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8 SYNOPSIS: Under existing law, the Alabama Corrections  
9 Institution Finance Authority is authorized to  
10 issue bonds for prison construction purposes.

11 This bill would allow the authority to issue  
12 additional bonds in an amount of up to [\$\_\_\_\_  
13 billion], as necessary, to implement a prison  
14 modernization plan that would replace existing bed  
15 space in Department of Corrections facilities  
16 through the construction of a new specialized men's  
17 prison facility on state-owned land in Elmore  
18 County that would provide enhanced medical, mental,  
19 and other health care, substance abuse and  
20 addiction treatment, and educational and other  
21 programming services to inmates, the construction  
22 of a new prison facility for male inmates on  
23 state-owned land in Escambia County, the  
24 construction of a new women's prison facility on  
25 state-owned land in Elmore County, the renovation  
26 and improvement of existing state-owned prison  
27 facilities in Jefferson County, Limestone County,

1 and an additional existing facility to be selected  
2 by the authority, and the construction of an  
3 additional new prison facility for male inmates, if  
4 that facility is necessary.

5 This bill would pledge a portion of the one  
6 mill ad valorem tax levied under Section 40-8-3,  
7 Code of Alabama 1975, and a portion of the tax on  
8 spirituous and vinous liquors levied under existing  
9 law to secure the bonds.

10  
11 A BILL  
12 TO BE ENTITLED  
13 AN ACT  
14

15 Relating to the finance and construction and  
16 renovation of prisons; to provide legislative findings and  
17 intent; to amend Sections 14-2-1, 14-2-6, 14-2-12, 14-2-13.1,  
18 14-2-14, 14-2-16, 14-2-19, 14-2-21, 14-2-28, and 14-2-34, Code  
19 of Alabama 1975, to allow the Alabama Corrections Institution  
20 Finance Authority to issue up to [\$\_\_\_\_\_ billion] in bonds for  
21 the purpose of implementing a prison modernization plan that  
22 would replace existing bed space in Department of Corrections  
23 facilities through the construction of a new specialized men's  
24 prison facility on state-owned land in Elmore County that  
25 would provide specialized services to inmates, the  
26 construction of a new prison facility for male inmates on  
27 state-owned land in Escambia County, the construction of a new

1 women's prison facility on state-owned land in Elmore County,  
2 the renovation and improvement of existing state-owned prison  
3 facilities in certain counties, and an additional existing  
4 facility to be selected by the authority, and the construction  
5 of an additional new men's prison facility, if that facility  
6 is necessary; to define certain terms; to revise the  
7 membership of the authority; to require reporting to the Joint  
8 Legislative Prison Oversight Committee; to further provide for  
9 actions to be taken upon payment of all bonds issued by the  
10 authority; to create the Alabama Correctional Facilities  
11 Maintenance Fund; to amend Sections 28-3-201, 28-3-202,  
12 28-3-204, and 40-8-3, Code of Alabama 1975, relating to the  
13 allocation of a portion of the proceeds of the one mill tax  
14 and the tax on all spirituous or vinous liquors as a second  
15 and third priority security for the authority's bonds; to  
16 amend Section 38-4-12, Code of Alabama 1975, relating to the  
17 priority of the use of the one mill tax; and to define certain  
18 terms.

19 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20 Section 1. The Legislature finds and declares the  
21 following:

22 (1) Many of the existing prison facilities in this  
23 state are well beyond their normal design service life, most  
24 existing prison facility infrastructure lacks sustained  
25 maintenance, and lifecycle replacement has not been routinely  
26 performed on all facilities. The average age of operational  
27 prison facilities used by the Department of Corrections is 44

1 years. Additionally, the physical plant conditions have  
2 continued to deteriorate in many facilities, and the design  
3 and layout of the existing facilities is antiquated and not  
4 optimally suited for the delivery of necessary services to  
5 inmates or to fully realize the benefits of modern technology.  
6 In many facilities, renovation would be uneconomical or  
7 cost-prohibitive.

8 (2) It is the intent of this act to implement a plan  
9 to replace existing prison facility capacity with new or  
10 renovated capacity in the prison facilities over the course of  
11 the next 10 years.

12 (3) It is necessary to prioritize the construction  
13 of a men's prison facility to provide enhanced health care  
14 services, including outpatient and inpatient medical and  
15 mental health services, substance abuse and addiction  
16 treatment, and educational services and programs, and to  
17 increase delivery of these services efficiently.

18 (4) It is also necessary to prioritize the  
19 construction of a 4,000-bed men's prison facility to provide  
20 transition space for those inmates currently housed in  
21 facilities that are in critical need of renovations and  
22 improvements, and to construct a new women's prison facility.

23 (5) A phased approach in constructing new prison  
24 facilities and renovating and improving some or portions of  
25 existing prison facilities, coupled with the use of available  
26 alternative funding sources appropriated for these specific  
27 purposes, is a fiscally responsible and practical approach to

1 addressing the critical needs of the current prison  
2 infrastructure.

3 Section 2. Sections 14-2-1, 14-2-6, 14-2-12,  
4 14-2-13.1, 14-2-14, 14-2-16, 14-2-19, 14-2-21, 14-2-28, and  
5 14-2-34, Code of Alabama 1975, are amended to read as follows:

6 "§14-2-1.

7 "For the purposes of this chapter, the following  
8 terms shall have the meanings respectively ascribed to them by  
9 this section:

10 "(1) ADDITIONAL MEN'S PRISON FACILITY. A prison  
11 facility, including all real property, buildings, and  
12 improvements, designed to house at least 4,000 male inmates to  
13 be located on land owned or purchased by the state or the  
14 authority in a county selected by the authority upon an  
15 evaluation of existing men's prison facilities by the  
16 Department of Corrections, in consultation with the Joint  
17 Legislative Prison Oversight Committee, and a determination  
18 that additional facility beds need to be replaced as provided  
19 in Section 14-2-12(c) (2) c.

20 "~~(1)~~ (2) AUTHORITY. The public corporation organized  
21 pursuant to the provisions of this chapter.

22 "~~(2)~~ (3) COMMISSION. The Building Commission created  
23 by Section 41-9-140 and its successors as the state agency for  
24 awarding construction contracts and supervising construction.

