

1 HB2  
2 197584-4  
3 By Representative Poole  
4 RFD: Transportation, Utilities and Infrastructure  
5 First Read: 06-MAR-19

1  
2 ENROLLED, An Act,

3           To levy an additional excise tax on gasoline and  
4 diesel fuel; to provide for the collection and distribution of  
5 the proceeds from the additional excise tax for state, county,  
6 municipal and Alabama State Port Authority transportation  
7 infrastructure purposes; to amend Sections 11-6-4 and 11-6-23,  
8 Code of Alabama 1975, to require the Department of  
9 Transportation contribute to the salary of the county engineer  
10 or chief engineer and modify the Department's reimbursement  
11 cap for the county engineer trainee's salary; to amend Section  
12 40-12-242, Code of Alabama 1975, to levy an additional  
13 registration fee for certain motor vehicles and provide for  
14 the distribution of the proceeds from the additional  
15 registration fee to the Rebuild Alabama Fund; to amend Section  
16 40-17-331, Code of Alabama 1975, to levy a floor stocks tax;  
17 and to repeal Section 11-6-6, Code of Alabama 1975.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19           Section 1. This act shall be known and may be cited  
20 as the Rebuild Alabama Act.

21           Section 2. The Legislature finds all of the  
22 following:

23           (a) That consistent with the constitutional mandate  
24 that navigable waterways are public highways, the Legislature  
25 hereby finds as a fact that a portion of the gasoline and

1 diesel fuel sold in this state is used for marine purposes to  
2 propel vessels on coastal and inland waterways of this state.

3 (b) That it is the policy of this state to use a  
4 portion of the funds derived from the additional excise tax  
5 levied by this act on each net gallon of gasoline and diesel  
6 fuel for the programs and activities of the Alabama State Port  
7 Authority.

8 (c) That the development and growth of electric  
9 vehicle transportation infrastructure are considerations in  
10 the construction, reconstruction, maintenance, and repair of a  
11 modern-day public road, highway, and bridge system in this  
12 state.

13 (d) That the State Department of Transportation is  
14 the appropriate agency to initiate the comprehensive planning  
15 and administrative duties associated with the development of  
16 electric vehicle transportation infrastructure as a part of  
17 its regular duties.

18 (e) That the development of electric vehicle  
19 transportation infrastructure is a cost of construction,  
20 reconstruction, maintenance, and repair of public roads,  
21 highways, and bridges in this state and that the moneys of the  
22 Rebuild Alabama Fund may be lawfully used for such purpose.

23 (f) It is the intention of the Legislature to  
24 authorize the creation of, and to hereby create, the Electric  
25 Transportation Charging Infrastructure Grant Program as a

1 program of the State Department of Transportation for the  
 2 purpose of providing grants, funds, and support for the  
 3 construction, reconstruction, maintenance, and repair of the  
 4 public roads, highways, and bridges in this state through the  
 5 procurement, installation, and implementation of electric  
 6 vehicle transportation infrastructure.

7 Section 3. Sections 11-6-4, 11-6-23, 40-12-242, and  
 8 40-17-331, Code of Alabama 1975, are amended to read as  
 9 follows:

10 "§11-6-4.

11 "When any county has established the office of  
 12 county engineer or chief engineer of the division of public  
 13 roads the Director of the Department of Transportation ~~may~~  
 14 shall, upon application of the county commission, authorize  
 15 the expenditure out of the available funds of the State  
 16 Department of Transportation , of an amount equal to 70  
 17 percent of the annual salary of said engineer to such county,  
 18 which shall apply to the payment of the annual salary of said  
 19 engineer, with such payments to be made in equal monthly  
 20 installments; provided, that the amount contributed or paid by  
 21 the State Department of Transportation to any county, not  
 22 including retirement contributions, shall not exceed 70  
 23 percent of step 18, or the top step, whichever is greater, of  
 24 the salary schedule under the pProfessional Civil Engineer II, L  
 25 Senior classification in any one year. ~~The Director of the~~

1 ~~Department of Transportation may discontinue such payment~~  
 2 ~~after 30 days' notice in writing to the county commission and~~  
 3 ~~to the county engineer or chief engineer of the division of~~  
 4 ~~public roads, unless otherwise agreed to in writing with the~~  
 5 ~~county by contract made and entered upon the records of the~~  
 6 ~~county commission.~~

7 "§11-6-23.

8 "(a) Upon application of the county commission or  
 9 like governing body of the several counties of the state, the  
 10 Department of Transportation, ~~upon approval of the Director of~~  
 11 ~~Transportation,~~ shall participate in the salary of the  
 12 engineer trainee in the county in an amount equal to 50  
 13 percent of the annual salary of the engineer trainee. The  
 14 amount is to be paid to the county in equal monthly  
 15 installments to reimburse the fund of the county from which  
 16 the salary of the engineer trainee is paid.

