

1 HB325
2 200037-1
3 By Representative Rogers
4 RFD: State Government
5 First Read: 09-FEB-22

8 SYNOPSIS: Existing law provides for the creation of
9 the Alabama Land Bank Authority or local land bank
10 authorities for the purpose of acquiring tax
11 delinquent, non-revenue generating properties in
12 order to provide housing, promote commercial and
13 economic development, and assemble parcels of real
14 property for redevelopment.

15 This bill would redefine the term
16 "tax-delinquent property" to limit it to property
17 that has active utility services.

18 This bill would require the Land
19 Commissioner to allow an owner of tax-delinquent
20 property which has been requested by the authority
21 or any local authority to redeem the property by
22 paying the delinquent taxes in four payments within
23 30 months from the date of the notice, and paying
24 the assessed tax on the property as it becomes due.

25 This bill would require each member of the
26 governing body of a local authority to be a
27 resident of the local unit of government forming

1 the local authority at the time of appointment and
2 while serving.

3
4 A BILL
5 TO BE ENTITLED
6 AN ACT

7
8 To amend Sections 24-9-4, 24-9-6, as amended by Act
9 2018-192, 2018 Regular Session, 24-9-7, and 24-9-10, Code of
10 Alabama 1975, relating to the Alabama Land Bank Authority; to
11 limit the definition of "tax-delinquent property" to property
12 that has active utility services; to require the Land
13 Commissioner to allow an owner of tax-delinquent property that
14 has been requested by the authority or any local authority to
15 redeem the property by paying the delinquent taxes in four
16 payments within 30 months from the date of the notice and
17 paying the assessed tax as it becomes due; and to require each
18 member of the governing body of a local authority to be a
19 resident and remain a resident of the local unit of government
20 forming the local authority.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. Sections 24-9-4, 24-9-6, as amended by
23 Act 2018-192, 2018 Regular Session, 24-9-7, and 24-9-10, Code
24 of Alabama 1975, are amended to read as follows:

25 "§24-9-4.

26 "When used in the chapter, the following words shall
27 have the following meanings:

1 "(1) AGREEMENT. The intergovernmental cooperation
2 agreement entered into between an authority and a local
3 authority by the parties pursuant to this chapter.

4 "(2) AUTHORITY. The Alabama Land Bank Authority.

5 "(3) BOARD. The Alabama Land Bank Authority Board.

6 "(4) LOCAL AUTHORITY. A local land bank authority
7 created by a county or municipality as provided in Section
8 24-9-10.

9 "(5) PROPERTY. Real property, including any
10 improvements thereon.

11 "(6) TAX-DELINQUENT PROPERTY. Any property that has
12 active utility services on which the taxes levied and assessed
13 by any party remain in whole or in part unpaid on the date due
14 and payable.

15 "§24-9-6.

16 "(a) The authority, at such times as it deems to be
17 appropriate, may submit a written request to the Land
18 Commissioner of the Alabama Department of Revenue for the
19 transfer of the state's interest in certain properties to the
20 authority. Upon receipt of such request, the Land Commissioner
21 shall issue a tax deed conveying the state's interest in the
22 property to the authority. The authority shall not be required
23 to pay the amount deemed to have been bid to cover delinquent
24 taxes or any other amount in order to obtain the tax deed.

25 "(b) (1) Delinquent property which may be
26 transferred by the Land Commissioner to the authority shall be
27 limited to parcels which have been bid in for the state

1 pursuant to Chapter 10 of Title 40 for at least five years and
2 the state's interest in real property acquired pursuant to
3 Chapter 29 of Title 40 for delinquent taxes administered by
4 the state and held for at least five years.

5 "(2) The Land Commissioner or his or her agents or
6 assistants may adopt rules necessary to transfer such
7 properties to the authority.

8 "(c) The authority shall administer properties
9 acquired by it as follows:

10 "(1) All property acquired by the authority shall be
11 inventoried and the inventory shall be maintained as a public
12 record.