25 "~~(3)~~ (4) DEPARTMENT. The Alabama Department of  
26 Corrections created by Section 14-1-1.1 and its successors as

1 the state agency responsible for supervising and controlling  
2 the operation of the correctional institutions of the state.

3 "(5) ESCAMBIA MEN'S PRISON FACILITY. A prison  
4 facility, including all real property, buildings, and  
5 improvements, designed to house at least 4,000 male inmates  
6 and located on land owned by the state or the authority as of  
7 December 1, 2020, in Escambia County, as provided in Section  
8 14-2-12(c)(2)a.

9 "(4)(6) STATE. The State of Alabama.

10 "(5)(7) BONDS. The bonds issued under the provisions  
11 of this chapter.

12 "(6)(8) FACILITIES. Such term includes any one or  
13 more of the following:

14 "a. Prisons;

15 "b. Buildings and enclosures for housing,  
16 containing, or supervising prisoners; and

17 "c. Any facilities necessary or useful in connection  
18 with prisons, buildings, or enclosures, including, without  
19 limiting the generality of the foregoing, hospitals, offices,  
20 correctional officers' quarters and residences, warehouses,  
21 garages, storage facilities, abattoirs, cold storage plants,  
22 canning plants, laundries, and manufacturing plants ~~for the~~  
23 ~~employment of prison labor,~~ educational and other programming  
24 facilities, medical, mental and other health care facilities,  
25 and substance abuse and addiction treatment facilities.

26 "(7)(9) KILBY PROPERTY. Such term includes all of  
27 the real property commonly referred to as Kilby prison

1 property, embracing not only the real property owned by the  
2 state on which Kilby prison is located, but also all real  
3 property owned by the state used in connection with Kilby  
4 prison and adjacent thereto, all located in sections 2, 3, 10,  
5 11, 21, 22, 26, 27, 28, 29, 30, 33, 34, and 35 in township 17,  
6 range 18 in Montgomery County, Alabama, together with all  
7 personal property owned by the state and used in connection  
8 with Kilby prison and the real property adjacent thereto.

9 "(8)(10) PERRY COUNTY FACILITY. The Perry County  
10 Correctional Center, including all real property, buildings,  
11 and improvements located at the facility in Perry County.

12 "(11) NET PROCEEDS OF THE ONE MILL TAX. The portion  
13 of the proceeds of the tax levied under Section 40-8-3 at the  
14 rate of \$.10 on each \$100 of the assessed value of taxable  
15 property, remaining after payment of one percent of the  
16 proceeds thereof to the Alabama Historical Commission for the  
17 purposes set forth therein.

18 "(12) SPECIALIZED MEN'S PRISON FACILITY. A prison  
19 facility, including all real property, buildings, and  
20 improvements, designed to house at least 4,000 male inmates  
21 with designated space for enhanced medical, mental, and other  
22 health care, substance abuse and addiction treatment, and  
23 educational and other programming services to inmates and  
24 located on land owned by the state or the authority as of  
25 December 1, 2020, in Elmore County, as provided in Section  
26 14-2-12(c)(2)a.

1           "(13) WOMEN'S PRISON FACILITY. A prison facility  
2 designed to house at least 1,000 female inmates to be located  
3 on land owned by the state or the authority in Elmore County,  
4 as provided in Section 14-2-12(c) (2) a.

5           "§14-2-6.

6           "The applicants named in the application and their  
7 respective successors in office shall constitute the members  
8 of the authority. The Governor shall be the president of the  
9 authority, the Commissioner of Corrections shall be the  
10 ~~vice-president~~ vice president of the authority and the  
11 Director of Finance shall be the secretary of the authority.  
12 In addition to the original incorporating members under  
13 Section 14-2-3, the chair of the House Ways and Means General  
14 Fund Committee and the chair of the Senate Finance and  
15 Taxation General Fund Committee shall be members of the  
16 authority. The governing documents of the authority shall be  
17 amended to reflect the additional members. The State Treasurer  
18 shall be the treasurer and custodian of the funds of the  
19 authority, but shall not be a member of the authority. The  
20 members of the authority shall constitute all the members of  
21 the board of directors of the authority, which shall be the  
22 governing body of the authority. A majority of the members of  
23 the ~~said~~ board of directors shall constitute a quorum for the  
24 transaction of business. Should any person holding any state  
25 office named in this section cease to hold such office by  
26 reason of death, resignation, expiration of his or her term of  
27 office or for any other reason, then his or her successor in

1 office shall take his or her place as a member, officer, or  
2 director, as the case may be, of the authority. No member,  
3 officer, or director of the authority shall draw any salary in  
4 addition to that now authorized by law for any service he or  
5 she may render or for any duty he or she may perform in  
6 connection with the authority. No member, officer, director, or  
7 or employee of the authority shall be personally liable for  
8 any debt, obligation, or liability of the authority.

9 "§14-2-12.

10 "(a) For the purpose of providing funds for the  
11 acquisition of sites, for the construction, reconstruction,  
12 alteration and improvement of facilities, for the procurement  
13 and installation of equipment therefor, and for payment of  
14 obligations incurred and the principal of and interest on any  
15 temporary loans made for any of the ~~said~~ purposes, the  
16 authority is hereby authorized, from time to time, to sell and  
17 issue, in addition to all bonds heretofore authorized to be  
18 issued by the authority, its bonds in such aggregate principal  
19 amounts as may be determined by the corporation to be  
20 necessary for the ~~said~~ purposes, but not to exceed  
21 \$25,000,000, plus an additional seven million five hundred  
22 thousand dollars (\$7,500,000) pursuant to Act 97-950, in  
23 aggregate principal amount.

24 "(b) In addition to the authorization provided in  
25 subsection (a), the authority is hereby authorized, from time  
26 to time, to sell and issue its bonds in amounts determined by  
27 the authority to be necessary for the acquisition,

1 construction, reconstruction, alteration, and improvement of  
2 facilities. Additional bonds may be issued to provide for  
3 additional bedspace by improving properties currently owned by  
4 the Department of Corrections or the authority. The total  
5 additional bonds authorized by this subsection shall not  
6 exceed \$60 million.