17 "(b) The amount contributed or paid by the  
 18 Department of Transportation to any county under this article  
 19 shall not include retirement contributions, Social Security,  
 20 unemployment compensation, or other employee benefits, nor  
 21 shall the amount contributed or paid exceed ~~(1)~~ 50 percent of  
 22 the annual salary schedule of the Department of Transportation  
 23 under the ~~graduate~~ Professional ~~c~~Civil ~~e~~Engineer I  
 24 classification, step 18, or the top step, whichever is  
 25 greater, as established by the Department of Transportation

1 for the year in which applied, ~~or (2), in the case of an~~  
2 ~~assistant to the county engineer who has served at least one~~  
3 ~~year as an engineer trainee under this article and has~~  
4 ~~qualified as a registered engineer in this state, 50 percent~~  
5 ~~of the annual salary schedule of the Department of~~  
6 ~~Transportation under the graduate registered engineer~~  
7 ~~classification as established by the Department of~~  
8 ~~Transportation for the year in which applied.~~

9 "§40-12-242.

10 "(a) The following annual license taxes and regis-  
11 tration fees are hereby imposed and shall be charged on each  
12 private passenger automobile operated on the public highways  
13 of this state and on each motorcycle operated on the said pub-  
14 lic highways:

- |  |         |
|--|---------|
| 15 (1) For each private passenger automobile | \$13.00 |
| 16 (2) For each motorcycle                   | \$7.00  |

17 " No private passenger automobile and no motorcycle  
18 shall be used on any public highway in the state unless the  
19 proper license tag therefor has been procured and is securely  
20 attached to the rear end thereof, such tag to be so attached  
21 right side up with the number thereof in an upright position  
22 and plainly visible.

1           "(b) In addition to the annual license taxes and  
2 registration fees imposed in subsection (a) above and  
3 elsewhere in Article 5 of Chapter 12 of Title 40, there is  
4 hereby imposed and shall be charged;

5           "(1) an annual license tax and registration fee of  
6 \$200.00 on each battery electric vehicle operated on the  
7 public highways of this state, and

8           "(2) an annual license tax and registration fee of  
9 \$100.00 on each plug-in hybrid electric vehicle operated on  
10 the public highways of this state.

11           " A battery electric vehicle is defined as any motor  
12 vehicle which draws propulsion energy solely or primarily from  
13 onboard sources of stored electric energy from a plug-in  
14 rechargeable electric energy storage system and which does not  
15 include an internal combustion or heat engine using  
16 combustible fuel. A plug-in hybrid electric vehicle is defined  
17 as any motor vehicle which draws propulsion energy from  
18 onboard sources of stored electric energy that can be plugged  
19 into an outlet or charging station, and which includes an  
20 internal combustion or heat engine using combustible fuel.

21           "(c) Beginning on July 1, 2023 and every fourth year  
22 thereafter, the additional license tax and registration fee  
23 specified in this act shall increase by three dollars (\$3).

24           "(d) The annual battery electric vehicle fee imposed  
25 in subsection (b) (1) shall be reduced by the amount of any

1 future additional annual federal surcharge or registration fee  
2 placed on a battery electric vehicle, and the annual plug-in  
3 hybrid electric vehicle fee imposed in subsection (b)(2) shall  
4 be reduced by the amount of any future annual federal  
5 surcharge or registration fee placed on a plug-in hybrid  
6 electric vehicle, if the federal surcharge or registration fee  
7 is used solely for highway transportation purposes in the  
8 state of Alabama, but in no case shall the battery electric  
9 vehicle fee be reduced to less than \$150 and the plug-in  
10 hybrid electric vehicle fee be reduced to less than \$75.

11 "(e) The Electric Transportation Infrastructure  
12 Grant Program is created within the State Department of  
13 Transportation. The program shall be administered, conducted,  
14 and managed, and its funds shall be dispersed by, the State  
15 Department of Transportation, which shall have all the powers,  
16 authorities, rights, privileges, and titles necessary to  
17 enable it to accomplish the purpose of the Electric  
18 Transportation Infrastructure Grant Program. The State  
19 Department of Transportation is authorized and directed to  
20 promulgate rules for the Electric Transportation  
21 Infrastructure Grant Program including the solicitation,  
22 application, evaluation, and selection of grant applicants,  
23 the distribution of grants for electric vehicle charging  
24 infrastructure, and the use of grant funds through the Alabama  
25 Administrative Procedures Act.



1           "(f) Notwithstanding any other statute or law to the  
2 contrary, all proceeds of the annual license taxes and  
3 registration fees imposed and charged in subsection (b) above,  
4 after deduction pursuant to Section 40-12-269 (a) (1), Code of  
5 Alabama 1975, shall be distributed as follows:

6           "(1) The first \$150 collected from the annual  
7 license tax and registration fee on each battery electric  
8 vehicle and the first \$75 collected from the annual license  
9 tax and registration fee on each plug-in hybrid electric  
10 vehicle shall be distributed sixty-six and sixty-seven one  
11 hundreths percent (66.67%) to the state, twenty-five percent  
12 (25%) to counties, and eight and thirty-three one hundreths  
13 percent (8.33%) to cities.

