

SB314 ENROLLED



1 SB314
2 9J5C2MB-2
3 By Senator Orr (N & P)
4 RFD: Local Legislation
5 First Read: 17-Feb-26



SB314 Enrolled

1 Enrolled, An Act,

2

3 Relating to Morgan County; to amend Section

4 45-52A-35.08, Code of Alabama 1975; to expand the scope of the
5 board's operating parameters.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. Section 45-52A-35.08, Code of Alabama 1975,
8 is amended to read as follows:

9 "§45-52A-35.08

10 (a) The board shall have complete control of each of
11 the public utilities owned by the City of Decatur including,
12 without limitation, the electric, gas, water, and wastewater
13 services and facilities of the City of Decatur, and shall
14 manage and operate each such municipally owned utility. ~~It~~
15 ~~shall have the authority to~~ The board may organize the
16 utilities under its control in such manner as ~~it~~ the board
17 shall deem advisable including, without limitation, authority
18 ~~to consolidate~~ consolidating all financial operations of the
19 utilities under its control so long as the books of the
20 operations are kept in such manner as to allocate to the
21 respective utilities the income and expenditures applicable to
22 them; ~~authority to consolidate~~ consolidating all operations
23 under one general manager; ~~authority to consolidate~~
24 consolidating the operations of any of the utilities under ~~its~~
25 the board's control under one operation manager or under a
26 separate manager or managers; and ~~authority to create~~ creating
27 any departments within the organization which ~~it~~ the board
28 shall deem to be in the best interest of the utilities, such



SB314 Enrolled

29 as an administration department, a personnel department ~~and,~~
30 or other departments which appear to the board to be
31 desirable.

32 (b) The board ~~shall have authority to employ,~~ upon
33 terms to be fixed by the board, ~~and to~~ may employ or
34 discharge, a general manager and such other managers and
35 employees which may be needed in the operations under the
36 control of the board.

37 (c) The board ~~shall have authority to~~ may delegate to
38 any general or departmental manager ~~it~~ the board may employ,
39 the authority to employ ~~and or~~ discharge other employees which
40 may be needed; to direct their work and to manage, control,
41 and operate the public utility or utilities of the City of
42 Decatur of which he or she is the manager, and to account to
43 the board for his or her acts in so doing, but his or her
44 authority shall be restricted as the authority of the board is
45 restricted in this part.

46 (d) The board may adopt such fiscal year or years for
47 the operations under its control as ~~it~~ the board may from time
48 to time determine.

49 (e) (1) The board shall ~~have the power and authority and~~
50 ~~it shall be its duty to~~ charge for and collect all accounts
51 due for any service which any of the utilities under ~~its~~ the
52 board's control may furnish to its customers, upon rates to be
53 provided and approved by the governing body of the City of
54 Decatur.

55 (2) Subject to the limitation contained in Section
56 45-52A-35.14, the board ~~shall have the authority to enter~~



SB314 Enrolled

57 ~~into~~, on behalf of the City of Decatur, may enter into all
58 contracts and agreements which are necessary or desirable in
59 the performance of its duties under this part. Such contracts
60 may be executed, on behalf of the City of Decatur, by such
61 officer or employee of the board as may be designated by the
62 board.

63 (3) Contracts for purchase of utility services at
64 wholesale may not be executed by or on behalf of the board
65 without the consent and approval of the governing body of the
66 city.

67 (4) Contracts for sale of utility services which may
68 bind the city for more than 10 years may not be executed by or
69 on behalf of the board without the consent and approval of the
70 governing body of the city.

71 (5) The board ~~shall have the right to~~ may collect and
72 receive all income from the operation of the utilities under
73 its control and ~~to~~ expend the same in the operation of the
74 same.

75 (6) Suits for the collection of accounts due for
76 service which any utility may furnish to its customers or for
77 enforcement of agreements made on behalf of the city by the
78 board or for the enforcement of other rights of such utilities
79 shall be conducted by the board, at the expense of the
80 respective utilities, in the name of the City of Decatur.

81 (f) The board shall comply with all provisions of
82 contracts made by the City of Decatur for the purchase of
83 electricity, gas, or other utility services at wholesale and
84 with the provisions of all bond ordinances adopted by the



SB314 Enrolled

85 governing body of the City of Decatur pertaining to the
86 municipally owned utilities of the city and shall distribute
87 and account for funds received from the sale of utility
88 services as required by any such contracts or bond ordinances.

89 (g) (1) Each member of the board and each general
90 manager appointed by the board, and each departmental manager
91 appointed by the general manager, now or hereafter serving as
92 such, shall be indemnified by the board against any and all
93 claims and liabilities to which he or she has or shall become
94 subject by reason of serving or having served as such or by
95 reason of any action alleged to have been taken, omitted, or
96 neglected by him or her as such board member or manager; and
97 the board shall reimburse each ~~such person~~ individual for all
98 legal expenses reasonably incurred by him or her in connection
99 with any such claim or liability, provided, ~~however,~~ that no
100 ~~such person~~ individual shall be indemnified against, or be
101 reimbursed for, any expense incurred in connection with any
102 claim or liability arising out of his or her own willful
103 misconduct or gross negligence.

104 (2) The amount paid to any board member or manager by
105 way of indemnification shall not exceed his or her actual,
106 reasonable, and necessary expenses incurred in connection with
107 the matter involved. The right of indemnification ~~herein~~
108 provided ~~for~~ by this subsection shall not be exclusive of any
109 rights to which any board member or manager of the ~~Municipal~~
110 ~~Utilities Board of Decatur~~ board may otherwise be entitled by
111 law. The board ~~is authorized to~~ may purchase suitable
112 insurance coverage for such indemnity.



SB314 Enrolled

113 (h) The board shall operate all municipally owned
114 utilities economically and in a manner that encourages the
115 expansion of and economic growth in the service area of each
116 utility. The board shall also account for and pay over any net
117 revenues realized from such operations to the City of Decatur
118 at such time or times and in such manner as may be determined
119 by the governing body of the City of Decatur."

120 Section 2. This act shall become effective on October
121 1, 2026.



SB314 Enrolled

122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154

President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB314
Senate 24-Feb-26
I hereby certify that the within Act originated in and passed
the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 05-Mar-26

By: Senator Orr