7 "(c) (1) Subject to subdivision (2), in addition to  
8 any other authorization provided in this chapter, the  
9 authority is hereby authorized, from time to time, to sell and  
10 issue bonds in amounts determined by the authority to be  
11 necessary to replace existing bed space in Department of  
12 Corrections facilities through the construction of a new  
13 specialized men's prison facility, the construction of a new  
14 Escambia men's prison facility, the construction of a new  
15 women's prison facility, the renovation and improvement of  
16 existing state-owned prison facilities in Jefferson County,  
17 Limestone County, and an additional existing facility to be  
18 selected by the authority to be located in Barbour or Bullock  
19 Counties, and the construction of an additional men's prison  
20 facility, if that facility is necessary. The total additional  
21 bonds authorized by this subsection may not exceed [\$\_\_\_\_\_  
22 billion]. However, the actual amount of bonds issued for any  
23 phase outlined in subdivision (2) shall be reduced by the  
24 amount of alternative funding sources appropriated by the  
25 Legislature or otherwise dedicated for the same purpose.

1           "(2) The additional bonds authorized under  
2           subdivision (1) shall be issued by the authority in the  
3           following sequence for the projects specified in each phase:

4           "a. PHASE 1: Immediately upon the effective date of  
5           the act adding this amendatory language, the authority shall  
6           be authorized to issue up to [\$\_\_\_\_\_ billion] in bonds as  
7           necessary to fund the following Phase 1 projects:

8           "1. The construction of the specialized men's prison  
9           facility.

10          "2. The construction of the Escambia men's prison  
11          facility.

12          "3. The construction of the women's prison facility.

13          "b. PHASE 2: Upon substantial completion of at least  
14          60 percent of the construction of Phase 1 projects, in the  
15          aggregate and as certified by the Commissioner of Corrections,  
16          the authority shall be authorized to issue up to an additional  
17          [\$\_\_\_\_\_ million] in bonds as necessary to fund the following  
18          Phase 2 projects:

19          "1. The renovation and improvement, or, if  
20          necessary, the demolition and reconstruction, of existing  
21          state-owned prison facilities in Jefferson and Limestone  
22          Counties.

23          "2. The renovation and improvement, or, if  
24          necessary, the demolition and reconstruction, of an existing  
25          state-owned men's prison facility to be selected by the  
26          authority and to be located in Barbour or Bullock Counties.

1           "c. PHASE 3: Prior to substantial completion of 75  
2 percent of the renovation and improvement of Phase 2 projects,  
3 in the aggregate and as certified by the Commissioner of  
4 Corrections, the Department of Corrections, in consultation  
5 with the Joint Legislative Prison Oversight Committee, shall  
6 perform an evaluation of men's prison facilities based on a  
7 current facilities assessment and inmate population trends to  
8 determine if additional facility beds need to be replaced. A  
9 copy of the evaluation shall be provided to the Legislature.  
10 If the evaluation concludes in the affirmative that the  
11 state's population of individuals being held in close or  
12 medium security facilities exceeds an average of 16,000  
13 inmates over the previous 12 calendar months, as certified by  
14 the Commissioner of the Department of Corrections, the  
15 authority shall be authorized to issue up to an additional  
16 [\$\_\_\_ million] in bonds at that time as necessary to fund the  
17 following Phase 3 project: the construction of an additional  
18 men's prison facility not to exceed a design capacity of 4,000  
19 inmates.

20           "(3) If bond proceeds exceed the amounts authorized  
21 for any of the phases outlined in subdivision (2) due to  
22 receipt of original issue premium in connection with the sale  
23 of bonds or due to any other reason, the bond proceeds in  
24 excess of those amounts shall be allocated by the authority as  
25 determined necessary for the purposes provided in subdivision  
26 (1).

1           "(4) Within 30 days of the completion of any bond  
2 sale pursuant to this subsection, the authority shall provide  
3 a report, in concise, simple language to the Legislature which  
4 reflects the date of the issuance of the bonds pursuant to  
5 this subsection, total amount of the bonds, maturity date,  
6 schedule of payments, including interest and principal, amount  
7 of attorney fees, architect fees and bond attorney fees,  
8 discount points, and all other costs incurred in the issuance  
9 of and sale of the bonds herein authorized, and to what  
10 person, firm, corporation, company, or other entity to which  
11 any such fees or money is to be or has been paid.

12           ~~"(c)~~ (d) Any monetary transactions by the authority  
13 completed pursuant to Act 2010-729 and the act adding this  
14 amendatory language shall be fully disclosed to the public.

15           ~~"(d)~~ (e) Any bonds issued pursuant to this section  
16 ~~shall be sold by competitive bid if practical and economically~~  
17 ~~feasible as determined by the authority pursuant to the terms~~  
18 of Section 14-2-16.

19           ~~"(e)~~ (f) The authority is strongly encouraged to  
20 utilize businesses and companies in all aspects of the bond  
21 and construction portions of this chapter that reflect the  
22 racial and ethnic diversity of the state.

23           "§14-2-13.1.

24           "It is hereby further provided that no refunding  
25 bonds as provided for by Section 14-2-13 shall be issued  
26 unless the present value of all debt service on the refunding  
27 bonds (computed with a discount rate equal to the true

1 interest rate of the refunding bonds and taking into account  
2 all underwriting discount and other issuance expenses) shall  
3 not be greater than ~~95%~~ 98 percent of the present value of all  
4 debt service on the bonds to be refunded (computed using the  
5 same discount rate and taking into account the underwriting  
6 discount and other issuance expenses originally applicable to  
7 such bonds) determined as if such bonds to be refunded were  
8 paid and retired in accordance with the schedule of maturities  
9 (considering mandatory redemption as a scheduled maturity)  
10 provided at the time of their issuance. Provided further that  
11 the average maturity of the refunding bonds, as measured from  
12 the date of issuance of such refunding bonds, shall not exceed  
13 by more than three years the average maturity of the bonds to  
14 be refunded, as also measured from such date of issuance, with  
15 the average maturity of any principal amount of bonds to be  
16 determined by multiplying the principal of each maturity by  
17 the number of years (including any fractional part of a year)  
18 intervening between such date of issuance and each such  
19 maturity, taking the sum of all such products, and then  
20 dividing such sum by the aggregate principal amount of bonds  
21 for which the average maturity is to be determined.

22 "§14-2-14.