14           "(2) The remainder shall be deposited in the Rebuild  
15 Alabama Fund established pursuant to the provisions of this  
16 act, and shall be used by the State Department of  
17 Transportation to fund electric vehicle transportation  
18 charging infrastructure through the Electric Transportation  
19 Infrastructure Grant Program established in this act until  
20 such time as the total annual registrations of battery  
21 electric vehicles plus plug-in hybrid electric vehicle exceed  
22 four percent (4%) of the total annual registrations of all  
23 motor vehicles within the state of Alabama, except trailers  
24 and semitrailers, for which an annual license tax and  
25 registration fee is paid. Thereafter the annual license taxes

1 and registration fees imposed by subsection (b) (1) and (b) (2)  
 2 shall be reduced to \$150 and \$75, respectively, and after such  
 3 reduction the receipts shall be deposited into the Rebuild  
 4 Alabama Fund and distributed sixty-six and sixty-seven one  
 5 hundreths percent (66.67%) to the state, twenty-five percent  
 6 (25%) to the counties, and eight and thirty-three one  
 7 hundreths percent (8.33%) to the cities to be used in the  
 8 construction, reconstruction, maintenance, and repair of  
 9 public roads, highways, and bridges in the state, and for any  
 10 other purpose for which moneys in the Rebuild Alabama Fund may  
 11 be lawfully used. All previously collected but unspent funds  
 12 dedicated to the Electric Transportation Infrastructure Grant  
 13 Program shall continue to be used to fund the Electric  
 14 Transportation Infrastructure Grant Program.

15 "(g) The annual license taxes and registration fees  
 16 pursuant to this act shall be effective January 1, 2020.

17 "§40-17-331.

18 ~~"(a) There is hereby imposed a floor-stocks tax on~~  
 19 ~~motor fuel held in inventory outside of the bulk~~  
 20 ~~transfer/terminal system on October 1, 2012, if:~~

21 ~~"(1) No tax was imposed on the motor fuel under~~  
 22 ~~Sections 40-17-2, 40-17-31, and 40-17-220, as of September 30,~~  
 23 ~~2012; and~~

1           ~~"(2) The tax would have been imposed on the motor~~  
2 ~~fuel by this article had it been in effect for the periods~~  
3 ~~prior to October 1, 2012.~~

4           ~~"(b) The rate of the tax imposed by this section~~  
5 ~~shall be the amount of tax imposed under Sections 40-17-2,~~  
6 ~~40-17-31, and 40-17-220, on September 30, 2012.~~

7           ~~"(c) Any person owning motor fuel on October 1,~~  
8 ~~2012, to which the tax imposed by this section applies, shall~~  
9 ~~be liable for the tax. The tax imposed by this section shall~~  
10 ~~be paid on or before December 31, 2012, and shall be paid in~~  
11 ~~the manner prescribed by the department.~~

12           "(a) There is hereby imposed a floor-stocks tax on  
13 motor fuel held in inventory outside of the bulk  
14 transfer/terminal system on the effective date of the tax  
15 increase and on the date of each subsequent tax increase  
16 levied by the amendatory language of this act.

17           "(b) Each rate of the tax imposed by this section  
18 shall be the incremental amount of tax imposed under the  
19 amendatory language of this act.

20           "(c) Any wholesale distributor holding motor fuel in  
21 inventory outside of the bulk transfer/terminal system on the  
22 effective date of each tax increase levied by the amendatory  
23 language of this act shall be liable for the tax.

24           "(d) The tax imposed by the amendatory language of  
25 this act shall be paid on or before the last day of the third

1 month following each tax increase and shall be paid in the  
2 manner prescribed by the department."

3 Section 4. Definitions. When used in this act, the  
4 following words and phrases shall have the following  
5 respective meanings unless the context clearly indicates  
6 otherwise:

7 (1) ALDOT. The Alabama State Department of  
8 Transportation provided for in Section 23-1-20, Code of  
9 Alabama 1975, as amended.

10 (2) ATRIP-II COMMITTEE. The Alabama Transportation  
11 Rehabilitation and Improvement Program Committee-II  
12 established pursuant to this act.

13 (3) ATRIP-II PROJECTS. Those Road and Bridge  
14 Rehabilitation and Improvement Projects submitted to and  
15 received by the ATRIP-II Committee for funding in accordance  
16 with the provisions of this act.

17 (4) COSTS. As applied to any road and bridge  
18 project, all costs of construction or acquisition of any part  
19 thereof, including, but without limitation to, the costs of  
20 supervising, inspecting and constructing any such project and  
21 all costs and expenses incidental thereto, the costs of  
22 locating, surveying and mapping, development of engineering  
23 plans and specifications, resurfacing, restoration and  
24 rehabilitation, acquisition of rights-of-way, utility  
25 relocation, and improvements which directly facilitate and

1 control traffic flow, including grade separation of  
2 intersections, widening of lanes, channelization of traffic,  
3 and traffic-control systems.

4 (5) LEGISLATURE. The Legislature of Alabama.

5 (6) SPECIAL TAXES. (a) The excise taxes levied under  
6 subdivisions (1), (2) and (3) of subsection (a) of Section  
7 40-17-325, as amended hereby, with the exception of those  
8 portions of those taxes levied on aviation fuel and marine  
9 gasoline, and;

10 (b) the additional annual registration fees imposed  
11 pursuant to Section ~~40-12-275~~ 40-12-274, as herein provided.

12 (7) STATE. The State of Alabama.

13 Section 5. There is hereby created the Rebuild  
14 Alabama Fund in the State Treasury. All proceeds from the  
15 revenues designated to the fund pursuant to this act less the  
16 cost of collection authorized by law shall be deposited into  
17 the fund to be expended only as provided in this act.

18 Section 6. (a) Effective for tax periods beginning  
19 after August 31, 2019, an additional excise tax of six cents  
20 (\$.06) is imposed on each net gallon of gasoline and diesel  
21 fuel.

