

1 SB357  
2 95541-3  
3 By Senator Means  
4 RFD: Economic Expansion and Trade  
5 First Read: 14-FEB-08

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8 SYNOPSIS: This bill would provide for the 2008 County  
9 Bridge Replacement and Road Repair Bond Issue of  
10 \$275,000,000 in order to implement a statewide  
11 program for county bridge replacement and certain  
12 road repair projects. The bill would provide for  
13 the distribution of bond proceeds to counties based  
14 on the same formula, schedule of bridge repair  
15 categories, the same specific criteria, and the  
16 same schedules as were used in the 2000 bond issue  
17 program enacted pursuant to Act 2000-727, 2000  
18 Regular Session.

19  
20 A BILL  
21 TO BE ENTITLED  
22 AN ACT

23  
24 To provide for the 2008 County Bridge Replacement  
25 and Road Repair Bond Issue of \$275,000,000, to provide for the  
26 distribution of bond proceeds to counties and the expenditure  
27 of funds based on categories and criteria used pursuant to Act

1 2000-727, 2000 Regular Session; to provide for administration  
2 of the program by the Department of Transportation; and to  
3 provide for contingent operation of the bill.

4 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

5 Section 1. The Legislature makes the following  
6 statements and findings:

7 (1) More than 1,500 county bridges in Alabama fail  
8 to meet federal safety inspection standards.

9 (2) During the 2006-07 school year, public school  
10 buses traveled approximately 2,900 miles per day to detour  
11 around unsafe bridges. The Alabama Department of Education  
12 estimates the detour costs at \$13,920 per day, or more than  
13 \$3.4 million in a 35-week school year.

14 (3) The unsafe condition of county bridges and the  
15 specific needs for county road improvement need to be  
16 addressed immediately upon the availability of additional  
17 state funding.

18 Section 2. The following terms shall have the  
19 following meanings for purposes of this act:

20 (1) 2000 PROGRAM. The program for rural bridge  
21 replacement provided by Amendment 666 of the Constitution of  
22 Alabama of 1901, now appearing as Section 219.04 of the  
23 Official Recompilation of the Constitution of Alabama of 1901,  
24 as amended, and the Rural Bridge Replacement Bond Issue  
25 provided by Act 2000-727 of the 2000 Regular Session (Acts  
26 2000, p. 1558).

1           (2) ACT 2000-727. The act establishing a bond issue  
2 and county road and bridges program described in subdivision  
3 (1).

4           (3) AUTHORITY. The County Bridge and Road Authority  
5 created by this act.

6           (4) BOND ISSUE. The bond issue authorized by this  
7 act.

8           Section 3. It is the intention of the Legislature by  
9 the passage of this act to authorize the incorporation of the  
10 County Bridge and Road Authority of 2008, composed of the  
11 Director of Finance, the Director of the Department of  
12 Transportation, two members of the House of Representatives  
13 appointed by the Speaker of the House of Representatives, one  
14 member of the Senate appointed by the Lieutenant Governor, and  
15 one member of the Senate appointed by the President Pro  
16 Tempore of the Senate for the purpose of constructing public  
17 roads and bridges, together with work incidental and related  
18 thereto, through an authority to be composed of these  
19 officials whose incorporation is hereby authorized, to vest  
20 the authority with all powers, authorities, rights,  
21 privileges, and titles that may be necessary to enable it to  
22 accomplish this purpose and to appropriate and pledge funds  
23 for the use of the authority. This act shall be liberally  
24 construed in conformity with the stated purpose.

25           Section 4. (a) Within 90 days of the effective date  
26 of this act, the persons designated in Section 3 shall present

1 to the Secretary of State of Alabama an application signed by  
2 them which will set forth:

3 (1) The name and official residence of each of the  
4 applicants.

5 (2) The name of the proposed authority, which shall  
6 be the County Bridge and Road Authority of 2008.

7 (3) The location of the principal office of the  
8 proposed authority.

9 (4) Any other matter relating to the incorporation  
10 which the applicants may choose to insert and which is not  
11 inconsistent with this act or the laws of the State of  
12 Alabama.

13 (b) The application shall be subscribed and sworn to  
14 by each of the applicants before an officer authorized by the  
15 laws of the State of Alabama to take acknowledgments to deeds.  
16 The Secretary of State shall examine the application, and if  
17 he or she finds that it substantially complies with the  
18 requirements of this section, he or she shall receive and file  
19 it and record it in an appropriate book of records in his or  
20 her office.

