
114 private railroads or utilities.

115 (18) Expend funds for the purchase or lease of
116 materials, equipment, supplies, or other personal property
117 without compliance with Chapter 16 of Title 41.

118 (19) Appoint, employ, contract with, and provide for
119 the compensation of, officers, employees, and agents,
120 including, but without limitation to, engineers, attorneys,
121 management consultants, fiscal advisers, or other consultants
122 without regard to Chapter 16 of Title 41, or any law
123 establishing a civil service or merit system that might
124 otherwise be applicable, as the business of the authority may
125 deem necessary or desirable, and also provide a system of
126 disability pay, employee insurance, retirement compensation,
127 pensions, or other employee benefit plans as the authority may
128 deem necessary or desirable. This chapter may not be construed
129 to affect the rights and privileges of the employees of the
130 system.

131 (20) Make and enforce reasonable rules and regulations
132 governing the use of any public transportation service
133 provided by the authority.

134 (21) Provide for any insurance as the board may deem
135 advisable.

136 (22) Invest funds of the authority that the board may
137 determine are not presently needed in the operation of its
138 properties in bonds of, or guaranteed by, the United States of
139 America or any agency of the United States, bonds of the
140 state, bonds of any county or municipality, interest-bearing



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141 bank deposits, any agreement to repurchase any one or more of
142 the foregoing, any money market fund consisting of any one or
143 more of the foregoing, or any combination thereof.

144 (23) Cooperate with the United States of America or its
145 agencies or instrumentalities, the state, any county,
146 municipality, or other political subdivision of the state, and
147 any public corporation organized under the laws of the state
148 and make or receive funds from any of them in the terms as the
149 board may deem advisable or prescribe to make contracts with
150 them, or any of them, as the board deems advisable to
151 accomplish the purposes for which the authority was
152 established.

153 (24) Sell and convey its properties that may have
154 become obsolete or worn out or that may no longer be needed or
155 useful as a part of any transportation system of the
156 authority.

157 (25) Sell and convey, with or without valuable
158 consideration, any of its transit systems or any portion of a
159 transit system, to any one or more counties, municipalities,
160 or public corporations organized under the laws of the state,
161 which have the corporate power to operate the system, or
162 portions of a transit system, conveyed, and the property and
163 income of which are not subject to taxation except that the
164 sale and conveyance may be made only of the following:

165 a. With the consent of the authorizing county, the
166 principal municipality, and each participating municipality,
167 the consent to be evidenced by a resolution adopted by the
168 governing body of each consenting county and municipality.



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b. If the conveyance would not constitute a breach of any then outstanding mortgage and deed of trust, trust indenture, or other agreement to which the authority is a party.

(26) Enter into agreements with all or any part of the employees of the authority or with any groups or associations representing the employees.

(27) Enter into a management agreement or agreements with any person for the management by or for the authority of any public transportation service upon any mutually agreeable terms and conditions.

(28) Require that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work for the authority be paid wages at rates not less than those prevailing on similar construction in the locality where the work is performed as determined by the United States Secretary of Labor or any department, agency, or instrumentality of the United States or of the state.

(29) If the authority acquires an existing system for the provision of public transportation service, enter into arrangements necessary or desirable to protect the interest of employees of any acquired system including, without limiting the generality of the ~~foregoing~~following:

a. The preservation of rights, privileges, and benefits including continuation of pension rights and benefits under existing agreements.

b. The protection of individual employees against a worsening of their positions with respect to their employment.



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c. Assurance of employment to the employees of acquired transportation systems, except executives and administrative officers, and priority of reemployment of the employees terminated or laid off.

d. Paid training or retraining programs.

(30) Fix and revise from time to time reasonable rates, fees, and other charges for public transportation service furnished or to be furnished by any system owned or operated by the authority, and collect all charges made by it.

(31) Prepare, adopt, and implement a set of policies that shall govern and set standards for, the conduct of all members of the board and all employees of the authority which shall include, but are not limited to, the following:

a. Provide for penalties for a violation.

b. Prohibit unethical conduct and require each director and employee of the authority to comply with all the provisions of the policy which shall include, but not necessarily be limited to, the provisions of the code of ethics for public officials and employees as provided for in Chapter 25 of Title 36, and rules ~~and regulations~~ ~~promulgated~~adopted thereunder by the ~~state~~State Ethics Commission.

c. Allow for the reimbursement of the expenses of directors and employees, subject to any requirements provided in the policy.

d. Provide a method of keeping records for expenses of directors and employees.

e. Regulate business dealings and contracts between the



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authority and directors or employees of the authority and business dealings between the authority and members of the family of directors or employees of the authority.