22 (b) Effective October 1, 2020, this additional  
23 excise tax is increased by two cents (\$.02) to eight cents  
24 (\$.08) on each net gallon of gasoline and diesel fuel.

1           (c) Effective October 1, 2021, this additional  
2 excise tax is increased by two cents (\$.02) to ten cents  
3 (\$.10) on each net gallon of gasoline and diesel fuel.

4           (d) Beginning October 1, 2023, and on ~~June 1~~ July 1  
5 of every other year thereafter, the excise tax rate provided  
6 in this section shall be adjusted by the percentage change in  
7 the yearly average of the National Highway Construction Cost  
8 Index (NHCCI) issued by the U. S. Federal Highway  
9 Administration (FHWA) for the most recent 12-month period  
10 ending December 31, compared to the base year average, which  
11 is the average for the 12-month period ending December 31,  
12 2020 and rounded to the nearest whole cent. The maximum amount  
13 of increase or decrease in the excise tax rate shall not  
14 exceed \$.01 per net gallon of gasoline or diesel fuel and  
15 shall take effect every other year. The Department of Revenue  
16 shall notify each terminal supplier, position holder, licensed  
17 ~~distributors~~ distributor, and importer of the tax rate  
18 adjustment applicable under this paragraph ~~for the 12-month~~  
19 ~~period beginning~~ on or before March 1.

20           (e) This additional excise tax shall be levied,  
21 administered, and collected in accordance with the provisions  
22 of Article 12 of Chapter 17 of Title 40 of the Code of Alabama  
23 1975, provided that the due date for payment and filing of  
24 returns for all motor fuel taxes, including the additional  
25 amounts levied in this act, shall be the 20th day of the month

1 following the month in which the tax accrues, except as  
2 otherwise provided in Section 40-17-340 (d), and the bond  
3 required under Section 40-17-335 (a) (1) shall not exceed three  
4 million dollars (\$3,000,000). The net tax proceeds, after the  
5 cost of collection and distribution to the Alabama Highway  
6 Finance Corporation authorized by this act shall be  
7 distributed to the state and to each county and municipality  
8 for transportation infrastructure purposes in accordance with  
9 the provisions this act.

10 Section 7. (a) The Alabama Department of Revenue  
11 shall retain one-quarter of one percent (0.25%) of the tax  
12 proceeds, less any refunds, from this additional excise tax on  
13 gasoline and diesel fuel for its cost of collection. The  
14 department is authorized to adopt rules and such forms as may  
15 be necessary for the administration of the excise tax provided  
16 for in this act.

17 (b) Each month, prior to the remaining payments  
18 provided in this act, up to \$750,000 of the tax proceeds from  
19 the additional excise tax on gasoline and up to \$230,000 of  
20 the tax proceeds from the additional excise tax on diesel fuel  
21 shall be distributed first to the Alabama Highway Finance  
22 Corporation for the payment of the principal of and interest  
23 on bonds to be issued by it to finance improvements to the  
24 ship channel providing access to the facilities of the Alabama  
25 State Docks, to the extent necessary for such purpose. The

1 amount distributed pursuant to this section may be pledged as  
2 security for any loan or debt proceeds as deemed necessary by  
3 the Alabama Highway Finance Corporation to finance said  
4 improvements, but not to exceed one-hundred fifty million  
5 dollars (\$150,000,000) in aggregate principal amount to be  
6 used for improvement projects. This distribution of tax  
7 proceeds to the Alabama Highway Finance Corporation shall  
8 terminate at the final maturity of the bonds secured by these  
9 tax proceeds, provided that the bond term shall not exceed  
10 twenty (20) years.

11 (c) Notwithstanding any other law to the contrary,  
12 the net tax proceeds remaining after any refunds, the cost of  
13 collection and the distribution to the Alabama Highway Finance  
14 Corporation authorized above shall be distributed as follows:

15 (1) Sixty-six and sixty-seven one hundredths percent  
16 (66.67%), shall be allocated to ALDOT and deposited in the  
17 Rebuild Alabama Fund, to be used for transportation  
18 infrastructure improvement, preservation and maintenance  
19 projects pursuant to the provisions of this act. The net tax  
20 proceeds may be used to match any available federal, state and  
21 local transportation funding. The funds allocated to the  
22 department shall be audited by the Examiners of Public  
23 Accounts in the same manner as all other department funds. The  
24 Director of ALDOT, with approval of the Governor, may also  
25 pledge a share of the net tax proceeds not to exceed fifty



1 percent (50%) of said proceeds as security for the issuance or  
2 refinancing of any loan or debt obligation used for  
3 transportation infrastructure improvement, preservation and  
4 maintenance of projects pursuant to the provisions of this  
5 act. This pledge shall be irrevocable for the duration of the  
6 loan or debt obligations for which the net tax proceeds are  
7 pledged.

8 a. ALDOT shall not use the net tax proceeds for any  
9 of the following purposes:

10 1. Salaries, benefits, or any other form of  
11 compensation for state or contract employees except as  
12 included as direct project Costs and subject to audit by the  
13 Examiners of Public Accounts.

14 2. The purchase, lease, or maintenance of equipment,  
15 other than equipment purchased and permanently installed as a  
16 part of a road or bridge project.