13 "(2) The authority shall have the power to manage,
14 maintain, protect, rent, lease, repair, insure, alter, sell,
15 trade, exchange, or otherwise dispose of any property acquired
16 pursuant to subsection (b) (1), on terms and conditions
17 determined in the sole discretion of the authority.

18 "(d) Nothing contained in Act 2013-249 shall be
19 construed to grant any power of eminent domain to the
20 authority or any local authority.

21 "(e) Notwithstanding the provisions of this section,
22 the Land Commissioner, by certified mail, shall notify the
23 owner of tax-delinquent property that has been requested by
24 the authority or any local authority that the owner may redeem
25 the property by paying the delinquent taxes in four payments
26 within 30 months from the date of the notice and paying the
27 assessed tax as it becomes due. If the Land Commissioner does

1 not receive a response from the owner of the tax delinquent
2 property, the property shall be transferred to the authority
3 or local authority pursuant to this chapter.

4 "§24-9-10.

5 "(a) If the number of tax delinquent properties in a
6 municipality exceeds 1,000, then the governing body of a
7 municipality may adopt a resolution declaring that it is wise,
8 expedient, and necessary that a local authority be formed by
9 the municipality by the filing for record of a certificate of
10 incorporation in accordance with the provisions of subsection
11 (c).

12 "(b) If the number of tax delinquent properties in a
13 municipality exceeds 1,000, then the governing body of a
14 county may adopt a resolution declaring that it is wise,
15 expedient, and necessary that a local authority be formed by
16 the county by the filing for record of a certificate of
17 incorporation in accordance with the provisions of subsection
18 (c).

19 "(c) Upon the adoption of the authorizing
20 resolution, the municipality or county, as the case may be,
21 shall proceed to incorporate the local authority by filing for
22 record in the office of the judge of probate of the county a
23 certificate of incorporation which shall comply in form and
24 substance with the requirements of this section and which
25 shall be in the form and executed in the manner herein
26 provided. The certificate of incorporation of the local
27 authority shall state all of the following:

1 "(1) The name of the local unit of government
2 forming the local authority.

3 "(2) The name of the local authority.

4 "(3) The size of the initial governing body of the
5 local authority, which shall be composed of an odd number of
6 members, but not less than five.

7 "(4) The qualifications, method of selection, and
8 terms of office of the initial board members.

9 "(5) A method for the adoption of bylaws by the
10 governing body of the local authority.

11 "(6) A method for the distribution of proceeds from
12 the activities of the local authority.

13 "(7) A method for the dissolution of the local
14 authority.

15 "(8) Any other matters considered advisable by the
16 local unit of government, consistent with Act 2013-249.

17 "(d) Members of the board of a local authority
18 created pursuant to this section shall be residents of the
19 local unit of government forming the local authority at the
20 time of, and during the term of, the appointment.

21 "~~(d)~~ (e) Following incorporation, a local authority
22 may enter into an intergovernmental agreement with the
23 authority providing for the transfer to the local authority of
24 any property held by the authority which is located within the
25 corporate limits of the municipality or the boundary of the
26 county which created the land bank.

1 "~~(e)~~ (f) A local authority shall have all of the
2 powers of the authority as set forth in this chapter.

3 "~~(f)~~ (g) A local unit of government and any agency or
4 department of such local unit of government may do one or more
5 of the following:

6 "(1) Anything necessary or convenient to aid a local
7 authority in fulfilling its purposes under Act 2013-249.

8 "(2) Lend, grant, transfer, appropriate, or
9 contribute funds to a local authority in furtherance of its
10 purposes.

11 "(3) Lend, grant, transfer, or convey funds to a
12 local authority that are received from the federal government
13 or this state or from any nongovernmental entity in aid of the
14 purposes of Act 2013-249."

15 Section 2. This act shall become effective on the
16 first day of the third month following its passage and
17 approval by the Governor, or its otherwise becoming law.