23 "Any bonds of the authority may be executed and  
24 delivered by it at any time and from time to time, shall be in  
25 such form and denominations and of such tenor and maturities,  
26 shall bear such rate or rates of interest payable and  
27 evidenced in such manner, may contain provisions for

1 redemption prior to maturity and may contain other provisions  
2 not inconsistent with this section, all as may be provided by  
3 the resolution of the board of directors whereunder such bonds  
4 are authorized to be issued; provided, that no bond of the  
5 authority shall have a specified maturity date later than ~~20~~  
6 30 years after its date. In the event that the authority shall  
7 make more than one pledge of the same revenues, such pledges  
8 shall, unless otherwise provided in the resolution or  
9 resolutions authorizing the earlier issued bonds, take  
10 precedence in the order of the adoption of the resolutions in  
11 which the pledges are made; provided, that each pledge for the  
12 benefit of refunding bonds shall have the same priority as the  
13 pledge for the benefit of the bonds refunded thereby.

14 "§14-2-16.

15 "Bonds of the authority may be sold at such price or  
16 prices and at such time or times as the board of directors of  
17 the authority may consider advantageous, either at public sale  
18 or private sale. Bonds of the authority sold by competitive  
19 bid must be sold, whether on sealed bids or at public auction,  
20 to the bidder whose bid reflects the lowest effective  
21 borrowing cost to the authority for the bonds being sold;  
22 provided, that if no bid acceptable to the authority is  
23 received, it may reject all bids. ~~Notice of each such sale by~~  
24 ~~competitive bids shall be given by publication in either a~~  
25 ~~financial journal or a financial newspaper published in the~~  
26 ~~City of New York, New York, and also by publication in a~~  
27 ~~newspaper published in the State of Alabama, each of which~~

1 ~~notices must be published at least one time not less than 10~~  
2 ~~days before the date for the sale.~~ The board of directors may  
3 fix the terms and conditions under which such sale may be  
4 held; provided, that such terms and conditions shall not  
5 conflict with any of the requirements of this chapter. The  
6 authority may pay out of the proceeds of the sale of its bonds  
7 all expenses, including capitalized interest during a period  
8 not to exceed ~~one year~~ three years from the date of issuance  
9 of such bonds, publication and printing charges, attorneys'  
10 fees and other expenses which said board of directors may deem  
11 necessary and advantageous in connection with the  
12 authorization, advertisement, sale, execution, and issuance of  
13 such bonds. Neither a public hearing nor consent of the State  
14 Department of Finance or any other department or agency of the  
15 state shall be a prerequisite to the issuance or sale of bonds  
16 by the authority.

17 "§14-2-19.

18 "(a) All proceeds derived from the sale of any  
19 bonds, except refunding bonds, sold by the authority,  
20 remaining after payment of the expenses of issuance thereof,  
21 shall be turned over to the State Treasurer, shall be carried  
22 in a special account to the credit of the authority, and shall  
23 be subject to be drawn on by the authority solely for the  
24 purposes of:

25 "(1) Acquiring land for and constructing,  
26 reconstructing, and equipping thereon one or more facilities;

1           "(2) Constructing additional improvements on  
2 property currently owned by the Department of Corrections or  
3 the authority in order to provide for additional or  
4 replacement bedspace;

5           "(3) Paying all reasonable and necessary expenses  
6 incidental thereto, including filing, recording, surveying,  
7 legal and engineering fees, and expenses;

8           "(4) Paying the interest which will accrue on the  
9 ~~said~~ bonds during the period required for the construction and  
10 ~~equipment~~ equipping of the ~~said~~ facilities and for a period  
11 not exceeding six months after the completion thereof; ~~and~~

12           "(5) Paying the principal of and interest on all  
13 then outstanding notes theretofore issued by the authority  
14 pursuant to the provisions of Section 14-2-107;

15           "(6) Paying for cost of constructing the specialized  
16 men's prison facility, the Escambia men's prison facility, and  
17 the women's prison facility;

18           "(7) Paying for the cost of renovation and  
19 improvement of existing state-owned prison facilities in  
20 Jefferson and Limestone Counties and an additional men's  
21 prison facility selected by the authority and to be located in  
22 Barbour or Bullock Counties; and

23           "(8) Paying for the cost of construction of an  
24 additional men's prison facility, if determined necessary.

25           "The balance of the ~~said~~ proceeds thereafter  
26 remaining, unless required for the construction of other  
27 facilities by the authority as shall be determined by

1 resolution of its board of directors within six months after  
2 completion of the facilities for which the bonds were issued,  
3 shall be set aside as additional security for the bonds or  
4 shall be used to pay, purchase, or redeem bonds as may be  
5 provided in the proceedings authorizing their issuance. The  
6 reasonable and necessary expenses incident to the construction  
7 of any facility shall, if deemed advisable by the authority,  
8 include all or any part of the expense of providing temporary  
9 facilities, during the construction of a new facility, for any  
10 penal or correctional institution facility which is demolished  
11 or ~~rendered~~ unserviceable as such.

12 "(b) All proceeds from the sale of refunding bonds  
13 issued by the authority that remain after paying the expenses  
14 of their issuance may be used only for the purpose of  
15 refunding the principal of and any unpaid and accrued interest  
16 on the outstanding bonds of the authority for the refunding of  
17 which the refunding bonds are authorized to be issued,  
18 together with any premium that may be necessary to be paid in  
19 order to redeem or retire such outstanding bonds.

20 "§14-2-21.

21 "(a) The principal of, premium, if any, and interest  
22 on the bonds of the authority shall be secured, first, by any  
23 or all of the following, as the authority may determine:

24 "(1) The rent and revenue for the use of one or more  
25 facilities of the authority;

26 "(2) The net rent or sale proceeds from the Kilby  
27 property;

1           "(3) Any bond proceeds remaining unexpended upon  
2 completion of all facilities to be constructed with such bond  
3 proceeds and the payment of the cost thereof;

4           "(4) Any insurance proceeds which the authority may  
5 receive by reason of its ownership of any of the facilities;  
6 and

7           "(5) Any mortgage upon or security interest in one  
8 or more facilities of the authority, granted in connection  
9 with the issuance of such bonds.