17 3. The maintenance or construction of public  
18 buildings or other structures that are not integral to the  
19 system of roads and bridges.

20 b. Beginning on Oct. 1, 2019, (and each October 1  
21 thereafter), ALDOT will allocate \$400,000 to each county in  
22 exchange for the annual federal allocation of \$533,000 which  
23 was being distributed to each county on the effective date of  
24 this act. Nothing in this act shall prohibit ALDOT from  
25 utilizing these exchanged federal funds at its discretion and

1 in a manner consistent with Federal Highway Administration  
 2 (FHWA) procedures.

3 c. The \$400,000 annual allocation to each county  
 4 shall be utilized first as matching funds for any balance in  
 5 the county's federal allocation not authorized by Sept. 30,  
 6 2019. Once these unexpended funds are authorized for an  
 7 individual county, all remaining and future allocations  
 8 established herein shall be expended for road and bridge  
 9 projects on county roads classified as minor collectors or  
 10 higher and/or for bridge structures on the National Bridge  
 11 Inspection inventory.

12 d. The provisions of this section notwithstanding,  
 13 counties shall retain the ability to be awarded and utilize  
 14 other federal funds or state grants which are or may become  
 15 available after the effective date of the exchange of current  
 16 federal funds. Further, the exchange of current federal funds  
 17 does not preclude a county from the award or utilization of  
 18 any federal funds earmarked in the future for local  
 19 governments through FHWA and/or any federal appropriation  
 20 legislation.

21 (2) Twenty-five percent (25%) shall be allocated to  
 22 counties of the state to be used for transportation  
 23 infrastructure improvement, preservation and maintenance as  
 24 provided for in this act. It shall be allocated and disbursed  
 25 among the 67 counties of the state as follows:

1           a. Forty five percent (45%) of the amount shall be  
2 allocated equally among the 67 counties of the state.

3           b. Fifty-five percent (55%) of the amount shall be  
4 allocated among the 67 counties of the state on the basis of  
5 the ratio of the ~~population of each county to the total~~  
6 ~~population of the state according to the then next preceding~~  
7 ~~federal decennial census or any special federal census~~  
8 ~~heretofore held in any county.~~ population of the state  
9 according to population projections from the U.S. Census  
10 Bureau Population and Housing Estimates Program or any special  
11 federal census heretofore held in any county. Beginning in  
12 2020, the ratio of the population of each county to the total  
13 population of the state shall be updated every five years.

14           c. The net tax proceeds may be used to match any  
15 available federal, state and local transportation funding. The  
16 governing body of a county may also pledge its share of the  
17 net tax proceeds not to exceed fifty percent (50%) of said  
18 proceeds as security for the issuance or refinancing of any  
19 loan or debt obligation used for transportation infrastructure  
20 improvement, preservation and maintenance. This pledge shall  
21 be irrevocable for the duration of the loan or debt  
22 obligations for which the net tax proceeds are pledged.

23           d. Counties must ensure that at least fifty percent  
24 (50%) of the funds are allocated for projects utilizing  
25 established bidding procedures submitted by the Association of

1 County Engineers of Alabama and approved by the Department of  
 2 Examiners of Public Accounts. In addition, the county may  
 3 utilize such funds to meet any other project matching  
 4 requirements associated with other federally or state funded  
 5 transportation projects, upon approval of the county  
 6 commission. A county may utilize over fifty percent of their  
 7 annual allocation of these funds for project match if the  
 8 project follows the provisions for bidding herein described or  
 9 is let to contract through ALDOT.

10 (3) Eight and thirty-three one hundredths percent  
 11 (8.33%) shall be allocated and disbursed to the municipalities  
 12 of the state to be used for transportation infrastructure  
 13 improvement, preservation and maintenance, as provided for in  
 14 this act, as follows:

15 a. Twenty-five percent (25%) of this amount shall be  
 16 allocated equally among the municipalities of the state.

17 b. Seventy-five percent (75%) of this amount shall  
 18 be allocated among the municipalities of the state on the  
 19 basis of the ratio of the population of each municipality to  
 20 the total population of all municipalities of the state  
 21 ~~according to the last and any subsequent federal decennial~~  
 22 ~~census commencing April 1, 2010. The population of any~~  
 23 according to the population projections from the U.S. Census  
 24 Bureau Population and Housing Estimates Program or any special  
 25 federal census heretofore held in any municipality. Beginning

1 in 2020, the ratio of the population of each municipality to  
2 the total population of the state shall be updated every five  
3 years. The population of any municipality incorporated  
4 subsequent to the taking of the last federal decennial census  
5 shall be deemed to be the population shown by the census for  
6 that municipality. Any municipality incorporated after the  
7 effective date of this act shall not participate in the  
8 distribution provided for in this subsection until the fiscal  
9 year next succeeding the fiscal year during which it is  
10 incorporated.

11 c. The net tax proceeds may be used to match any  
12 available federal, state and local transportation funding. The  
13 governing body of a municipality may also pledge its share of  
14 the net tax proceeds as security for the issuance or  
15 refinancing of any loan or debt obligation used for  
16 transportation infrastructure improvement, preservation and  
17 maintenance. This pledge shall be irrevocable for the duration  
18 of the loan or debt obligations for which the net tax proceeds  
19 are pledged. Any Class 1 through 4 municipality that provides  
20 or operates public transportation services on the effective  
21 date of this act, may utilize an amount not to exceed ten  
22 percent (10%) of the net tax proceeds received annually by  
23 that municipality pursuant to this act to match any available  
24 federal or state transportation funding available for public  
25 transportation infrastructure improvements.

