1	185040-2 : n : 04/11/2017 : TU & I / emj
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3	HOUSE TRANSPORTATION COMMITTEE AMENDMENT #1 TO HB487
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8	On page 18, delete lines 24 through 26 and insert
9	the following:
10	"this act. The amounts on deposit in the ATRIP-II"
11	On page 19, line 1, after the word "Fund", insert
12	the following: "shall be applied, and are hereby
13	appropriated,"
14	On page 19, line 3, delete "transfer to or"
15	On page 20, delete lines 10 through 14 and insert
16	the following:
17	"have been issued and as provided in this act. The
18	Authority shall establish procedures to account for each
19	county's portion of the net proceeds of the bonds. Each county
20	shall obtain such proceeds"
21	On page 31, line 20, after "into", insert "a"
22	On page 31, line 20, delete "funds" and insert
23	"fund"
24	On page 34, line 6, after "into" insert "a"
25	On page 34, line 7, delete "funds" and insert "fund"
26	On page 37, line 22, and on page 38, lines 1 and 10, delete
27	"Treasurer" and insert in lieu thereof "Comptroller".

1	On page 38, delete lines 20 through 22 and insert
2	"(b) The amounts on deposit in the ALDOT Projects" On page 38,
3	line 23, insert the following after the word "Fund": "shall be
4	applied, and are hereby appropriated,"
5	On page 38, line 25, delete "transfer to or"

1	185007-2 : n : 04/11/2017 : TU & I / emj
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3	HOUSE TRANSPORTATION COMMITTEE AMENDMENT #2 TO HB487
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8	On page 1, delete line 27 and insert the following:
9	"principal amount not exceeding \$2,450,000,000, of
10	which \$1,250,000,000"
11	On page 2, delete lines 1 and 2, and insert the
12	following:
13	"thereof shall be issued to finance county and
14	municipal road and bridge rehabilitation and improvement
15	projects and the balance thereof issued"
16	On page 4, lines 10 and 11 delete subdivision (3)
17	and renumber subsequent subdivisions on pages 4 , 5 and 6
18	accordingly.
19	On page 6, after line 17 insert the following:
20	"(18) SUPPLEMENTAL ALLOCATION MUNICIPAL ATRIP-II
21	PROJECTS. ATRIP-II Projects for payment of the costs of road
22	and bridge rehabilitation and improvement projects to be
23	undertaken within the corporate limits and police
24	jurisdictions of municipalities in the State submitted by
25	municipalities to the ATRIP-II Committee pursuant to the
26	provisions of paragraph (2) of subsection (a) of Section 10 of
27	this act."

On page 16, delete lines 1 through 3, inclusive, and 1 2 insert in lieu thereof the following: "hundred and fifty million dollars (\$2,450,000,000), 3 of which one billion two hundred and fifty million dollars 4 5 (\$1,250,000,000) thereof shall be for payment of Costs of ATRIP-II Projects and expenses of issuance of the Bonds and 6 one billion two hundred million dollars (\$1,200,000,000) 7 8 thereof shall be for payment of Costs of ALDOT" 9 On page 21, line 1, after "thereof" insert the 10 following: ", other than those proceeds allocated for 11 12 Supplemental Allocation Municipal ATRIP-II Projects," 13 On page 21, line 14, after "provided", insert the following: 14 15 ", i.e., other than those proceeds allocated for 16 Supplemental Allocation ATRIP-II Projects," 17 On page 25, delete lines 21 through 27, inclusive, 18 and substitute therefor the following: 19 "(c) The motor fuel subject to the excise taxes 20 levied imposed by this section shall not be subject to any other excise tax imposed or levied by theis state. However, 21 22 the payment of the motor fuel excise taxes imposed levied by 23 this section shall not exempt the sellers or importers of 24 fuel, as described in Section 40-17-174, from the license fees 25 levied by Section 40-17-174 payable pursuant thereto." On page 28, line 1, insert "(1)" after "(a)". 26 27 On page 28, after line 25, insert the following:

"(2) Any application for the review of Supplemental 1 2 Allocation Municipal ATRIP-II Projects submitted by 3 municipalities in the State to the ATRIP Committee shall be 4 identified as such in the application and submitted separate 5 and apart from applications made by municipalities for other ATRIP-II projects. Upon review by the ATRIP Committee of 6 7 applications for Supplemental Allocation Municipal ATRIP-II 8 Projects, such projects that meet the criteria for funding as set forth in Section 12(a) (1)-(4) of this act may be 9 10 certified by the chair of the ATRIP Committee to the Authority 11 as eligible for financing through the issuance by the 12 Authority of its Bonds or other obligations allocated by the 13 Authority for Supplemental Allocation Municipal ATRIP-II Projects, up to an aggregate amount of the Costs of all such 14 15 Projects proposed to be paid with proceeds of Bonds to be 16 issued by the Authority pursant to this act not exceeding the 17 sum of fifty million dollars (\$50,000,000)."

On page 28, delete lines 26 and 27 and insert in lieu thereof the following:

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"(b) The ATRIP Committee shall be entitled to request such information from the Alabama Department of Transportation as the Committee may deem appropriate to assist it in carrying out its responsibilities and duties as provided herein and in Section 23-1-435, Code of Alabama 1975, and said Department is hereby authorized to provide such non-confidential information concerning the condition of roads and bridges in the State and the anticipated costs of repair,

improvement and rehabilitation thereof as may reasonably be so 1 2 requested." 3 Delete pages 29 and 30 in their entirety. On page 31, delete lines 1 through 11, inclusive, 4 5 and insert in lieu thereof the following: "Section 11. (a) Not more than one billion two 6 7 hundred fifty million dollars (\$1,250,000,000) of the proceeds of" 8 9 On page 34, line 5, after "Projects" insert the 10 following: ", including Supplemental Allocation Municipal 11 ATRIP-II Projects," 12 13 On page 35, line 18, after the word "municipal" insert the following: "ATRIP-II" 14

- 1 HB487
- 2 184509-2
- 3 By Representative Poole
- 4 RFD: Transportation, Utilities and Infrastructure
- 5 First Read: 06-APR-17