10           "(b) To such extent and to such extent only as the  
11 revenues described in subsection (a) may not be sufficient to  
12 pay at their respective maturities the principal of and  
13 interest on the bonds of the authority, there is irrevocably  
14 pledged and appropriated, as a second priority security, so  
15 much of the portion of the net proceeds of the one mill tax  
16 allocated to the Department of Human Resources under Section  
17 38-4-12 as may be necessary, when added to the amounts  
18 described in subsection (a), for the purpose of providing  
19 funds to enable the authority to pay at their respective  
20 maturities and due dates the principal of and interest on the  
21 bonds that may be issued by it under this article at any time.  
22 The revenues pledged by this subsection shall be limited to  
23 the payment of debt service on the bonds authorized by this  
24 amendatory act, including debt service on any refunding bonds  
25 issued to refund the bonds authorized by this amendatory act.

26           "(c) To such extent and to such extent only as the  
27 revenues described in subsections (a) and (b) may not be

1 sufficient to pay at their respective maturities the principal  
2 of and interest on the bonds of the authority, there is  
3 irrevocably pledged and appropriated, as a third priority  
4 security, so much of the net proceeds of the tax levied on  
5 spirituous or vinous liquors allocated to the Public Welfare  
6 Trust Fund under Sections 28-3-201, 28-3-202, and 28-3-204, as  
7 may be necessary, when added to the amounts described in  
8 subsections (a) and (b), for the purpose of providing funds to  
9 enable the authority to pay at their respective maturities and  
10 due dates the principal of and interest on the bonds that may  
11 be issued by it under this article at any time. The revenues  
12 pledged by this subsection shall be limited to the payment of  
13 debt service on the bonds authorized by this amendatory act,  
14 including debt service on any refunding bonds issued to refund  
15 the bonds authorized by this amendatory act.

16 "(d) In the event that revenues pledged by  
17 subsection (b) or (c) are used to pay debt service on bonds  
18 authorized by this amendatory act, including debt service on  
19 refunding bonds issued to refund the bonds authorized by this  
20 amendatory act, the Legislature shall provide for the  
21 reimbursement of the amount used for those debt service  
22 payments to the Department of Human Resources.

23 "(e) The authority shall have authority to transfer  
24 and assign any lease agreement of any of the facilities and  
25 any lease or mortgage of the Kilby property as security for  
26 the payment of such principal, premium, if any, and interest.  
27 The bonds may be issued under, and secured by, a resolution

1 which may, but need not, provide for an indenture of trust  
2 covering one or more facilities of the authority. Such  
3 resolution or such indenture of trust may contain any  
4 provision or agreement customarily contained in instruments  
5 securing evidences of indebtedness, including, without  
6 limiting the generality of the foregoing, provisions  
7 respecting the collection and application of any lease  
8 agreement revenues, or other receipts pledged to the payment  
9 of bonds, the terms to be incorporated in lease agreements  
10 respecting the facilities, the maintenance and insurance  
11 thereof, the creation and maintenance of reserve and other  
12 special funds from such receipts, and the rights and remedies  
13 available in the event of default to the holders of the bonds  
14 or to the trustee for the holders of the bonds or under any  
15 indenture of trust, all as the authority may deem advisable  
16 and as shall not be in conflict with the provisions of this  
17 chapter; provided, however, that in making such agreements or  
18 provisions the authority shall not have the power to obligate  
19 itself except with respect to its facilities, the Kilby  
20 property, and the application of the lease agreement revenues  
21 and other receipts which it is authorized in this chapter to  
22 pledge.

23 "(f) The Alabama Correctional Facilities Maintenance  
24 Fund is created within the State Treasury, to be administered  
25 by the Department of Corrections. The Legislature may make  
26 appropriations to this fund to be used exclusively for

1 maintenance of the prison facilities constructed pursuant to  
2 Section 14-2-12(c).

3 "§14-2-28.

4 "(a) (1) All facilities constructed by the authority  
5 shall be constructed according to plans and specifications of  
6 architects or engineers, or both, selected by the department.  
7 Such plans and specifications shall be approved by the  
8 department and by the commission. All work in the construction  
9 of facilities, or any part thereof, which is determined by the  
10 commission to be suitable and proper for construction by  
11 prison labor under force account shall be performed by such  
12 prison labor under such supervision and directions as shall be  
13 ordered by the department.

14 "(2) ~~All~~ Except as provided in subsection (b),  
15 construction of facilities or any part thereof which the  
16 commission shall determine not to be suitable and proper for  
17 construction by prison labor shall be done under the  
18 supervision and direction of the commission following award  
19 for each part of the work to the lowest responsible bidder  
20 after advertising for, receipt and public opening of sealed  
21 bids. Each such invitation for bids and the bidding documents  
22 applicable thereto shall be so arranged that any alternates  
23 shall constitute cumulative deductions from the base bid  
24 rather than additions thereto. In determining the lowest  
25 bidder if funds are insufficient to construct the facility on  
26 the lowest base bid, then the commission may proceed to  
27 consider the bids upon the basis of the base bids of all

1 bidders minus the respective reductions stated for the first  
2 alternate. If the lowest bid so determined is not then within  
3 the funds available, the commission shall proceed to consider  
4 the base bid minus the first and second alternates together to  
5 determine the lowest bid and in like manner throughout all  
6 alternates, if need be, so that in no event shall there be any  
7 discretion as to which alternate or alternates will be used in  
8 determining the lowest responsible bidder. If no bid deemed  
9 acceptable by the commission and the authority is received,  
10 all bids may be rejected, in which event bids may again from  
11 time to time be invited and acted on as provided in this  
12 section.

13 "(b) (1)a. Notwithstanding any other provision of law  
14 and subsection (a), the design and construction of the  
15 specialized men's prison facility and the Escambia men's  
16 prison facility authorized in Section 14-2-12(c) (2)a., shall  
17 not be subject to any bid requirement for public works in  
18 Title 39, Code of Alabama 1975, or any other bid requirement  
19 provided by law. A contract for the design and construction of  
20 the specialized men's prison facility and a contract for the  
21 design and construction of the Escambia men's prison facility  
22 may be awarded to either of the following:

23 "1. Any person that was part of a team qualified by  
24 the department for any proposed facility pursuant to the  
25 Request for Qualifications issued by the department June 27,  
26 2019, provided that the previously qualified person may

1 petition the department to add or substitute team members as  
2 needed.