1           (d) The distribution prescribed by Section 7 of this  
2 act shall begin no later than January 2020.

3           Section 8. The net tax proceeds allocated to ALDOT  
4 in subsection (c) of Section 7 above shall be used for the  
5 following program purposes and ALDOT shall annually report the  
6 results of the programs and itemize the specific projects to  
7 the Permanent Joint Transportation Committee of the Alabama  
8 Legislature in compliance with such procedures established by  
9 or for the committee:

10           (a) Congestion Relief Program - The purpose of this  
11 program is to add capacity to State, US and Interstate routes  
12 in highly congested areas of the state. ALDOT shall develop an  
13 assessment and prioritization plan to allocate funds for  
14 congestion relief projects on the state's transportation  
15 infrastructure.

16           (b) Economic Development Roads Program - The purpose  
17 of this program is to develop and improve transportation  
18 infrastructure to enhance economic development efforts in the  
19 State of Alabama. ALDOT shall develop an assessment and  
20 prioritization plan to allocate funds for economic development  
21 road projects with priority given to projects in economically  
22 underserved areas of the state.

23           (c) System Preservation - The purpose of this  
24 program is to address the ongoing and growing preservation and

1 maintenance needs of the state's transportation  
2 infrastructure.

3 (d) ALDOT shall create an annual grant program of no  
4 less than ten million dollars (\$10,000,000) for use on any  
5 classified system of roads and bridges for which any city  
6 government or county government may apply. All projects  
7 granted under this program are to be bid and let by the  
8 respective county or municipality following procedures  
9 approved by ALDOT. ALDOT shall develop and publish rules to  
10 establish funding criteria and create an application process  
11 to receive and select projects for funding by September 30,  
12 2019. The first round of grant applications shall be due by  
13 November 30, 2019 and award of the grants shall be made by  
14 ALDOT on or before January 15, 2020.

15 (e) There is hereby created an Alabama  
16 Transportation Rehabilitation and Improvement Program-II  
17 (ATRIP-II) to fund projects of local interest on the state  
18 maintained highway system, which may also include local roads  
19 and bridges essential to such projects. All ATRIP-II Projects  
20 shall be developed and let to contract by ALDOT. The ATRIP-II  
21 program shall be an annual program beginning in fiscal year  
22 2020 and shall be funded at an amount of not less than thirty  
23 million dollars (\$30,000,000) and not more than fifty million  
24 dollars (\$50,000,000) which amount shall be at the discretion  
25 of the Director of ALDOT.

~~(f) All ALDOT Projects funded pursuant to this section shall be let to contract by ALDOT. ALDOT shall establish and apply Disadvantaged Business Enterprise (DBE) goals in the same manner and consistent with the requirements respecting DBEs of the Federal Highway Administration (FHWA) for road and bridge and other similar contracts funded with federal funds. The DBE goal for ALDOT Projects funded pursuant to this section shall, to the extent reasonably possible, be the same as the goal established annually by ALDOT for contracts funded with federal funds and approved by FHWA. ALDOT shall, to the greatest extent possible, ensure that DBE firms are included in the procurement process as early as possible with the objective of ensuring participation levels can be met. ALDOT will identify qualified DBE vendors during the design process and communicate that list to the prospective prime contractors prior to the bidding process. ALDOT shall provide, on October 1 of every fiscal year of the state, beginning December 1, 2021, for the year commencing October 1, 2020, a report of ALDOT Projects let to contract pursuant to this section, including information on the established DBE goals for ALDOT Projects, to the Chair of the Joint Transportation Committee, the Governor, the Senate Pro Tempore, the Speaker of the Alabama House of Representatives, the Alabama Senate Minority Leader, and the Alabama House of Representatives Minority Leader.~~



1           "(f) All ALDOT Projects funded pursuant to this  
2 section shall be let to contract by ALDOT and subject to the  
3 following requirements:

4           a. ALDOT shall establish and apply Disadvantaged  
5 Business Enterprise (DBE) goals in the same manner and  
6 consistent with the requirements respecting DBEs of the  
7 Federal Highway Administration (FHWA) for road and bridge and  
8 other similar contracts funded with federal funds. The DBE  
9 goal for ALDOT Projects funded pursuant to this section shall,  
10 to the extent reasonably possible, be the same as the goal  
11 established annually by ALDOT for contracts funded with  
12 federal funds and approved by FHWA. ALDOT shall, to the  
13 greatest extent possible, ensure that DBE firms are included  
14 in the procurement process as early as possible with the  
15 objective of ensuring participation levels can be met. ALDOT  
16 will identify qualified DBE vendors during the design process  
17 and communicate that list to the prospective prime contractors  
18 prior to the bidding process. ALDOT shall provide, on October  
19 1 of every fiscal year of the state, beginning December 1,  
20 2021, for the year commencing October 1, 2020, a report of  
21 ALDOT Projects let to contract pursuant to this section,  
22 including information on the established DBE goals for ALDOT  
23 Projects, to the Chair of the Joint Transportation Committee,  
24 the Governor, the Senate Pro Tempore, the Speaker of the  
25 Alabama House of Representatives, the Alabama Senate Minority

1 Leader, and the Alabama House of Representatives Minority  
2 Leader.

3 In the event ALDOT was not successful in meeting  
4 their DBE goals in a particular fiscal year, ALDOT will be  
5 required to provide to the Joint Transportation Committee a  
6 written strategy along with the annual project report that  
7 will outline how the goals will be addressed in the coming  
8 fiscal year, including an analysis of the primary reasons that  
9 DBEs were unsuccessful bidders and the impediments to  
10 successful DBE bids.