1	184509-2:n:04/05/2017:LFO-KF*/jmb
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8	SYNOPSIS: This bill would establish the Alabama Road
9	and Bridge Rehabilitation and Improvement Authority
10	for the purposes of establishing a local and state
11	program for financing the rehabilitation and
12	improvement of roads and bridges throughout the
13	state by the issuance of the debt obligations which
14	shall be payable solely from the proceeds from
15	additional gasoline and diesel fuel excise taxes
16	and registration fees on certain alternative fuel
17	vehicles to be levied pursuant to this act.
18	
19	A BILL
20	TO BE ENTITLED
21	AN ACT
22	
23	To provide for the establishment and incorporation
24	of the Alabama Road and Bridge Rehabilitation and Improvement
25	Authority; to establish the ATRIP-II Projects Special Fund; to
26	provide that the Authority may issue bonds in an aggregate

principal amount not exceeding \$2,400,000,000, one-half

thereof to finance county and municipal road and bridge rehabilitation and improvement projects and one-half thereof to finance state road and bridge rehabilitation and improvement projects, and to provide for the use of the proceeds of the net tax revenues from additional gasoline and diesel fuel excise taxes and fees provided for in this act to pay debt service on such bonds and other obligations issued to provide funds for Alabama Transportation Infrastructure (ATRIP) Projects and Alabama Department of Transportation Projects (as defined herein) and to pay the costs of such projects and the expenses of issuance of such bonds and other obligations; to provide for additional duties of the ATRIP Committee heretofore established in respect of county and municipal road and bridge rehabilitation and improvement projects to be financed by the Authority; to provide procedures for the proposal to the Authority by the Department of Transportation of road and bridge improvement projects to be financed with proceeds of the bonds authorized to be issued hereby; to provide that the said Authority may issue refunding bonds to prepay and retire any bonds and other obligations of Authority; to amend Section 40-17-325, Code of Alabama 1975, as last amended by Act 2015-54, 2015 Regular Session, relating to gasoline and diesel fuel taxes, to provide for an additional gasoline and diesel fuel taxes; to provide for an adjustment of the additional gasoline and diesel fuel tax rate if certain criteria are met; to provide for additional fees for private passenger alternative fuel vehicles and commercial

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alternative fuel vehicles, the net proceeds of which additional taxes and fees are to be used as provided herein for payment of debt service on bonds and other obligations of the authority; and to provide for the pledge of the net proceeds of the additional taxes and fees for payment of debt service on bonds and other obligations of the Authority, including refunding bonds, and for the use of proceeds of said additional taxes and fees not needed for payment of such debt service.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. It is the intention of the Legislature by the passage of this act to authorize the incorporation of the Alabama Road and Bridge Rehabilitation and Improvement Authority for the purposes of establishing a program for financing the rehabilitation and improvement of roads and bridges throughout the state by the issuance of the obligations of such corporation, which shall not be debts of the State of Alabama but shall be payable solely from the net proceeds of certain new taxes and fees to be levied pursuant to this act, and to provide for the use of the proceeds of such taxes and fees not needed for payment of debt service on such obligations for the purposes set out herein.

Section 2. Definitions. When used in this act, the following words and phrases shall have the following respective meanings unless the context clearly indicates otherwise:

1 (1) ALDOT Projects. Those Road and Bridge
2 Rehabilitation and Improvement Projects submitted to the
3 Authority for funding in accordance with the provisions of
4 Section 14 hereof.

- (2) ALDOT PROJECTS SPECIAL FUND. A special fund in the State Treasury entitled the "Department of Transportation Road and Bridge Rehabilitation and Improvement Program Fund" which shall be held by the State Treasurer, as custodian therefor, and applied solely as provided in this act.
- (3) ATI. The Alabama Transportation Institute described in Section 10 hereof.
- (4) ATRIP Committee. The Alabama Transportation Rehabilitation and Improvement Program Committee established pursuant to Section 6 of Act No. 216-150 enacted at the 2016 Regular Session of the Legislature.
- (5) ATRIP-II Projects. Those county and municipal Road and Bridge Rehabilitation and Improvement Projects submitted to and received by the ATRIP Committee pursuant to the provisions of Section 10 hereof for funding in accordance with the provisions of this act.
- (6) ATRIP-II Projects Special Fund. A special fund in the State Treasury entitled the "ATRIP-II Projects Special Fund" which shall be held by the State Treasurer, as custodian therefor, and applied solely as provided in this act.
- (7) AUTHORITY. The Alabama Road and Bridge
 Rehabilitation and Improvement Authority, a public corporation

- and instrumentality of the state authorized to be organized under the provisions of this act.
- 3 (8) BOARD OF DIRECTORS. The board of directors of the Authority.

- (9) BONDS. Those bonds, including refunding bonds issued to refund outstanding obligations of the Authority, that in this act are authorized to be sold and issued by the Authority.
 - (10) CORPORATION. The Authority.
 - Rehabilitation and Improvement Project, all costs of construction or acquisition of any part thereof, including, but without limitation to, the costs of supervising, inspecting and constructing any such project and all costs and expenses incidental thereto, the costs of locating, surveying and mapping, resurfacing, restoration and rehabilitation, acquisition of rights-of-way, and improvements which directly facilitate and control traffic flow, including grade separation of intersections, widening of lanes, channelization of traffic, and traffic-control systems.
 - (12) LEGISLATURE. The Legislature of Alabama.
 - (13) NET PLEDGED TAX PROCEEDS. The entire proceeds from the Pledged Taxes less the cost of collection and less any refunds thereof.
- (14) OBLIGATIONS. Any bonds, temporary bonds or notes authorized to be issued by the Authority.

- 1 (15) PLEDGED TAXES. (a) The excise taxes levied 2 under subdivisions (1), (2) and (3) of subsection (b) of 3 Section 40-17-325, as amended hereby, with the exception of 4 those portions of those taxes levied on aviation fuel and 5 marine gasoline, and (b) the additional annual registration 6 fees imposed pursuant to Section 40-12-275, as herein 7 provided.
- 8 (16) ROAD AND BRIDGE REHABILITATION AND IMPROVEMENT
 9 PROJECTS. Projects for the rehabilitation, repair,
 10 improvement, construction or replacement of roads and bridges
 11 in the state, the costs of which may be paid through the
 12 issuance of Bonds by the Authority or with Net Pledged Tax
 13 Proceeds as provided in this act.
 - (17) REFUNDING BONDS. Bonds issued to refund or prepay outstanding bonds and other obligations of the ${\tt Authority}.$
 - (18) STATE. The State of Alabama.

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Section 3. (a) (1) The Legislature finds that it is necessary, desirable, and in the public interest to authorize the creation of a public corporation to issue bonds or other obligations for the purpose of providing funds to pay the costs of road and bridge rehabilitation and improvement projects in the State. The authority to be created as provided in this section shall be authorized to pledge the proceeds of the additional excise taxes imposed on gasoline and diesel fuel pursuant to Section 40-17-325(b), Code of Alabama 1975, as amended, and of the additional registration fees imposed

pursuant to Section 40-12-275, Code of Alabama 1975, as amended (such taxes and fees collectively referred to herein as the "Pledged Taxes"), for the payment of its bonds and other obligations, such proceeds to be pledged and applied as herein provided and as provided for in Section 40-17-325(b)(5)(i) and (ii), Code of Alabama 1975, as amended, as the sole source of payment for such bonds and other debt obligations, and to the extent not needed for such purpose, otherwise to be used as provided for Road and Bridge Rehabilitation and Improvement Projects as provided for in this act.

- instrumentality of the State of Alabama, the State Treasurer, the State Finance Director, the Director of the Alabama

 Department of Transportation, a currently-serving Alabama county commissioner to be appointed by the Speaker of the House of Representatives, and a currently-serving mayor of an Alabama city or town to be appointed by the President Pro

 Tempore of the Senate, shall, prior to July 1, 2017, present to the Secretary of State of Alabama an application setting forth all of the following:
- 1. The name, official designation, and official residence of each applicant with, for elected applicants, a certified copy of the commission evidencing such applicant's right to office, and, for appointed applicants, a certified copy of the document or instrument of appointment of such applicant.

