

1 HB338  
2 127241-2  
3 By Representative Barton  
4 RFD: Economic Development and Tourism  
5 First Read: 24-MAR-11

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8 SYNOPSIS: This bill would authorize one or more  
9 municipalities or counties or any combination  
10 thereof to establish a public authority for the  
11 purpose of tourism promotion and development in the  
12 geographic area served by the authority.

13 This bill would provide that the public  
14 authority would be governed by a board of directors  
15 comprised of representatives from the geographic  
16 area served by the authority.

17 This bill would provide for the duties and  
18 powers of the board.

19  
20 A BILL  
21 TO BE ENTITLED  
22 AN ACT  
23

24 To authorize one or more municipalities, counties,  
25 or any combination thereof to create a public authority for  
26 the purpose of promoting and developing tourism and  
27 development; to provide for the duties, powers, and board

1 membership of the authority; to authorize the authority to  
2 create a tourism promotion and development district; and to  
3 provide for the boundaries of the district.

4 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

5 Section 1. Any one or more municipalities or  
6 counties, or any combination thereof, by resolution of the  
7 governing body of each participating municipality or county,  
8 may elect to form a public authority for the purpose of  
9 promoting and developing tourism in the geographic area to be  
10 served by the authority. The authority shall be vested with  
11 the powers provided by this act.

12 Section 2. A public authority established pursuant  
13 to this act shall designate a tourism promotion and  
14 development district which may be comprised of part or all of  
15 the corporate limits of any participating municipality and all  
16 or part of the unincorporated areas of any participating  
17 county. The governing body of each municipality and each  
18 county participating in the formation of the authority shall  
19 state in its authorizing resolution or by separate resolution  
20 the geographic area within its corporate limits that shall  
21 comprise the tourism promotion and development district.

22 Section 3. (a) A public authority established  
23 pursuant to this act may conduct programs and events,  
24 including, but not limited to, programs of information and  
25 publicity and public events to attract tourists to geographic  
26 areas served by the authority. The authority may conduct  
27 programs or events in Alabama and elsewhere and expend its

1 funds in the furtherance of such programs and events in  
2 Alabama and elsewhere.

3 (b) The authority may enter into contracts with a  
4 person, firm, corporation, or association to carry out the  
5 purposes set forth herein. No contract entered into by the  
6 council shall bind the State of Alabama or any county or  
7 municipality of the State of Alabama.

8 (c) The authority shall have all of the following  
9 powers:

10 (1) To sue and be sued.

11 (2) To own, lease, license, operate, purchase,  
12 acquire, hold, improve, develop, manage, sell, convey,  
13 transfer, exchange, release, and dispose of, either alone or  
14 in conjunction with others, real and personal property,  
15 tangible and intangible, of every kind, character, and  
16 description.

17 (3) To have a seal and alter the seal as necessary  
18 or appropriate.

19 (4) To appoint officers, agents, employees,  
20 attorneys, and accountants and fix their compensation.

21 (5) To make bylaws for the management and regulation  
22 of the council's affairs, including the appointment of  
23 committees, upon resolution of the board of directors of the  
24 council.

25 (6) To enter into contracts and execute all  
26 instruments necessary or convenient to lease, purchase, and  
27 own real or personal property used in furtherance of the

1 purposes for the accomplishment of which the authority is  
2 created.

3 (7) To accept or receive gifts, bequests, devises,  
4 and all other types of funds, both public and private,  
5 regardless of the source, subject to all applicable laws, and  
6 to expend all such funds to carry out the purposes of this  
7 act.

8 (8) To provide funds directly or indirectly to third  
9 parties in connection with any public program, event, or  
10 advertising campaign to carry out the purposes herein stated.

11 (9) To borrow money, execute notes, and other  
12 evidence of indebtedness which may be required by the lender,  
13 and pledge anticipated revenue or income to secure payment of  
14 loans.

15 (10) To do all things necessary or convenient to  
16 carry out the powers expressly given herein.

17 Section 4. (a) The affairs of the authority shall be  
18 managed by a board of directors, hereinafter called "the  
19 board," which shall consist of the following: At least one and  
20 not more than five board members representing each  
21 incorporated municipality located within the defined tourism  
22 promotion and development district and not more than two board  
23 members from any unincorporated area included in the tourism  
24 promotion and development district, except that the number of  
25 board members from the unincorporated area of the tourism  
26 development district may be increased to not more than four

1 board members by a two-thirds majority vote of the then  
2 existing board members of the authority.

3 (b) The number of board members representing each  
4 municipality included in the tourism promotion and development  
5 district shall be computed as follows:

6 (1) One board seat for each seventy thousand dollars  
7 (\$70,000) of annual lodging tax collections collected within  
8 the municipality. The minimum board seats per municipality  
9 shall be one and the maximum board seats per municipality  
10 shall be five.