11 b. ALDOT shall utilize its GFO dated August 14,  
12 2018, for the next four years to design equivalent pavement  
13 sections. At that time the Department shall evaluate what  
14 procedures to adopt going forward in consultation with, or  
15 otherwise informing as soon as practicable, the Permanent  
16 Joint Transportation Committee. Any exception to the GFO shall  
17 be presented to the Joint Transportation Committee.

18 c. For the next four years, where feasible and  
19 practical, ALDOT will provide alternative pavement designs  
20 utilizing asphalt or concrete materials and shall seek bids."

21 Section 9. (a) All county and municipal projects let  
22 to contract, as the case may be, shall utilize contractors and  
23 material suppliers listed on the ALDOT's list of approved  
24 contractors and suppliers. ALDOT's list of approved  
25 contractors and material suppliers shall include the ALDOT's

1 Certified Disadvantaged Business Enterprise List. Beginning  
 2 October 1, 2020, and October 1 of every other year, each  
 3 county and municipality shall provide a list of all  
 4 contractors who have been awarded projects under this section  
 5 to the Senate President Pro Tempore, the Speaker of the House,  
 6 and the Chair of the Joint Transportation Committee.  
 7 Notwithstanding any provision of law to the contrary, no  
 8 bidding shall be required by the county for asphalt or other  
 9 road construction or repair materials if the county has an  
 10 annual contract for providing such materials.

11 (b) For all municipal projects, the appropriate  
 12 plans and bid opening date shall be published in electronic  
 13 form no later than the tenth day of the month preceding the  
 14 bid opening on a website maintained for that purpose by the  
 15 Alabama League of Municipalities.

16 (c) Bids for county and municipal contracts awarded  
 17 under this section shall only be awarded in accordance with  
 18 Section 39-2-6, Code of Alabama 1975, as amended, during a  
 19 regularly-scheduled meeting of the governmental body of the  
 20 county or city, as the case may be. Immediately after the  
 21 completion of each project, the publication notifications  
 22 required by Section 39-1-1(f), Code of Alabama 1975, as  
 23 amended, shall be satisfied by posting on the same website  
 24 utilized for the posting of specifications and notice of bid  
 25 openings.

1           Section 10. (a) There is hereby created the Alabama  
2           Transportation Rehabilitation and Improvement Program-II  
3           (ATRIP-II) Committee. The appointing authorities shall  
4           coordinate their appointments to assure the committee  
5           membership is inclusive and reflects the racial, gender,  
6           geographic, urban, rural, and economic diversity of the state.  
7           All members of the ATRIP-II Committee shall be appointed  
8           within 30 days after the effective date of this act and shall  
9           serve until a successor is named. Members of the ATRIP-II  
10          Committee shall consist of:

11                   (1) The Director of the State Department of  
12           Transportation who shall serve as Chair of the ATRIP-II  
13           Committee.

14                   (2) The Lieutenant Governor or his or her designee.

15                   (3) One member appointed by the President Pro  
16           Tempore of the Senate.

17                   (4) One member appointed by the Speaker of the House  
18           of Representatives.

19                   (5) ~~Three~~ Four members appointed by the Governor, at  
20           least one of which shall be a representative of local  
21           ~~governments.~~ governments, and at least one of which shall be a  
22           minority.

23                   (b) The ATRIP-II Committee is authorized to enter an  
24           agreement with any funding authority or bank that is  
25           authorized to issue tax exempt debt for infrastructure

1 purposes to pledge any of the annual revenue proceeds  
2 allocated for its use in subsection (c) of Section 7 above as  
3 payment for any loan or debt indenture.

4 (c) Within 60 days after the effective date of this  
5 act, the ATRIP-II Committee shall convene to develop and adopt  
6 procedures for the allocation of any revenue proceeds  
7 allocated for its use and for the selection and authorization  
8 of projects to be funded from the revenue dedicated by the  
9 Director of ALDOT for the ATRIP-II program in accordance with  
10 subsection (e) of Section 8. The procedures shall ensure that  
11 project selection shall be for projects related to the state  
12 maintained highway system, which may also include local roads  
13 and bridges essential to such projects, proposed by one or  
14 more local governments. In addition, the policies shall be  
15 developed with an emphasis on the economic growth, public  
16 safety, and stability of this state. The procedures shall also  
17 include provisions to ensure that all projects selected by the  
18 ATRIP-II Committee shall be bid and let to contract by ALDOT  
19 in accordance with any applicable provisions of law. After the  
20 ATRIP-II Committee develops and adopts procedures for the  
21 allocation of any revenue proceeds and the selection and  
22 authorization of projects to be funded from the revenue  
23 proceeds, a copy of the procedures shall be distributed to  
24 each of the counties and municipalities of the state and shall  
25 be posted on the ALDOT website.