2. The name of the proposed public corporation which shall be the Alabama Road and Bridge Rehabilitation and Improvement Authority.

- 3. The location of the principal office of the proposed public corporation, which shall be in the City of Montgomery, Alabama.
- 4. Any other matter the applicants may choose to include that is not inconsistent with this act or the other laws of the State of Alabama.
- b. The application shall be subscribed and sworn to by each of the applicants before an officer authorized by the laws of the State of Alabama to take acknowledgements to deeds. If the Secretary of State shall find such application substantially complies with this section, the Secretary shall record the same in an appropriate book of records in the office thereof, whereupon the applicants shall constitute a public corporation and instrumentality of the State of Alabama under the name stated in the application, and the Secretary of State of Alabama shall issue a certificate of incorporation under the Great Seal of the State of Alabama and shall record such certificate with the application.
- (3) The authority and the directors, employees, members, and officers of the authority are immune from suit to the same extent as the State of Alabama and the agencies, instrumentalities, officers, and employees thereof, subject to Section 36-1-12, Code of Alabama 1975.

(4) a. The applicants named in the application shall constitute the initial members of the authority and the initial board of directors of the authority. The respective successors in office of the State Treasurer, the State Finance Director and the Director of the Alabama Department of Transportation, by virtue thereof, shall serve as ex officio members of the Authority and directors of the Authority. The appointed members and directors of the Authority shall each serve for four-year terms expiring on the later of June 30 four years after the appointment thereof or until a successor is appointed by the President Pro-Tempore of the Senate or Speaker of the House, as appropriate, pursuant to the same appointment method provided for in subdivision (2). Any vacancy in a directorship held by an appointed director shall be filled in the same manner within 60 days of such vacancy for the unexpired term applicable to such vacancy. Each appointed director shall reside within the State of Alabama and may be reappointed for successive terms. No director shall draw any salary or other compensation for any service rendered or duty performed as a director. An appointed director may be removed from office as a director by the official appointing such director for any of the causes specified in Section 173, or any successor provision, of the Constitution of Alabama of 1901, as amended.

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b. The authority shall be governed by its board of directors and all powers of the authority shall be exercised by the board of directors or pursuant to its authorization.

The directors shall elect a president, vice-president and secretary of the Authority, each of which officers shall be a member and director of the authority, for such terms as the directors shall establish. A majority of the directors shall constitute a quorum for the transaction of business. All proceedings and minutes of meetings of the board of directors shall be reduced to writing, signed by the president or vice-president of the Authority and a majority of directors present at such proceedings and meetings, and recorded in the office of the Secretary of State of Alabama. Such proceedings and minutes, when certified by the secretary of the authority, shall be received in all courts as prima facie evidence of the matters therein certified.

- (5) The Authority shall have all rights, authority and powers granted thereto in this act and all rights, authority and powers granted by the laws of the State of Alabama to public and private corporations that are not in conflict with the public purposes of this act, including, without limitation, the authority and power:
- a. To have succession by its corporate name until dissolved as provided in this act.
- b. To institute and defend legal actions, provided the authority, and the directors, agents, employees and members thereof, acting on behalf of the Authority, may not be sued in any nisi prius court other than the courts of the county in which is located the principal office of the authority.

1 c. To adopt bylaws and regulations consistent with 2 this act and to adopt and use a corporate seal.

- d. To sell and issue its bonds and other obligations to finance payment of the Costs of ATRIP-II Projects and payment of the Costs of ALDOT Projects, payable from the sources, and on the terms, as provided in this act, and to sell and issue refunding bonds as provided in this act.
 - e. To pledge the Net Tax Pledged Proceeds to be made available and appropriated to the Authority as the sole source of payment of, and security for, the Bonds and other obligations of the Authority.
 - f. To provide for and obtain credit ratings for Bonds and other obligations of the Authority as well as credit enhancement and supplemental security therefor, including insurance policies, guaranties, letters of credit, surety bonds and similar instruments.
 - g. To enter into and perform such agreements, contracts, indentures, instruments, mortgages, and security agreements, as shall be necessary or desirable to provide for the issuance and security of Bonds of the Authority, to exercise any authority or power of the Authority, or to carry out any public purpose of the Authority.
 - h. To acquire, by devise, gift, lease, purchase, or otherwise, hold, and convey, with or without consideration, to the State of Alabama and to any political subdivision, public body, or public corporation in the State of Alabama, tangible and intangible property of any description.

i. To appoint, contract with, employ, and provide for the compensation, without competitive bid, of such accountants, attorneys, architects, consultants, engineers, financial advisors, investment bankers, trustees, and underwriters as the authority determines to be necessary or desirable for the business of the authority.

- j. To provide for such insurance as the directors determine to be necessary or desirable.
- or use thereof) of the authority, all bonds of the authority and the interest paid on such bonds, all conveyances by or to the authority, and all agreements and instruments to which the authority is a party, are exempt from all taxation in the State of Alabama. The authority shall be exempt from all license and excise taxes imposed in respect of the privilege of engaging in any activity and exempt from the payment of all fees, taxes or costs in the recordation of any document in a county or with the Secretary of State of Alabama.
- (7) The Authority shall be a nonprofit public corporation, and no part of its net earnings remaining after payment of the expenses thereof shall inure to the benefit of any individual, firm, or corporation.
- (8) At any time when no bonds or other obligations of the Authority are outstanding, the Authority may be dissolved upon the filing with the Secretary of State of Alabama of an application for dissolution, which shall be executed by each of the directors of the authority and sworn

to by each director before an officer authorized by the laws of the State of Alabama to take acknowledgements to deeds. Upon the filing of the application the authority shall cease to exist. The Secretary of State shall record in the office thereof the application for dissolution together with a certificate, under the Great Seal of the State, that the authority is dissolved. Upon dissolution of the Authority as provided in this act, title to all property held in the name of the authority shall be vested in the State of Alabama.

- through the furtherance of the purposes of this act by providing an appropriate and independent public corporation and instrumentality with full authority and power to effect the purposes of this act as provided for herein. Therefore, no approval, consent, hearing, proceeding, or notice shall be required by or of any officer, agency, board, corporation or department of the State of Alabama for the incorporation or dissolution of the authority, for the exercise of any authority or power of the authority, for the issuance of bonds by the authority as provided in this act, or for the delivery of any agreement by the authority.
- (b) It is the intention of the Legislature that the board of directors of the Authority, once the Authority is incorporated, shall move promptly to sell and issue its bonds or other obligations in accordance with this act, in such series and aggregate principal amounts as the Authority shall deem prudent and appropriate based on prevailing interest

rates and economic conditions, so as to provide as soon as practicable sufficient funds to pay those Costs for the financing of which the Authority is to be established, especially the Costs of county and municipal road and bridge rehabilitation and improvement projects reviewed by the ATRIP-II Committee and certified to the Authority.