(32) Do any and all things necessary to own, operate, facilitate, provide, or promote public transportation services within the authorizing county or any other county of the state.

(b) (1) To assist the authority in fulfilling its purpose, in addition to the powers and duties in subsection (a), the authority may do any of the following:

a. Participate: (i) as a shareholder of a corporation; (ii) as a limited or general partner of a limited or general partnership; (iii) as a joint venture partner of a joint venture; (iv) as a member of a nonprofit corporation; or (v) as a member of any other lawful form of business organization relating to transit operations, land acquisitions, or other incidental operations of the authority.

b. Create, establish, acquire, operate, or support subsidiaries and affiliates of the authority, either for profit or nonprofit.

c. Make or arrange for loans, contributions to capital, and other debt and equity financing for the activities of the business organization described in paragraph a.

(2) Nothing in this subsection authorizes any business organization with which an authority participates or any subsidiary or affiliate of the authority to exercise eminent domain.

(c) (1) The board shall establish a separate and



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independently accountable TCAB. The TCAB shall be established by the board by July 23, 2013. The TCAB shall be composed of ~~persons~~individuals each of whom is a duly qualified elector of the authorizing county. In addition, the executive director of the authority shall serve as an ex officio nonvoting member of the TCAB. The procedure for making appointments to the TCAB and establishing the terms of the appointments shall be determined by the board in its sole discretion. The procedure shall include the approval of ~~persons~~individuals appointed to the TCAB by the authorizing county, principal municipality, or participating municipalities. In making appointments to the TCAB the following shall be considered:

a. Representation from all geographic regions served by the authority.

b. Minority representation to reflect the racial, gender, geographic, urban, rural, and economic diversity within the geographic regions served by the authority.

c. Representation from users of the system providing public transportation service, paratransit users, and advocates.

(2) The board shall ensure that the authorizing county, the principal municipality, and each participating municipality shall be represented on the TCAB and that the number of representatives of each shall roughly approximate the funding normally provided by each.

~~(2)~~ (3) The TCAB shall be advisory to the authority and perform the following duties:

a. Serve as a body to advise the authority, the board,



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and private persons on the development and implementation of policies and programs relating to public transportation, and assist in the coordination of these activities.

b. Adopt bylaws, elect officers including a chair, and establish procedures for its operation within 30 days of its creation; provided, however, that the bylaws for the TCAB shall be subject to approval or amendment by the board.

c. Advise and make recommendations regarding transit development plans, comprehensive operations analysis, annual service, and marketing and annual advertising plans developed by the authority.

~~(3)~~ (4) The board and the TCAB shall meet together at least once every six months at the time and place as shall be mutually agreeable.

~~(4)~~ (5) The board ~~may~~, by three-fourths vote of the members of the board, may determine to disband and reconstitute the TCAB.

~~(e)~~ (d) The board shall establish, from time to time, a fiscal year for the authority.

~~(d)~~ (e) A majority of the directors then in office shall constitute a quorum at any meeting of the board for the transaction of business. The act of a majority of the directors present at any meeting at which there is a quorum shall be an act of the board.

~~(e)~~ (f) The recovery of damages under any judgment or judgments against the authority shall be limited to one hundred thousand dollars (\$100,000) for bodily injury or death for one person in any single occurrence. Recovery of damages



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under any judgment or judgments against the authority shall be limited to three hundred thousand dollars (\$300,000) in the aggregate where more than three persons have claims or judgments on account of bodily injury or death arising out of any single occurrence. Recovery of damages under any judgment or judgments against the authority shall be limited to one hundred thousand dollars (\$100,000) for damage or loss of property arising out of any single occurrence. The authority may not settle or compromise any claim for bodily injury, death, or property damage for an amount in excess of the amounts stated in this subsection."

Section 2. Section 11-32-2, Code of Alabama 1975, is amended to make conforming changes to read as follows:

"§11-32-2

As used in this chapter, the following words and phrases shall mean the following unless the context clearly indicates otherwise:

(1) AD VALOREM TAX. Those real and personal property ad valorem taxes collected by the county tax collector, the director of revenue of the county, or revenue commissioner, if any, for the county, but shall exclude all ad valorem taxes collected for the State of Alabama and all boards of education, municipalities, fire districts, or other entities located in the county.