3 "2. In the event the authority determines it is not  
4 in the best interests of the state to enter into a contract  
5 for the design and construction of one or both of the  
6 specialized men's prison facility and the Escambia men's  
7 prison facility pursuant to subparagraph (b) (1)a.1., the  
8 authority may enter into contracts with any other public and  
9 private parties for the design and construction of the  
10 facilities not contracted for pursuant to subparagraph  
11 (b) (1)a.1., including a design-build contract, in accordance  
12 with the following:

13 "(i) The authority shall develop procedures to  
14 implement this section, including, but not limited to,  
15 proposal content, selection criteria, prequalification,  
16 applicant interview, proposal evaluation, proposal  
17 negotiation, selection, and award, which will be outlined in  
18 each authority request for proposal.

19 "(ii) Notwithstanding any provision of law to the  
20 contrary, proposals under this section may be evaluated and  
21 awarded by the authority based on qualifications of  
22 participants or best value, or both, as evaluated by  
23 procedures of the authority and taking into consideration the  
24 best interest of this state.

25 "(iii) Proposals shall use the standard  
26 specifications of the department or other specifications the

1 authority and the department determine necessary for the  
2 facility.

3 "(iv) The contract may be awarded through any other  
4 procurement authority, proposals, or other means of  
5 procurement otherwise available for public works projects in  
6 this state.

7 "b. Both the specialized men's prison facility and  
8 the Escambia men's prison facility shall not be awarded to the  
9 same person unless it is determined by the authority that to  
10 award the contracts to the same team would be in the best  
11 interest of this state.

12 "c. Unless the authority finds it is not in the best  
13 interest of the State of Alabama, the contract for the design  
14 and construction of the specialized men's prison facility  
15 shall be negotiated and executed before execution of the  
16 contract for the design and construction of the Escambia men's  
17 prison facility.

18 "d. Any contract for the design and construction of  
19 the specialized men's prison facility or for the design and  
20 construction of the Escambia men's prison facility shall  
21 establish a guaranteed maximum price for each project.

22 "e. As a condition of entering into negotiations for  
23 the design and construction of either the specialized men's  
24 prison facility or the Escambia men's prison facility, any  
25 person entering into negotiations shall agree to full  
26 transparency and shall share all pricing information with the  
27 authority. The authority, at its sole discretion, shall have

1 the right to require verification of competitive pricing for  
2 any portion of the proposed scope of the design and  
3 construction agreements.

4 "(2)a. Notwithstanding any other provision of law,  
5 and except as provided in paragraph b., the construction of  
6 the women's prison facility, the construction of the  
7 additional men's prison facility, and the renovation and  
8 improvement of existing state-owned prison facilities in  
9 Jefferson and Limestone Counties and another existing men's  
10 prison facility selected by the authority, as authorized in  
11 Section 14-2-12(c) (1) and (2), shall be subject to the bid  
12 requirements for public works in Title 39, Code of Alabama  
13 1975.

14 "b. When two or more bids are received for contracts  
15 referenced in paragraph a., and all bids exceed available  
16 funding for the contract as provided in Section 14-2-12, Code  
17 of Alabama 1975, the authority may negotiate for the work with  
18 the lowest responsible and responsive bidder provided that the  
19 authority certifies a shortage of funding, that time is of the  
20 essence, and that the negotiated changes are in the public  
21 interest and do not materially alter the scope and nature of  
22 the project.

23 "(c) All such contracts shall be lump sum contracts.  
24 The entire work on a prison facility may be divided into one  
25 or more contracts. All contracts for the entire work on a  
26 facility shall ~~need not~~ be awarded at the same time, ~~but~~  
27 ~~notice to proceed may be withheld until~~ so that prior work

1 under another contract ~~has progressed~~ can progress to a point  
2 where the joint or following work can best be coordinated for  
3 the earliest completion of the entire project in a sound and  
4 workmanlike manner. Each contract shall be executed by the  
5 authority ~~upon the determination of the commission as to the~~  
6 ~~lowest bidder~~. Payments made by the authority under the  
7 construction contracts shall be upon the contractor's written  
8 sworn request only if endorsed as approved by the commission  
9 or in any lesser amount the commission shall endorse as having  
10 been then earned on ~~said~~ the contract. After the contracts for  
11 a facility have been awarded, such construction cost estimate  
12 shall be revised and all extras on the contracts shall be  
13 awarded within the funds available. The authority shall pay to  
14 the commission as a part of the cost of constructing the  
15 facility such sums for the services of its employees as may be  
16 mutually agreed between the department and the commission.

17 "§14-2-34.

18 "When all bonds and securities issued by the  
19 authority and all obligations assumed by it under the  
20 provisions of this chapter shall have been paid in full, the  
21 then president of the authority shall thereupon execute and  
22 deliver in the name of, and in behalf of, the authority an  
23 appropriate deed or deeds, to which the seal of the authority  
24 shall be affixed and attested by the secretary of the  
25 authority, conveying all facilities and other assets then  
26 owned by the authority to the state, except that no such  
27 conveyance shall be required if the president of the authority

1 determines that the issuance of additional bonds to finance  
2 improvements to existing facilities is contemplated. The then  
3 officers and directors of the authority may, in their  
4 discretion, at such time file with the Secretary of State a  
5 written statement, subscribed and sworn to by each of them,  
6 reciting the payment in full of all bonds theretofore issued  
7 by the authority and the execution and delivery of such deed  
8 or deeds, which statement shall be filed by the Secretary of  
9 State and recorded with the certificate of incorporation of  
10 the authority, and thereupon the authority shall stand  
11 dissolved."