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- (c) There is hereby appropriated to the Authority, in each fiscal year of the State, the Net Pledged Tax Proceeds, i.e., the proceeds of the Pledged Taxes after payment of costs of collection and refunds, in such amounts and at such times as shall be sufficient to provide for the punctual payment in full of all principal of, premium, if any, and interest on all bonds and other obligations of the Authority at the time outstanding (i) which shall have become due and payable, and which shall not have theretofore been paid in a prior fiscal year, and (ii) which shall become due and payable in such fiscal year, provided that, if the said net proceeds so appropriated shall be insufficient to pay in full such principal, premium and interest in any fiscal year, nothing in this act shall give rise to any obligation of the Authority or of the State of Alabama to provide any funds or moneys to make payments of debt service otherwise than from proceeds of the Pledged Taxes.
- (d) The Legislature covenants and agrees, on behalf of the State, with the owners of all bonds and other obligations of the Authority at any time outstanding, to continue to provide for the imposition, levy and collection of

the Pledged Taxes until all principal of, premium, if any, and interest on all such bonds and obligations shall have been paid in full in accordance with the terms thereof and of the proceedings pursuant to which such bonds and other obligations were issued.

(e) The maturity of any bond or other obligation issued by the Authority shall be limited to a maximum of twenty years from the dated date thereof.

Section 4. (a) Bonds of the Authority shall:

- 1. Be solely and exclusively limited obligations of the Authority payable solely from and secured by a pledge of the amounts of the Net Pledged Tax Proceeds allocated and appropriated to the Authority, and shall never constitute or give rise to a general obligation of the Authority or an indebtedness, obligation, pecuniary liability, or charge against the general credit or taxing powers of the State of Alabama or any political subdivision thereof or therein.
- 2. Be construed to be negotiable instruments, although payable solely from a specified source.
- 3. Be signed by the president or vice-president of the Authority and attested by the secretary under the seal of the Authority affixed thereto, provided that facsimiles of the signatures of such officers may be reproduced on such bonds in lieu of manual signatures.
- 4. Be issued from time to time or at any time as the Authority shall determine, in an aggregate principal amount not exceeding, not including Refunding Bonds, two billion four

hundred million dollars (\$2,400,000,000), one-half thereof for payment of Costs of ATRIP-II Projects and expenses of issuance of the Bonds and the other half for payment of Costs of ALDOT Projects and expenses of issuance of the Bonds, in such series, forms and denominations, of such maturities as shall not exceed 20 years from the dated date of each thereof, bearing such fixed or variable rates of interest, being subject to redemption, and containing such other terms and provisions as shall be approved by the board of directors of the authority.

- 5. Be sold at public or private negotiated sale.
- 6. Be a legal investment for all governmental entities, political subdivisions and public corporations in the State of Alabama, and administrators, executors, guardians, persons, or organizations acting in a fiduciary capacity unless otherwise directed by a court of competent jurisdiction.
 - (b) The Authority shall be empowered:
- appropriated to the Authority for the purpose of payment of bonds and other obligations of the Authority, to pledge and apply such funds to payments of bonds and other obligations issued by the Authority in the manner provided in this act, and to cause the net proceeds from the sale of the bonds and other obligations of the authority to be used as herein provided.

(2) To execute and deliver mortgages, security agreements and trust indentures, and other forms of agreements for the purpose of securing the Authority's bonds and other obligations and in connection therewith, to mortgage, pledge, and assign the appropriated funds from the Pledged Taxes solely as permitted in this act.

- (3) As security for the payment of the Authority's bonds, to pledge those proceeds of the Pledged Taxes appropriated to the Authority. The principal of and interest on any bonds or other obligations issued by the Authority may be secured by a trust indenture evidencing the pledge made therefor. The resolutions of the Board of Directors of the Authority or any trust indentures under which the Authority's bonds or other obligations are authorized to be issued may contain any agreements or provisions respecting the rights, duties, and remedies of the parties to any such instrument and the parties for the benefit for whom such instrument is made and the rights and remedies available in the event of default that the Authority shall deem advisable and which are not in conflict with this act or the Constitution and other laws of the State.
- (c) The Authority shall be authorized to sell and issue its Refunding Bonds for the purpose of refunding, redeeming, paying and retiring any matured or unmatured bonds or other obligations of the Authority then outstanding, which Refunding Bonds may be issued at such times, and in such series, forms denominations and aggregate principal amounts as

the Authority shall determine, the proceeds of which remaining after paying the expenses of their issuance shall be used only for such purposes set forth above in this subsection (c) and to pay any premium that may be necessary to be paid in order to redeem, pay or retire the bonds or other obligations of the Authority to be refunded.

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Section 5. For the benefit of the State of Alabama and the citizens thereof, there is hereby created a special fund in the State Treasury entitled the "ATRIP-II Projects Special Fund" which shall be held by the State Treasurer, as custodian therefor, and applied solely as provided in this act. There shall be deposited in the ATRIP-II Projects Special Fund, when and as received, one-half of all net proceeds of the additional excise taxes and fees imposed pursuant to Section 40-17-325 (b) and Section 40-12-275, Code of Alabama 1975, as amended, and allocated as provided in Section 40-17-325 (b) (5) (ii). No other funds from any source shall be deposited in, or credited to, the ATRIP-II Projects Special Fund. All amounts on deposit in, or credited to, the ATRIP-II Projects Special Fund shall be invested as permitted for funds of the State of Alabama, and all earnings, income and profits therefrom shall be held in the ATRIP-II Projects Special Fund and applied solely for the purposes thereof as provided in this act. The State Treasurer, as custodian of the ATRIP-II Projects Special Fund, shall apply, and there are hereby annually appropriated, the amounts on deposit in the ATRIP-II

Projects Special Fund solely for the following purposes and in the following order:

- Authority in each fiscal year such amounts at such times as shall be sufficient, with other funds available to the Authority therefor, to provide for the due and punctual payment in full of all principal of, premium, if any, and interest on all bonds and other obligations of the Authority at any time outstanding (i) which shall have become due and payable and which shall not have theretofore been paid, in a prior fiscal year, and (ii) which shall become due and payable in such fiscal year.
 - (2) Second, to pay the annual costs, if any, of administering the ATRIP-II Projects Special Fund.
 - (3) Thereafter, all remaining moneys in the ATRIP-II Projects Special Fund shall be further distributed as provided in subsection (a) of Section 15 of this act and expended only as provided in that section. Thus, when all bonds and other obligations of the authority shall have been paid in full in accordance with the terms thereof and of the documents under which those bonds and other obligations were issued, all moneys remaining each year in the ATRIP-II Projects Special Fund shall be applied and distributed as provided in subsection (a) of Section 15 of this act.

Section 6. (a) Any moneys, including proceeds of the Authority's Bonds, allocated to counties and municipalities pursuant to this act shall be in addition to and shall not

diminish any other revenues allocated or distributed from any other source.