21 (c) When the application has been made, filed, and  
22 recorded, the applicants shall constitute an authority under  
23 the name proposed in the application and the Secretary of  
24 State shall make and issue to the applicants a certificate of  
25 incorporation, pursuant to this act, under the Great Seal of  
26 the State and shall record the same with the application.  
27 There shall be no fees paid to the Secretary of State for any

1 work in connection with the incorporation or dissolution of  
2 the authority so organized, which, for convenience, is  
3 referred to in this act as the authority.

4 Section 5. The applicants named in the application,  
5 and their respective successors, shall constitute the members  
6 of the authority. The appointee of the President Pro Tempore  
7 of the Senate shall be the president of the authority and the  
8 Speaker of the House of Representatives shall designate one of  
9 his or her appointees to serve as vice chair. The Director of  
10 the Department of Transportation or his or her designee shall  
11 act as secretary. The members of the authority shall  
12 constitute all the members of the board of directors of the  
13 authority. Any four members of the board of directors shall  
14 constitute a quorum for the transaction of business. No member  
15 of the authority shall receive any salary, in addition to that  
16 now authorized by law, for any service he or she may render or  
17 any duty he or she may perform in connection with the  
18 authority. All proceedings of the board of directors shall be  
19 subject to the Alabama Open Meetings Law and the actions of  
20 the board of directors shall be reduced to writing by the  
21 secretary of the authority and recorded in a substantially  
22 bound book. Copies of the proceedings, when certified by the  
23 secretary of the authority under the seal of the authority,  
24 shall be received in all courts as prima facie evidence of the  
25 matters and things therein certified.

26 Section 6. The authority shall have the following  
27 powers:

1           (1) To have perpetual succession by its corporate  
2 name unless sooner dissolved pursuant to this act.

3           (2) To maintain actions and have actions maintained  
4 against it and to prosecute and defend in any court having  
5 jurisdiction of the subject matter and of the parties.

6           (3) To have, use, and alter a corporate seal.

7           (4) To construct, reconstruct, and repair, or to  
8 cause to be constructed, reconstructed, and repaired, county  
9 roads and bridges, including work incidental or related  
10 thereto, in the State of Alabama, specifically to concentrate  
11 on the replacement of rural bridges and to complete certain  
12 road resurfacing projects using the same standards, formulas,  
13 criteria, and requirements as were utilized by the Alabama  
14 Federal Aid Highway Finance Authority and the Alabama  
15 Department of Transportation for the Bond Issue Program  
16 provided by Act 2000-727.

17           (5) To acquire by purchase, gift, condemnation, or  
18 any other lawful means and to convey, or cause to be conveyed,  
19 to the State of Alabama any real, personal, or mixed property  
20 necessary or convenient in connection with the construction of  
21 public roads and bridges and approaches thereto in the State  
22 of Alabama or the reconstruction, repair, or relocation of  
23 county roads and bridges.

24           (6) To exercise the right of eminent domain as  
25 freely and completely as, and in the same manner that, the  
26 State of Alabama is empowered to exercise such right.

1           (7) To borrow money for its corporate purposes and,  
2 in evidence of such borrowing, to sell and issue its bonds and  
3 to refund any thereof by the issuance of refunding bonds (any  
4 such bonds, including refunding bonds, being collectively  
5 referred to in this act as "bonds").

6           (8) To pledge the proceeds of the tax revenues  
7 referred to in this act as security for payment of the  
8 principal of and the interest on its bonds.

9           Section 7. (a) The bonds of the authority shall be  
10 signed by its president and attested by its secretary, and all  
11 interest coupons applicable to the bonds shall be signed by  
12 the president; provided, that a facsimile of the signature of  
13 one, but not both, of the officers may be imprinted or  
14 otherwise reproduced on any bonds in lieu of their being  
15 manually signed and a facsimile of the president's signature  
16 may be imprinted or otherwise reproduced on any such interest  
17 coupons in lieu of their being manually signed. The seal of  
18 the authority shall be affixed to such bonds; provided, that a  
19 facsimile of the seal may be imprinted or otherwise reproduced  
20 on any bonds in lieu of being manually affixed thereon.

21           (b) Any bonds of the authority may be executed and  
22 delivered at any time and from time to time, shall be in such  
23 form and denominations and of such tenor and maturities, shall  
24 bear such rate or rates of interest payable and evidenced in  
25 such manner, may contain provisions for redemption prior to  
26 maturity and may contain other provisions not inconsistent  
27 with this act, all as may be provided by the resolution of the

1 board of directors whereunder the bonds are authorized to be  
2 issued; provided, that no bond of the authority shall have a  
3 specified maturity date later than 30 years after its date.  
4 Any bond of the authority having a specified maturity date  
5 more than five years after its date shall be made subject to  
6 redemption at the option of the authority at the end of the  
7 fifth year after its date and on any interest payment date  
8 thereafter under such terms and conditions as may be provided  
9 in the resolution under which such bond is authorized to be  
10 issued.