12 Section 3. (a) Separate and apart from the power  
13 granted to the authority in regard to the Kilby property in  
14 Sections 14-2-26 and 14-2-27, Code of Alabama 1975, and in  
15 addition to those powers, the authority shall have the power  
16 to sell, convey, and lease all or any part of any real and  
17 personal property now or hereafter owned by it, together with  
18 the improvements thereon and ancillary thereto, that is not  
19 being used by the department as a facility, and the sale of  
20 which will not impair the outstanding obligations of the  
21 authority, and as an aid to the sale or lease, to cause to be  
22 prepared by competent real estate experts a land use map and  
23 plan. The authority may lease or sell lands and property owned  
24 by it without going through the Lands Division or in any other  
25 way complying with the provisions of Title 9, Chapter 15,  
26 Article 3, Code of Alabama 1975. The authority must have duly  
27 adopted written policies and procedures governing the sale or

1 lease of the property which invoke open competition and  
2 produce the best price, to include obtaining an appraisal,  
3 advertising the sale or lease, and conducting the sale by  
4 public auction or publicly sought sealed bid. The sale or  
5 lease shall be made at public sale or private sale as the  
6 authority shall determine to be necessary or desirable.

7 (b) The award of any property offered for public  
8 sale or lease shall be made to the highest responsible bidder  
9 unless all bids shall be rejected as inadequate and other  
10 public offering shall be made upon notice republished as  
11 prescribed above. Any sale shall be for all cash. Each deed or  
12 lease to effectuate any sale or lease shall be signed in the  
13 name of the authority by its president, to which the seal of  
14 the authority shall be affixed and attested by its secretary.

15 (c) The proceeds of each sale or lease of any such  
16 property shall be used first to pay the reasonable and  
17 necessary expenses of the sale or lease, and the balance  
18 remaining shall be paid to the State Treasurer and held by him  
19 or her in a special account and disbursed on order of the  
20 authority for any one or more of the following purposes:

21 (1) To acquire land for, and to construct,  
22 reconstruct, renovate, repair, maintain, and equip one or more  
23 facilities; or

24 (2) To pay for such services, goods, repairs,  
25 renovations, construction, demolition, or other activities in  
26 or about facilities as may be deemed necessary by the board of  
27 the authority in the exercise of its sole discretion, to

1 further the purposes of the authority or the department,  
2 including developing a master plan for the use of the real or  
3 personal property that is owned by or which may be acquired by  
4 the authority for its statutory purposes, the preparation for  
5 sale or lease, or the preservation of, facilities or excess  
6 unimproved property owned for the authority; or

7 (3) To pay the principal of, and interest on, its  
8 bonds at maturity or upon refunding or redemption.

9 (d) The department will maintain all facilities not  
10 being used for the purposes designated in Section 14-2-1(6),  
11 Code of Alabama 1975, and designated for sale, lease,  
12 demolition, or other disposition, so long as title thereto is  
13 held by the authority, to enable the authority to achieve the  
14 best possible price or other result upon the sale, lease, or  
15 other disposition thereof.

16 (e) Upon request of the authority, the department  
17 shall convey to the authority any real and personal property  
18 to which the department holds title and acquired with proceeds  
19 of the authority's bonds or income thereon.

20 Section 4. The Alabama Corrections Institution  
21 Finance Authority or the state or a subdivision thereof, shall  
22 lease or purchase, or a combination thereof, the existing  
23 prison facility in Perry County to be utilized by the  
24 department or the state using funds appropriated for that  
25 purpose from the State General Fund.

1           Section 5. A person or entity submitting a proposal  
2 for any project under this act shall disclose both of the  
3 following:

4           (1) The names of all lobbyists, attorneys, or other  
5 professionals or professional firms hired or retained by the  
6 person or entity on or after December 6, 2019.

7           (2) The names of all current or past elected  
8 officials or family members as defined in Section 36-25-1(15),  
9 Code of Alabama 1975, associated in any manner with the person  
10 or entity submitting the proposal or associated in any manner  
11 with a subcontractor of the person or entity on or after  
12 December 6, 2019.

13           Section 6. Nothing in this act shall be construed to  
14 limit the department from continuing to use third party or  
15 private facilities for any program or housing of inmates that  
16 are not under medium, maximum, or close security supervision.

17           Section 7. Sections 28-3-201, 28-3-202, 28-3-204,  
18 38-4-12, and 40-8-3, Code of Alabama 1975, are amended to read  
19 as follows:

20           "§28-3-201.

21           "In addition to all other taxes of every kind now  
22 imposed by law and in addition to any marked-up price  
23 authorized or required by law, there is hereby levied and  
24 shall be collected a tax at the rate of 10 percent upon the  
25 selling price of all spirituous or vinous liquors sold by the  
26 Alabama Alcoholic Beverage Control Board. The tax hereby  
27 imposed shall be collected by the board from the purchaser at

1 the time the purchase price is paid. In computing the proceeds  
2 of this tax, the board shall divide the total sales of  
3 spirituous and vinous liquors made by it by a factor of 110  
4 and multiply the quotient by 100 and by 10. An amount equal to  
5 the quotient multiplied by 100 shall be deposited in the State  
6 Treasury to the credit of the Alcoholic Beverage Control Board  
7 Store Fund and an amount equal to the quotient multiplied by  
8 10 shall be deposited in the State Treasury to ~~the credit of~~  
9 ~~the Public Welfare Trust Fund and shall be used for general~~  
10 ~~welfare purposes and is hereby appropriated therefor.~~ be  
11 distributed as follows:

12 "(1) A sum equal to the amount necessary to pay the  
13 principal of and interest on bonds issued by the Alabama  
14 Corrections Institution Finance Authority as and to the extent  
15 provided in Section 14-2-21 shall be distributed to the  
16 authority.

17 "(2) The remainder shall be distributed to the  
18 Public Welfare Trust Fund.

19 "§28-3-202.

20 "(a) Repealed by Acts 1986, No. 86-212, p. 264, §3.

21 "(b) Levy; collection; disposition of proceeds. In  
22 addition to all other taxes of every kind now imposed by law  
23 and in addition to any marked-up price authorized or required  
24 by law, there is hereby levied and shall be collected a tax at  
25 the rate of 10 percent upon the selling price of all  
26 spirituous or vinous liquors sold by the board. The tax  
27 imposed by this subsection shall be collected by the board

1 from the purchaser at the time the purchase price is paid. One  
2 half of the proceeds derived from the tax shall be deposited  
3 in the State Treasury to the credit of the Public Welfare  
4 Trust Fund and shall be used for general welfare purposes and  
5 is hereby appropriated therefor. The remainder of such  
6 proceeds from the tax levied by this subsection shall be  
7 deposited in the State Treasury to be distributed as follows:

8 "(1) A sum equal to the amount necessary to pay the  
9 principal of and interest on bonds issued by the Alabama  
10 Corrections Institution Finance Authority as and to the extent  
11 provided in Section 14-2-21, shall be distributed to the  
12 authority; and

13 "(2) The remainder shall be distributed to the  
14 credit of a special fund which shall be designated the Alabama  
15 Special Mental Health Fund and shall be used only for mental  
16 health purposes, including the prevention of mental illness,  
17 the care and treatment of the mentally ill and the mentally  
18 deficient, and the acquisition, equipment, operation, and  
19 maintenance of facilities for mental health purposes.