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- (b) (1) The net proceeds of bonds and other obligations, other than refunding bonds, issued by the Authority, being the proceeds realized upon sale of such bonds after payment therefrom of all expenses, ratings fees, credit enhancement fees, and similar costs of issuance thereof, shall be deposited in the State Treasury and disbursed as provided in the proceedings under which such bonds or obligations shall have been issued and as provided in this act. The State Treasurer shall establish a separate fund for each county in this state and deposit in each such fund the portion of the net proceeds of such bonds allocated to each such county as provided in this act. Each county shall obtain such proceeds of bonds and other obligations of the Authority only in accordance with this act and the proceedings under which such bonds or obligations shall have been issued and shall apply and use such proceeds only for the purposes and as provided in this act.
- (2) The Authority shall sell and issue its bonds and other obligations at such times and in such aggregate principal amounts so as to ensure that, when all of the bonds herein authorized to be issued pursuant to Section 4(a) of this act, other than refunding bonds, for the purpose of paying the costs of county and municipal road and bridge improvement and rehabilitation projects have been issued,

a. the net proceeds thereof shall have been allocated for distribution as follows: 45.45 percent thereof allocated for distribution for payment of the costs of road and bridge improvement and rehabilitation projects equally among the 67 counties of the state and the remaining 54.55 percent thereof allocated for distribution for payment of the costs of road and bridge improvement and rehabilitation projects among the 67 counties of the state on the basis of the ratio of the population of each county to the total population of the state according to the 2010 federal decennial census, and

b. twenty percent (20%) of the aggregate net proceeds of the Authority's aforesaid bonds allocated for distribution to each county as hereinabove provided shall have been allocated for distribution among the municipalities in the county on the basis of the ratio of the population within the county of each municipality to the total population within the county of all municipalities in the applicable county according to the 2010 federal decennial census.

Section 7. Notwithstanding any other law or provision of this act to the contrary, no county or municipality receiving any proceeds of bonds or other obligations issued by the Authority under this act payable from the Pledged Taxes shall have any obligation, direct, indirect, or contingent, for the repayment of any of such proceeds so received, or for payment of any interest thereon,

- to the Authority or the State of Alabama or any agency,

 department or instrumentality thereof.
- 3 Section 8. Section 40-17-325, Code of Alabama 1975, 4 is amended to read as follows:

5 "\$40-17-325**.**

- "(a) Subject to the exemptions provided for in this article, the tax is imposed on net gallons of motor fuel <u>in</u> accordance with the provisions of Section 40-17-326 at the following rates:
- "(1) Eighteen cents (\$.18) per gallon on gasoline, which is comprised of a seven cents (\$.07) excise tax, a supplemental five cents (\$.05) excise tax, and an additional six cent (\$.06) excise tax.
- "(2) Nineteen cents (\$.19) per gallon on diesel fuel, comprised of a thirteen cents (\$.13) excise tax and an additional six cents (\$.06) excise tax.
- "(3) Nine and one-half cents per gallon (\$.095) on aviation gasoline and three and one-half cents per gallon (\$.035) on aviation jet fuel when the aviation fuel is sold to a licensed aviation fuel purchaser. Aviation gasoline is to be taxed as gasoline and aviation jet fuel is to be taxed as diesel fuel when not sold to a licensed aviation fuel purchaser.
- "(b) (1) Effective September 1, 2017, and thereafter, an additional four cents (\$0.04) per gallon excise tax shall be imposed on gasoline and diesel fuel not exempt from the tax levied by subsection (a) of this section in

accordance with the provisions of Section 40-17-326, the

proceeds of which additional tax, less the cost of collection

thereof and less any refunds pursuant to the provisions of

this article, shall be allocated and distributed as set forth

in paragraph (5) of this subsection (b).

"(2) Effective September 1, 2019, and thereafter, a further additional two cents (\$0.02) per gallon excise tax shall be imposed on gasoline and diesel fuel not exempt from the tax levied by subsection (a) of this section in accordance with the provisions of Section 40-17-326, the proceeds of which additional tax, less the cost of collection thereof and less any refunds pursuant to the provisions of this article, shall be allocated and distributed as set forth in paragraph (5) of this subsection (b).

"(3) Effective September 1, 2024, and thereafter, subject to the provisions of paragraph (4) of this subsection (b), a further additional three cents (\$0.03) per gallon excise tax shall be imposed on gasoline and diesel fuel not exempt from the tax levied by subsection (a) of this section in accordance with the provisions of Section 40-17-326, the proceeds of which additional tax, less the cost of collection thereof and less any refunds pursuant to the provisions of this article, shall be allocated and distributed as set forth in paragraph (5) of this subsection (b).

"(4) The additional excise tax to be imposed pursuant to paragraph (3) of this subsection (b) shall, any provision hereof to the contrary notwithstanding, be imposed

unless, during the Regular Session of the Legislature immediately preceding September 1, 2024, the House of Representatives and Senate of Alabama shall, not later than the conclusion of the tenth legislative day of said Regular Session, adopt and approve a joint resolution finding that revenues from the additional taxes then being imposed pursuant to paragraphs (1) and (2) of this subsection (b) are expected to be sufficient to pay the debt service then anticipated to be coming due and payable in the future on bonds or other obligations of the Alabama Road and Bridge Rehabilitation and Improvement Authority authorized to be created under the act of the Legislature pursuant to which this section shall have been amended during the 2017 Regular Session of the Legislature of Alabama theretofore issued or expected to be thereafter issued to pay the costs of road and bridge improvements for which bonds and other obligations of said Authority may be issued. "(5) (i) One-half of the net proceeds from the additional excise taxes imposed pursuant to this subsection (b) of this section, after costs of collection and refunds, shall be deposited in the State Treasury and used for the

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(b) of this section, after costs of collection and refunds, shall be deposited in the State Treasury and used for the payment of debt service on bonds and other debt obligations issued by the Alabama Road and Bridge Rehabilitation and Improvement Authority authorized to be created under the act of the Legislature pursuant to which this section shall have been amended during the 2017 Regular Session of the Legislature of Alabama, and, to the extent not needed for the

payment of such debt service, to retire bonds and other

obligations of the said Authority as the Board of Directors

thereof may in its discretion determine to be appropriate and,

to the extent not so used, to pay the costs of county and

municipal road and bridge rehabilitation and improvement

projects in the State in such manner as shall be provided for

in the aforesaid 2017 act of the Legislature.

from the said additional excise taxes, after costs of collection and refunds, shall be deposited in the State

Treasury and used for the payment of debt service on bonds and other debt obligations issued by the aforesaid Authority, and, to the extent not needed for the payment of such debt service, to retire bonds and other obligations of the said Authority as the Board of Directors thereof may in its discretion determine to be appropriate and, to the extent no so used, to pay the costs of road and bridge rehabilitation and improvement projects in this state as recommended by the Alabama

Department of Transportation in such manner as shall be provided for in the aforesaid 2017 act of the Legislature.

"(c) The motor fuel subject to the excise taxes levied imposed by this section shall not be subject to any other excise tax imposed or levied by the state.