11 (c) Bonds of the authority may be sold from time to  
12 time as the board of directors may deem advantageous;  
13 provided, that the aggregate principal amount of bonds of the  
14 authority which may be issued under this act shall not exceed  
15 two hundred seventy-five million dollars (\$275,000,000).

16 (d) Subject to the provisions and limitations  
17 contained in this act, the authority, from time to time, may  
18 sell and issue refunding bonds for the purpose of refunding  
19 any matured or unmatured bonds then outstanding.

20 (e) Approval by the president of the authority of  
21 the terms and conditions under which any bonds of the  
22 authority may be issued shall be requisite to their validity.  
23 The approval shall be entered on the minutes of the respective  
24 meetings of the board of directors at which the bonds are  
25 authorized and shall be signed by the president. The approval  
26 may be shown on any bonds by facsimile signature when

1 authorization thereof is contained in the approval signed by  
2 the president.

3 (f) By majority vote, the authority may pay out of  
4 the proceeds from the sale of its bonds all reasonable and  
5 customary expenses. Bonds issued pursuant to this act shall  
6 not be general obligations of the authority, but shall be  
7 payable solely out of the funds appropriated and pledged  
8 therefore.

9 (g) As security for the payment of the principal of  
10 and interest on any bonds issued pursuant to this act the  
11 authority shall pledge for payment of principal and interest  
12 funds appropriated by the Legislature for this purpose.

13 (h) All bonds issued and the income therefrom shall  
14 be exempt from all taxation in the State of Alabama. Any bonds  
15 issued may be used by the holder thereof as security for any  
16 funds belonging to the state or to any instrumentality or  
17 agency of the state in any instance where security for such  
18 deposits may be required by law.

19 Section 8. (a) The net proceeds available from the  
20 issuance of bonds issued by the authority, remaining after  
21 paying the expenses of their issuance, shall be deposited into  
22 the State Treasury, shall be carried in the Public Road and  
23 Bridge Account and shall be subject to be drawn on by the  
24 authority, upon the approval of the State Department of  
25 Transportation, but solely for the purpose of constructing,  
26 reconstructing, and repairing county roads and bridges, or  
27 work incidental or related thereto, in the State of Alabama,

1 including the acquisition of property necessary for such  
2 construction and incidental and related work; provided, that  
3 if such action shall be necessary in order to comply with any  
4 federal legislation relating to federal aid in construction of  
5 roads, the authority may authorize the State Department of  
6 Transportation to expend directly any portion of such proceeds  
7 for constructing, reconstructing, and relocating such roads  
8 and bridges or work incidental or related thereto. The  
9 proceeds from the sale of any refunding bonds of the authority  
10 remaining after paying the expenses of their issuance shall be  
11 used only for the purpose of refunding the principal of  
12 outstanding bonds of the authority and of paying any premium  
13 that may be necessary to be paid in order to redeem or retire  
14 the bonds to be refunded.

15 (b) The Alabama Department of Transportation shall  
16 administer the county bridge repair and road repair program  
17 using the same formulas for distribution, the same criteria,  
18 standards, and requirements that were utilized pursuant to Act  
19 2000-727 to implement the Roads and Bridge to Alabama's Future  
20 building program.

21 Section 9. Out of the revenues appropriated and  
22 pledged for such purpose, the State Treasurer shall pay the  
23 principal of and interest on the bonds issued under this act,  
24 as such principal and interest shall respectively mature, and  
25 the State Treasurer shall set up and maintain appropriate  
26 records pertaining thereto.

1           Section 10. At any time when no securities of any  
2 kind of the authority issued under this act are outstanding,  
3 the authority established by incorporation may be dissolved  
4 upon the filing with the Secretary of State of an application  
5 for dissolution, which shall be subscribed by each of the  
6 members of the authority and which shall be sworn to by a  
7 majority of the members before an officer authorized to take  
8 acknowledgments to deeds. Upon the filing of the application  
9 for dissolution, the authority shall cease and any property  
10 owned by it at the time of its dissolution shall pass to the  
11 State of Alabama. The Secretary of State shall file and record  
12 the application for dissolution in an appropriate book of  
13 record and shall make and issue, under the Great Seal of the  
14 State, a certificate that the authority is dissolved and shall  
15 record the certificate with the application for dissolution.  
16 The program and funding authorized by this act is cumulative  
17 to any other existing bond issue and program, specifically the  
18 bond issue established by Act 2000-727 and shall not replace  
19 or reduce any other existing program of county road and bridge  
20 repair or construction.

21           Section 11. This act shall become effective on the  
22 first day of the third month following its passage and  
23 approval by the Governor, or its otherwise becoming law.