20 "The markup as currently established by the board on  
21 spirituous or vinous liquors shall not be reduced by the board  
22 for the purpose of absorbing the tax levied by this  
23 subsection, it being the intention of this provision that the  
24 ~~said~~ tax shall be passed on to the purchaser.

25 "§28-3-204.

26 "(a) Repealed by Acts 1986, No. 86-212, p. 264, §3.

1           "(b) Levy and collection. In addition to all other  
2 taxes of every kind now imposed by law and in addition to any  
3 marked-up price authorized or required by law, there is hereby  
4 levied and shall be collected a tax at the rate of three  
5 percent upon the selling price of all spirituous or vinous  
6 liquors sold by the board.

7           "The board shall have the authority to examine the  
8 books and records of any wine wholesaler to determine the  
9 accuracy of any return required to be filed with the board.

10           "The markup as currently established by the board on  
11 spirituous or vinous liquors shall not be reduced by the board  
12 for the purpose of absorbing the tax levied in this  
13 subsection, it being the intention of this provision that the  
14 ~~said~~ tax shall be passed on to the purchaser.

15           "(c) Distribution of proceeds. One half of the  
16 proceeds derived from the tax shall be deposited in the State  
17 Treasury to be distributed as follows:

18           "(1) A sum equal to the amount necessary to pay the  
19 principal of and interest on bonds issued by the Alabama  
20 Corrections Institution Finance Authority as and to the extent  
21 provided in Section 14-2-21, shall be distributed to the  
22 authority; and

23           "(2) The remainder shall be distributed to the  
24 credit of the Public Welfare Trust Fund and shall be used for  
25 general welfare purposes and is hereby appropriated therefor.  
26 The remainder of such proceeds from the tax levied by this  
27 section shall be deposited in the State Treasury to the credit

1 of a special fund which shall be designated the Special Mental  
2 Health Fund and shall be used only for mental health purposes,  
3 including the prevention of mental illness, the care and  
4 treatment of the mentally ill and the mentally deficient, and  
5 the acquisition, equipment, operation, and maintenance of  
6 facilities for mental health purposes.

7 "§38-4-12.

8 "(a) Except as provided in subsection (b), there is  
9 appropriated, beginning with the fiscal year ending September  
10 30, 1998, ~~to the state department, for old age pension~~  
11 ~~purposes,~~ out of the proceeds from the levy of the one mill  
12 tax ~~for the relief of needy Confederate soldiers and sailors~~  
13 ~~and their widows,~~ a sum not to exceed \$20,773,500 annually of  
14 the surplus or residue from the tax after the payment in full  
15 of the pensions to the widows of Confederate soldiers and  
16 sailors, to pay the principal of and interest on bonds issued  
17 by the Alabama Corrections Institution Finance Authority as  
18 and to the extent provided in Section 14-2-21, and then to the  
19 state department, for old age pension purposes other charges  
20 against the fund set out in the laws authorizing the payment  
21 of the pensions to the widows, and annually to the Department  
22 of Revenue, as a first charge against the proceeds of the one  
23 mill tax, funds for the annual costs of the Department of  
24 Revenue for administering the tax. In making this  
25 appropriation, it is declared to be the legislative policy  
26 that the Department of Human Resources shall expend its  
27 portion of the surplus or residue hereby appropriated and all

1 ~~moneys~~ monies received by it from the federal government as  
2 matching funds for all funds expended for Confederate pensions  
3 or as matching funds for the surplus or residue hereby  
4 appropriated under this section, for old age pension purposes  
5 exclusively insofar as is possible under existing laws and the  
6 rules and regulations of the federal government and of the  
7 Department of Human Resources in regard thereto, before any  
8 part thereof may be expended for any other purposes of the  
9 Department of Human Resources.

10 "(b) Beginning with the fiscal year ending September  
11 30, 1997, all of the remaining surplus or residue from the tax  
12 provided in (a) ~~above~~, after deducting the amounts  
13 appropriated to the Department of Human Resources and the  
14 Department of Revenue under the annual appropriations act for  
15 the fiscal year ending September 30, 1997, and under  
16 subsection (a) ~~of this section~~ for each year thereafter, is  
17 hereby appropriated to the State Veterans' Assistance Fund to  
18 be expended for veterans' programs approved by the State Board  
19 of Veterans' Affairs, including expenditures for emergencies  
20 and needs in the state's veterans' nursing homes.

21 "§40-8-3.

22 "There is hereby levied for the purpose and upon the  
23 property hereinafter named and not specifically exempted from  
24 taxation annual taxes, as follows:

25 "(1) For the maintenance of the public schools of  
26 this state, \$.30 on each \$100 of the assessed value of taxable  
27 property.

1                   "(2) For the relief of needy Confederate soldiers  
2 and sailors, resident citizens of Alabama and their widows,  
3 and to secure the obligations of the Alabama Corrections  
4 Institution Finance Authority as provided in Title 14, Chapter  
5 2, \$.10 on each \$100 of the assessed value of taxable property  
6 of which one percent of the gross amount collected will be  
7 expended by the Alabama Historical Commission to provide for  
8 capital improvements and maintenance at the Confederate  
9 Memorial Park at Mountain Creek, Chilton County, Alabama.

10                   "(3) For the use of the state and to raise revenue  
11 therefor, \$.25 on each \$100 of the assessed value of taxable  
12 property."

13                   Section 8. The provisions of this act are severable.  
14 If any part of this act is declared invalid or  
15 unconstitutional, that declaration shall not affect the part  
16 which remains.

17                   Section 9. This act shall become effective  
18 immediately following its passage and approval by the  
19 Governor, or its otherwise becoming law.