"However, the payment of taxes <u>imposed</u> levied by this section shall not exempt sellers or importers of motor fuel, as described in Section 40-17-174, from the license fees payable pursuant thereto."

Section 9. Section 40-12-275 is added to the Code of Alabama 1975, to read as follows:

"\$40-12-275.

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"(a)(1) Effective January 1, 2018, in addition to any other license tax or registration fee levied or imposed pursuant to Chapter 6 of Title 32 or pursuant to this chapter, or otherwise, in respect of motor vehicles operated upon any city street or other public highway of or in this state, there shall be imposed an additional annual registration fee of one hundred dollars (\$100) for each private passenger alternative fuel vehicle and an additional annual registration fee of one hundred fifty dollars (\$150) for each commercial alternative fuel vehicle. The additional annual registration fee imposed by this section for each commercial alternative fuel vehicle registered pursuant to Section 32-6-56 shall be prorated on an apportionment or allocation basis as provided for in Section 32-6-56 pursuant to rules and regulations of the Department of Revenue. Any other provisions hereof to the contrary notwithstanding, the additional annual registration fee imposed by this section shall not be imposed with respect to Alternative Fuel Vehicles or Commercial Alternative Fuel Vehicles that are propelled and operated solely through the combustion of natural gas, provided that the excise taxes on compressed natural gas and liquefied natural gas imposed pursuant to Section 40-17-168.2(a) shall then be imposed at a rate or rates aggregating respectively not less than the

excise taxes on gasoline and diesel fuel provided for in Section 40-17-325 (a) and (b).

- "(2) The additional registration fees imposed pursuant hereto shall be collected pursuant to the applicable provisions of this chapter and deposited in the State Treasury and allocated and used in the same manner for the same purposes and at the same times as proceeds of the excise taxes imposed by subsection (b) of Section 40-17-325 are required to be allocated and used pursuant to Section 40-17-325(b)(5).
- "(b) For the purposes of this section, the following terms shall have the following respective meanings:
- "(1) ALTERNATIVE FUEL VEHICLE. A motor vehicle that is propelled and operates solely through the combustion of natural gas or solely utilizing any energy source other than gasoline or diesel fuel, which includes, but is not limited to, a battery-powered electric vehicle or solar-powered vehicle. The term does not include any motor vehicle that is not registered for operation on public roads or highways in the State.
- "(2) COMMERCIAL ALTERNATIVE FUEL VEHICLE. A commercial motor vehicle as defined in Section 32-6-49.3, that is propelled and operates utilizing one of the methods described in subdivision (1) above.
- "(3) PASSENGER ALTERNATIVE FUEL VEHICLE. A private passenger automobile as defined in Section 40-12-240(18), that is propelled and operates utilizing one of the methods described in subdivision (1) above."

Section 10. (a) In order to assist in the carrying out of the purposes of this act and provide for the repair, maintenance, improvement, replacement, and construction of county and municipal roads and bridges infrastructure under the procedures and requirements set forth herein, the ATRIP Committee created pursuant to Section 6 of Act No. 2016-150 enacted at the 2016 Regular Session of the Legislature (appearing as Section 23-1-435, Code of Alabama 1975), is hereby permanently established, any provision of said Act No. 2016-150 to the contrary notwithstanding. The ATRIP Committee is hereby charged with reviewing ATRIP-II Projects for funding through the issuance of bonds and other debt obligations issued by the Authority, applications to the ATRIP Committee for review of which are made by counties and municipalities in the State pursuant to procedures developed and adopted by the ATRIP Committee and that meet the criteria for funding as set forth in Section 11(a)(1)-(6) or Section 12(a)(1)-(4) of this act. ATRIP-II Projects, applications for the review of which are made to the ATRIP Committee and that fall within the aforesaid criteria, shall be certified to the Authority from time to time by the Chair of the ATRIP Committee, and thereafter the costs of such certified ATRIP-II projects shall be eligible for financing through the issuance by the Authority of its bonds or other obligations allocated by the Authority for such ATRIP-II projects as authorized hereby.

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(b) (1) Reports and studies of the Alabama

Transportation Institute (the "ATI"), so long as ATI shall be

funded in whole or in part with state funds, shall be provided 1 2 to the ATRIP Committee and the Alabama Department of Transportation, which may from time to time request of the 3 said Institute such additional reports and studies as the ATRIP Committee or the Alabama Department of Transportation may deem appropriate to assist the Committee in carrying out 7 its responsibilities under this act. Such reports and studies, as well as those to be provided pursuant to subparagraphs (2) and (3) of this subsection (b), shall be 10 reviewed by the members of the ATRIP Committee, and any recommendations contained therein considered for 11 12 implementation and for the purpose of assisting the ATRIP 13 Committee in carrying out its duties as provided herein and in Section 23-1-435, Code of Alabama 1975. 14

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- (2) Additionally, commencing not later than on the second Wednesday of November in 2017 and annually not later than on the second Wednesday of November of each year thereafter, ATI shall provide the Governor, the Legislature, the ATRIP Committee, the Alabama Department of Transportation, and the public (via posting on a public website) the following reports:
- (i) A summary of key indicators related to the condition and performance of the state's transportation system, with indicators including but not limited to:
- (A) A list of the 25 most significant roadway sections or groups of sections in the State based on the following roadway attributes and divided by rural and urban:

safety; infrastructure condition (roadway and bridges); delays and congestion; travel time reliability; and freight movement.

- (B) For each roadway section or group of sections listed above there shall also be provided a listing of the solution strategies that may then be used to address the relevant problems, and a quantification (where possible) or description of elements with respect thereto such as: impact on economic and industrial activity and development; financial, operations, policy or technology; strategy innovation elements; and local government investment in projects.
- (ii) A summary of the following: Emerging trends and opportunities related to transportation systems in the state; significant initiatives in other neighboring states in the Southeast that could impact demands on Alabama's transportation system or approaches; and key transportation infrastructure revenue trends at the national level and in neighboring states.
- (iii) An assessment of the state's then current transportation funding needs, actual revenues and expenditures in the State for bridges and highways, and policy options that can be considered in order to achieve desirable goals for the state's road and bridge system, its condition and performance.
- (3) In addition to the annual reports referenced above, not later than February 1, 2018, and not later than February 1 of every fifth year thereafter, ATI shall submit to the Governor, the Legislature, the Alabama Department of

Transportation, the ATRIP Committee, and to the public (via public website) a status assessment report regarding Alabama's transportation system generally, addressing urban mobility and rural connectivity problems, infrastructure quality measures, highway and traffic safety, anticipated future funding for roads and bridges and other transportation infrastructure, and estimated benefits, monetary and otherwise, anticipated to be derived from new and additional transportation system investments in Alabama.