(2) APPLICANT. A natural person who files a written application with the governing body of any county to which this chapter applies and with a municipality in the county, all in accordance with Section 11-32-3.



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(3) AUTHORITY. The public corporation organized pursuant to this chapter, which shall be an agency of the state but shall not be a political subdivision of the state.

(4) AUTHORIZING COUNTY. Any county the governing body of which shall have adopted an authorizing resolution, even if the population of the county ~~should fall~~ falls below 600,000.

(5) AUTHORIZING MUNICIPALITY. Any municipality the governing body of which shall have adopted an authorizing resolution.

(6) AUTHORIZING RESOLUTION. A resolution, adopted by the governing body of any county to which this chapter applies or by a municipality in the county, all in accordance with Section 11-32-3.

(7) BOARD. The Board of Directors of an authority.

(8) BONDS. Bonds, notes, warrants, certificates, and other obligations representing an obligation to pay money.

(9) COUNTY. Any county in the state.

(10) DIRECTOR. A member of the board.

(11) FISCAL YEAR. The 12-month period provided for in ~~subsection (c) of~~ Section 11-32-7 (d).

(12) GOVERNING BODY. With respect to a county, its county commissioners, board of revenue, or other like governing body and with respect to a municipality, its city or town council, board of commissioners, or other like governing body.

(13) INCORPORATORS. The persons forming a public corporation organized pursuant to this chapter.

(14) LABOR UNION. An organization in which employees



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participate for the purpose of dealing with one or more employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(15) METROPOLITAN PLANNING ORGANIZATION. The forum for cooperative transportation decision making for a metropolitan planning area pursuant to 23 U.S.C. § 134 and 49 U.S.C. § 5303.

(16) MUNICIPALITY. An incorporated city or town of this state.

(17) PARATRANSIT. Comparable transportation service required by the Americans with Disabilities Act for individuals who are unable to use fixed route transportation systems.

(18) PARTICIPATING MUNICIPALITY. A municipality in an authorizing county, other than the principal municipality, which is then providing funds for the authority, pursuant to resolution, contract, or otherwise.

(19) PERSON. Unless limited to a natural person by the context in which it is used, includes a public or private corporation, municipality, county, or an agency, department, or instrumentality of the state or of a county or municipality.

(20) PRINCIPAL MUNICIPALITY. The municipality in an authorizing county having the largest population in the authorizing county according to the last or any subsequent federal decennial census.

(21) PRINCIPAL OFFICE. The place at which the certificate of incorporation and amendments to the certificate



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393 of incorporation, the bylaws, and the minutes of proceedings
394 of the board are kept.

395 (22) PROPERTY. Real and personal property, and any and
396 all interests in the real and personal property.

397 (23) PUBLIC TRANSPORTATION SERVICE. All service
398 involved in the transportation of passengers for hire by means
399 of buses, street railway, elevated railway, subway,
400 underground railroad, light rail, mass transit systems, motor
401 vehicles, or other means of conveyance generally associated
402 with or developed for mass surface or sub-surface
403 transportation of the public, but does not include any service
404 involved in transportation by taxicab, airport limousine, or
405 industrial bus; however, public transportation service does
406 not include aircraft or any air service subject to the Air
407 Carrier Access Act of 1986 or managed by an airport authority
408 of the principal municipality.

409 (24) REGIONAL PLANNING COMMISSION. The regional
410 organization representing governing bodies of local
411 governments under Act 584 of the 1963 Regular Session (Acts
412 1963, p. 1278) or Act 1126 of the 1969 Regular Session (Acts
413 1969, p. 2084).

414 (25) TCAB. The transit citizens advisory board
415 established herein.

416 (26) TRANSIT SYSTEM. Land, plants, systems, facilities,
417 buildings, garages, vehicles of all types, rails, lines, and
418 any combination of any of the following, used or useful or
419 capable of future use in furnishing public transportation
420 service, and all other property deemed necessary or desirable



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421 by an authority for use in furnishing public transportation
422 service.

423 (27) STATE. The State of Alabama."

424 Section 3. This act shall become effective on October
425 1, 2026.