11 (2) The board members representing the incorporated  
12 municipalities shall be appointed by the governing body of  
13 their respective municipality. The board members shall not be  
14 required to reside within any municipality or the tourism  
15 promotion and development district. The initial board member  
16 terms shall be one each for a one, two, and three-year term.  
17 In the event there are more than three board members  
18 representing any incorporated municipality, each additional  
19 board member shall be appointed for a three, two, or one-year  
20 initial term in the order the additional board member is  
21 appointed. Subsequent appointments shall be for a term of  
22 three years. No board member representing any incorporated  
23 municipality shall serve longer than the initial term of the  
24 board member plus two consecutive three-year terms.

25 (3) Appointed board members shall represent the  
26 following from within their respective municipality:

1           a. No more than one board member from each  
2 municipality may be a member of the elected body of the  
3 municipality.

4           b. No more than two board members from each  
5 municipality may be engaged in the lodging business within the  
6 tourism promotion and development district.

7           c. No more than two board members from each  
8 municipality may be engaged in a business within the tourism  
9 promotion and development district, other than a lodging  
10 business, whose customers or clients are primarily tourists or  
11 visitors.

12           d. Any other board members from each municipality  
13 shall have a background and experience in a tourist-related  
14 industry or attraction, in the field of marketing,  
15 advertising, or public relations, or other field or industry  
16 directly related to the purposes for which the authority is  
17 created and established.

18           (c) The number of board members representing any  
19 unincorporated area of the defined tourism promotion and  
20 development district shall be determined as follows:

21           (1) There shall be two board members from the  
22 unincorporated area of the tourism promotion and development  
23 district, except that the number of board members from the  
24 unincorporated area of the tourism promotion and development  
25 district may be increased to not more than four board members  
26 by a two-thirds majority vote of the then existing board  
27 members of the authority.

1                   (2) The board members representing the  
2                   unincorporated area of the defined tourism promotion and  
3                   development district shall be appointed by a majority vote of  
4                   the members of the county commission of the county in which  
5                   the unincorporated area is located. The board members shall  
6                   not be required to reside within the county or the tourism  
7                   promotion and development district. The initial board member  
8                   terms shall be one each for a two and three-year term.  
9                   Subsequent appointments shall be for a term of three years. No  
10                  board member representing the unincorporated area of the  
11                  tourism promotion and development district shall serve longer  
12                  than the initial term of the board member plus two consecutive  
13                  three-year terms. At least one of the board members shall be  
14                  engaged in either the lodging business or a major tourist  
15                  attraction within the unincorporated area. Any additional  
16                  board members representing the unincorporated area of the  
17                  tourism promotion and development district that may be  
18                  appointed pursuant to subdivision (1) of this subsection shall  
19                  have a background and experience in a tourist-related industry  
20                  or attraction, in the field of marketing, advertising, or  
21                  public relations, or other field or industry directly related  
22                  to the purposes for which the authority is created and  
23                  established.

24                  (3) Board members whose terms have expired shall  
25                  continue to serve until either replaced or reappointed by the  
26                  appropriate governing body.

1           (4) The members of the board shall serve without  
2 compensation, but they may be reimbursed for actual expenses  
3 incurred in the performance of their duties for the authority.

4           Section 5. (a) The power of the authority shall be  
5 vested in and exercised by the board of directors pursuant to  
6 this act.

7           (b) The board may employ agents, employees,  
8 officers, consultants, attorneys, and secure services and  
9 assistance the board deems necessary to enable it to conduct  
10 and engage in the activities and purposes for which the  
11 authority is created.

12           (c) The board may delegate to one or more of its  
13 members, employees, agents, or officers, the duties it deems  
14 proper.

15           (d) The board shall elect a chair and a treasurer,  
16 and may elect a vice chair of the board who shall serve as  
17 chair in the event of the absence of the chair, and a  
18 secretary. One person may serve as treasurer and secretary.  
19 The treasurer and secretary may, but need not be, a member of  
20 the board.

21           (e) The board shall provide by resolution for the  
22 dates on which the chair, vice chair, treasurer, secretary, or  
23 any other officers shall be elected, which resolution shall  
24 also specify the term or period for which each of the offices  
25 shall serve.

26           (f) The treasurer shall act as custodian of all  
27 funds from whatever sources derived received by the authority.

1           (g) The treasurer of the board shall execute a  
2 fidelity bond with a company authorized to write bonds in the  
3 State of Alabama being surety thereon, which bond shall be in  
4 an amount approved by the board.

5           (h) Contracts of the authority shall be executed in  
6 the name of the authority by the chair of the board and  
7 attested by the secretary of the board. The board, by  
8 resolution, may provide for a different form for the execution  
9 of contracts and for the execution by an officer or agent  
10 other than the chair and secretary. In no event may a  
11 contract, irrespective of its form and of the persons  
12 executing it, be binding unless the contract was authorized or  
13 ratified by the board.

14           (i) Any member of the board may be removed without  
15 cause upon a two-thirds majority vote of the then existing  
16 board members of the authority.

17           Section 6. This act shall become effective  
18 immediately following its passage and approval by the  
19 Governor, or its otherwise becoming law.