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Section 11. (a) Not more than one billion two hundred million dollars (\$1,200,000,000) of the proceeds of the aggregate principal amount of Bonds that the Authority is hereby authorized in this act to sell and issue shall be utilized for the purpose of paying costs of ATRIP-II Projects certified to the Authority as provided in Section 10 of this act and to pay the costs of issuance of said Bonds. proceeds of the sale by the Authority of its bonds and other obligations of the Authority authorized hereby and issued to pay the costs of county ATRIP-II Projects shall be deposited, once allocated for distribution, into separate funds in the State Treasury to be maintained for the respective benefit of each distributee county and disbursed therefrom only in accordance with procedures therefor adopted by the Board of Directors of the Authority, and pursuant to the proceedings under which such bonds and obligations are issued, and shall be utilized to for any or all of the following purposes:

- 1 (1) To replace or repair county bridges which meet 2 all of the following criteria:
- a. Are posted for traffic below the maximum legalweight limit.
- b. Have a sufficiency rating of 50 or less on thethen current ALDOT bridge inventory.
- 7 c. Have an average daily traffic count of 200 or 8 more vehicles.

- (2) To repair or improve any major collectors that are not scheduled as a federal project within two years of the effective date of this act and have not been resurfaced or otherwise significantly rehabilitated since 2000.
- (3) To repair or improve any other county-maintained roads with an average daily traffic count of 200 or above and a grade, if graded by the Alabama Department of Transportation, of 75 or below and, after such repairs or improvements are made, to repair and improve other county-maintained roads.
 - (4) To provide matching funds for federal road or bridge projects in the county; provided, however, that no more than 20 percent of such proceeds allocated to a county shall be used for matching purposes.
- (5) With the consent of the municipalities located in the county, to provide funds for the maintenance, improvement, or replacement of municipally-maintained roads and bridges.

(6) To provide funds for joint road or bridge projects with one or more municipalities in the county pursuant to any agreement executed under the authority of state law.

- (b) Any county ATRIP-II Project utilizing proceeds of bonds and other obligations of the Authority for road or bridge maintenance, improvement, replacement, or construction, on roads or bridges shall be designed in a manner consistent with the standards for low volume roads as established in the County Road Design Policy for Low Volume Roads as recommended by the Association of County Commissions of Alabama and adopted by the Alabama Department of Transportation.
- (c) Counties may not utilize any allocated proceeds of bonds and other obligations of the Authority for any of the following purposes except in accordance with generally accepted accounting principles for job cost accounting or federal cost allocation regulations:
- (1) Salaries, benefits, or any other form of compensation for county or contract employees or for county or municipal officials.
- (2) The purchase, lease, or maintenance of equipment.
- (3) The maintenance or construction of public buildings or other structures that are not roads or bridges.
- (d) All proceeds of bonds and other obligations of the Authority allocated and distributed to or for the benefit of counties pursuant to this act shall be audited by the

Examiners of Public Accounts in the same manner as all other county funds.

Section 12. (a) Net proceeds of the sale by the Authority of its bonds and other obligations authorized hereby and issued to pay the costs of municipal ATRIP-II Projects shall be deposited, once allocated for distribution, into separate funds in the State Treasury to be maintained for the respective benefit of each distributee municipality and disbursed therefrom only in accordance with procedures therefor adopted by the Board of Directors of the Authority, and pursuant to the proceedings under which such bonds and obligations are issued, and shall be utilized for any or all of the for any or all of the following purposes:

- (1) The maintenance, improvement, replacement, and construction of roads and bridges within a municipality's jurisdictional limits.
- (2) As matching funds for federal road or bridge projects; provided, however, that no more than 20 percent of such proceeds allocated to a municipality may be used for matching purposes.
- (3) With the consent of the county in which the municipality is located, for the maintenance, improvement, or replacement of county-maintained roads and bridges within the municipality's jurisdictional limits.
- (4) For a joint road or bridge project with the county in which the municipality is located pursuant to any agreement executed under the authority of state law.

- (b) Municipalities may not utilize any allocated
 proceeds of bonds and other obligations of the Authority for
 any of the following purposes except in accordance with
 generally accepted accounting principles for job cost
 accounting or federal cost allocation regulations:
 - (1) Salaries, benefits, or any other form of compensation for municipal or contract employees or for municipal or county officials.
 - (2) The purchase, lease, or maintenance of equipment.

- (3) The maintenance or construction of public buildings or other structures that are not roads or bridges.
- (c) All proceeds of bonds and other obligations of the Authority allocated and distributed to or for the benefit of municipalities pursuant to this act shall be audited by the Examiners of Public Accounts in the same manner as all other municipal funds.
- (d) Any municipal project utilizing bond proceeds for road or bridge maintenance, improvement, replacement, or construction of roads or bridges shall be designed in a manner consistent with the standards adopted by the Alabama Department of Transportation.

Section 13. (a) All ATRIP-II Projects shall be let to contract by each county or municipality, as the case may be, utilizing contractors and material suppliers listed on the Alabama Department of Transportation's list of approved contractors and suppliers rather than be performed by county

or municipal forces and shall be subject to the reporting
requirements contained in Section 23-1-433 and Section

23-1-434 respectively. Each county and municipality shall
provide on October 1 of every other year, beginning on October

1, 2018, a list of all contractors who have been awarded
projects under this section to the Senate President Pro

Tempore and the Speaker of the House.

- (b) The Department of Transportation's list of approved contractors and material suppliers shall include the Department's Certified Disadvantaged Business Enterprise List. Each county and municipality shall provide a list of all contractors who have been awarded projects under this section to the Senate President Pro Tempore and the Speaker of the House of Representatives every other year, beginning on October 1, 2018.
- (c) All contracts awarded under this section shall be bid in accordance with the provisions of Title 39, Code of Alabama 1975, except as provided in this section. Provisions of Chapter 2, Title 39, Code of Alabama 1975 notwithstanding, bids for projects funded with proceeds of bonds or other obligations of the Authority may only be opened at 10:00 a.m. central time on the second Wednesday of each month. For all county ATRIP-II Projects, the appropriate plans and bid opening date shall be published in electronic form no later than the tenth day of the month preceding the bid opening on a website maintained for that purpose by the Association of County Commissions of Alabama. Notwithstanding any provision

of law to the contrary, no bidding shall be required by the county for asphalt or other road construction or repair materials if the county has an annual contract for providing such materials in effect on the effective date of this act. Any such materials shall be bid for any project let for contract on or after the expiration of asphalt or road construction or repair materials contract in place on the effective date of this act. For all municipal ATRIP-II Projects, the appropriate plans and bid opening date shall be published in electronic form no later than the tenth day of the month preceding the bid opening on a website maintained for that purpose by the Alabama League of Municipalities. Bids for county and municipal contracts awarded under this section shall only be awarded in accordance with Section 39-2-6, Code of Alabama 1975, during a regularly-scheduled meeting of the governmental body of the county or city, as the case may be. Immediately after the completion of each project, the publication notifications required by Section 39-1-1(f), Code of Alabama 1975, shall be satisfied by posting on the same website utilized for the posting of specifications and notice of bid openings.