1           (d) The ATRIP-II Committee, in reviewing ATRIP-II  
2 Projects submitted to it for funding pursuant to the  
3 provisions of this section, shall appraise and consider  
4 information that may be submitted by counties and  
5 municipalities in the applications with respect to those  
6 projects concerning their contracting with businesses or  
7 individuals in carrying out such projects which reflect the  
8 racial and ethnic diversity of the state. A report on the  
9 contracting information submitted by counties and  
10 municipalities shall be distributed by the ATRIP-II Committee  
11 annually to the Governor, the Senate Pro Tempore, the Speaker  
12 of the Alabama House of Representatives, the Chair of the  
13 Joint Transportation Committee, the Alabama Senate Minority  
14 Leader, and the Alabama House of Representatives Minority  
15 Leader no later than October 1 of each year, beginning on  
16 October 1, 2020.

17           Section 11. (a) The monies paid to counties or  
18 municipalities pursuant to Section 7 of this act shall be  
19 deposited into a separate fund maintained by the county or  
20 municipality and expended only for one or more of the  
21 following:

22           (1) The maintenance, improvement, replacement, and  
23 construction of roads and bridges maintained by a qualified  
24 county.

1           (2) The maintenance, improvement, replacement, and  
2 construction of roads and bridges maintained by a qualified  
3 municipality.

4           (3) As matching funds for federal road or bridge  
5 projects.

6           (4) The payment of any debt associated with a road  
7 or bridge project.

8           (5) For a joint road or bridge project with one or  
9 more adjoining counties pursuant to any agreement executed  
10 under the authority of state law.

11           (6) For a joint road or bridge project with one or  
12 more municipalities pursuant to any agreement executed under  
13 the authority of state law.

14           (7) For a joint road or bridge project with one or  
15 more counties and municipalities pursuant to any agreement  
16 executed under the authority of state law.

17           (b) The county or municipality shall not use any  
18 monies from the fund for any of the following purposes:

19           (1) Salaries, benefits, or any other form of  
20 compensation for county, municipal, or contract employees or  
21 for county or municipal officials except as included as  
22 project Costs and subject to audit by the Examiners of Public  
23 Accounts.

1           (2) The purchase, lease, or maintenance of  
2 equipment, other than equipment purchased and permanently  
3 installed as a part of a road or bridge project.

4           (3) The maintenance or construction of public  
5 buildings or other structures that are not integral to the  
6 system of roads or bridges.

7           (c) All fund records shall be audited by the  
8 Examiners of Public Accounts in the same manner as all other  
9 county or municipal funds.

10           (d) The county commission of each qualified county  
11 or municipal governing body of each qualified municipality  
12 shall adopt an annual Transportation Plan no later than August  
13 31 for the next fiscal year, which plan shall be approved by  
14 affirmative vote of a majority of the members of the county  
15 commission or municipal governing body. The plan shall provide  
16 a detailed list of projects for which expenditures are  
17 intended to be made in the next fiscal year and shall be based  
18 upon an estimate of the revenues anticipated from the fund  
19 during the fiscal year. Once adopted, the annual plan shall at  
20 all times be posted in conspicuous places at the county  
21 courthouse, the county commission office, the county highway  
22 department, municipal hall, the mayor's office, the municipal  
23 highway department, and any other places deemed appropriate by  
24 the county commission or municipal governing body.



1       Additionally, the plan shall be posted on their respective  
2       official government website, if available.

3               (e) At the first meeting in January of each year  
4       following the creation of the fund, the county or municipal  
5       engineer or other person designated by the county commission  
6       or municipal governing body shall present to the county  
7       commission or municipal governing body an annual written  
8       report detailing expenditures made from the fund during the  
9       previous fiscal year, which report shall include the status of  
10      each project included in the previous fiscal year's  
11      Transportation Plan. The report shall be entered into the  
12      minutes of the county commission or municipal governing body  
13      meeting and shall be made available to the public for  
14      inspection, including posting on the county's or  
15      municipality's website, if available.

16              (f) By January 15 of each year, the county engineer  
17      will submit a certificate of compliance verifying that at  
18      least fifty percent (50%) of funding for the last fiscal year  
19      was let to contract, and shall file such certificate with the  
20      Chair of the Joint Transportation Committee, the Alabama  
21      Senate Pro Tempore, and the Speaker of the Alabama House of  
22      Representatives.

23              Section 12. Section 11-6-6, Code of Alabama 1975 is  
24      hereby repealed.

1           Section 13. The provisions of this act shall not be  
2 superseded, amended, altered, violated, or overridden by any  
3 provision of the state general fund appropriation act or any  
4 other annual or supplemental appropriation act, administrative  
5 rule, inter-agency transfer, or executive order or directive.

6           Section 14. Pursuant to Section 1-1-16, Code of  
7 Alabama 1975, if any provision of this act is held by a court  
8 of competent jurisdiction to be invalid, such invalidity shall  
9 not affect the remaining provisions of this act, and to this  
10 end the provisions of this act are declared severable.

11           Section 15. This act shall become effective  
12 immediately following its passage and approval by the  
13 Governor, or its otherwise becoming law.