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(d) The State Treasurer shall disburse or pay moneys from the proceeds derived from the sale of bonds and other obligations of the Authority and on deposit in each of the special funds maintained in the State Treasury for the benefit of each distributee county and municipality only against vouchers or other evidence satisfactory to the State

Treasurer submitted by such distributee counties and municipalities for satisfaction of amounts currently due and payable under contracts awarded under this section to carry out ATRIP-II Projects with respect to which the Authority has allocated proceeds of its bonds or other obligations. The Authority may provide by resolution of its Board of Directors for the time, form, manner and methods pursuant to which such submissions may be made by counties or municipalities and disbursements or payments responsive thereto shall be made by the State Treasurer.

Section 14. (a) Effective September 1, 2017, and until such time as any and all bonds or other obligations of the Authority have been paid in full pursuant to the terms thereof, one-half of the net proceeds from the Pledged Taxes deposited in the State Treasury shall be transferred into a special fund in the State Treasury entitled the "Department of Transportation Road and Bridge Rehabilitation and Improvement Program Fund", (the "ALDOT Projects Special Fund") and applied solely as provided in this act.

- (b) The State Treasurer, as custodian of the ALDOT Projects Special Fund, shall apply, and there are hereby appropriated, the amounts on deposit in the ALDOT Projects Special Fund solely for the following purposes and in the following order:
- (1) First, transfer to or as directed by the Authority in each fiscal year such amounts at such times as shall be sufficient, with other funds available to the

Authority therefor, to provide for the due and punctual payment in full of all principal of, premium, if any, ad interest on all bonds and other obligations of the Authority at any time outstanding (i) which shall have become due and payable and which shall not have theretofore been paid, in a prior fiscal year, and (ii) which shall become due and payable in such fiscal year.

- (2) Second, to pay the annual costs, if any, of administering the ALDOT Projects Special Fund.
- Projects Special Fund shall be further distributed as provided in subsection (b) of Section 15 of this act and expended only as provided in that section. Thus, when all bonds and other obligations of the authority shall have been paid in full in accordance with the terms thereof and of the documents under which those bonds and other obligations were issued, all moneys remaining each year in the ALDOT Projects Special Fund shall be applied and distributed as provided in subsection (b) of Section 15 of this act.
- (c) Not more than one billion two hundred million dollars (\$1,200,000,000) of the proceeds of the aggregate principal amount of bonds authorized in this act to be issued by the Authority shall be utilized to pay the costs of ALDOT Projects submitted to the Authority by the Department of Transportation as provided for in and in accordance with this section and to pay the expenses of issuance of said Bonds. Net proceeds of such bonds or obligations may also be used as

matching funds for any federal projects approved for the State

pursuant to such federally-created infrastructure program

relating to roads, bridges and highways, as may be established

after the effective date of this act pursuant to a

presidential executive order, act of Congress, or other

legally-approved federal action.

- (d) The proceeds of bonds and other obligations of the Authority and other funds made available to the Department of Transportation pursuant to this section shall not be utilized for any of the following purposes except in accordance with generally accepted accounting principles for job cost accounting or federal cost allocation regulations:
- (1) Salaries, benefits, or any other form of compensation for state or contract employees.
- (2) The purchase, lease, or maintenance of equipment.
- (3) The maintenance or construction of public buildings or other structures that are not roads and bridges.
- than September 1 of each year thereafter until all of the bonds and other obligations authorized to be issued by the Authority shall have been sold and issued, the director of the Alabama Department of Transportation shall annually identify the road and bridge infrastructure projects he shall recommend be conducted or undertaken by the said Department and funded in whole or in part with moneys available from proceeds of bonds or other obligations of the Authority pursuant to this

section, and shall submit the recommended list of projects to the Authority for consideration and allocation of proceeds of the Authority's bonds and other obligations. The director of the Department in making such recommendations shall consider and give priority to the following infrastructure needs: safety, congestion, economic and industrial impact, educational impact, connectivity, innovation, local government investment in projects, and public-private partnerships.

Section 15. To the extent in each fiscal year of the State the net proceeds from the additional excise taxes on gasoline and diesel fuel imposed pursuant to Section 40-17-325(b), Code of Alabama 1975, and the additional license fees imposed pursuant to Section 40-12-275, Code of Alabama 1975, and allocated pursuant to Section 40-17-325(b)(5)(i) are not needed for payment of debt service on bonds or other obligations of the Authority and are not otherwise restricted as to use by Section 5 of the act or by agreement of the Authority with the holders of said bonds or other obligations, or if all such bonds and obligations, including refunding bonds, have been retired or are deemed paid in full pursuant to the terms thereof,

(a) one-half of the net proceeds from the additional excise taxes on gasoline and diesel fuel imposed pursuant to Section 40-17-325(b), Code of Alabama 1975, and the additional license fees imposed pursuant to Section 40-12-275, Code of Alabama 1975, and allocated pursuant to Section 40-17-325(b)(5)(i), Code of Alabama 1975, shall be divided and

are hereby appropriated as follows: a total of 45.45 percent of the proceeds shall be divided equally among the 67 counties of the state and the remaining 54.55 percent of the proceeds shall be allocated among the 67 counties of the state on the basis of the ratio of the population of each county to the total population of the state according to the then immediately preceding federal decennial census, provided that

- (i) thirty percent (30%) of the amount hereby allocated and appropriated to each county shall be distributed by the county commission among the municipalities in the county on the basis of the ratio of the population in the county of each municipality to the total population in the county of all municipalities in the applicable county according to the then immediately preceding federal decennial census, and
- (ii) following such time as the Authority shall have issued all of the bonds and other obligations herein authorized to be issued for county and municipal road and bridge projects there shall be allocated and appropriated, on a pro-rata basis to each of the 67 counties in the State that shall not have theretofore had allocated to it pursuant to the provisions of this act bond proceeds for Costs of ATRIP-II Projects aggregating at least ten million dollars (\$10,000,000) pursuant to Sections 10 and 11 of this act, such additional amount of net proceeds of the additional excise taxes on gasoline and diesel fuel imposed pursuant to Section 40-17-325(b), Code of Alabama 1975, and the additional license

fees imposed pursuant to Section 40-12-275, Code of Alabama 1975, as shall bring the county's final cumulative allocation for ATRIP-II projects pursuant to this act to ten million dollars (\$10,000,000).

The net tax proceeds so appropriated in this subsection (a) shall be expended only for payment of costs of road and bridge construction, rehabilitation and improvement subject to the restrictions on use of proceeds of bonds and other obligations of the Authority allocated to counties and municipalities set out in Sections 11 and 12 of the act, and

(b) the remaining one-half of the net proceeds from the additional excise taxes on gasoline and diesel fuel imposed pursuant to Section 40-17-325(b) and the additional license fees imposed pursuant to Section 40-12-275, Code of Alabama 1975, and allocated pursuant to Section 40-17-325(b)(5)(ii), Code of Alabama 1975, shall be deposited in the State Highway Fund and are hereby appropriated and shall be expended annually for road and bridge construction, improvement, rehabilitation, repair and related infrastructure projects in the state as determined by the director of the Alabama Department of Transportation.

Section 16. This act shall become effective immediately following its passage and approval by the Governor, or its otherwise becoming law.