

# HB351 INTRODUCED



1 1X74LZ-1

2 By Representatives Estes, Clouse, Lee, Wood (D)

3 RFD: County and Municipal Government

4 First Read: 20-Apr-23

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SYNOPSIS:

This bill would delay the starting point for municipalities to begin reporting the collection of certain monies outside of their corporate limits and inside their police jurisdiction.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to municipalities; to amend Section 11-51-91, Code of Alabama 1975, to further provide for the reporting of certain monies collected outside of their corporate limits and inside their police jurisdiction.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 11-51-91, Code of Alabama 1975, is amended to read as follows:

"§11-51-91

(a) Any municipality with an ordinance in effect on January 1, 2021, to fix and collect licenses for any business, trade, or profession done within the police jurisdiction of the municipality but outside the corporate limits thereof may continue to do so after July 26, 2021; provided, that the amount of the licenses shall not be more than one half the



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29 amount charged and collected as a license for like business,  
30 trade, or profession done within the corporate limits of the  
31 municipality, fees and penalties excluded; and provided  
32 further, that the total amount of the licenses outside the  
33 corporate limits shall not be in an amount greater than the  
34 cost of services provided by the municipality within the  
35 police jurisdiction outside the corporate limits. All licenses  
36 adopted pursuant to this section shall be assessed to all  
37 businesses, trades, or professionals within the police  
38 jurisdiction.

39 (b) No calculation shall be required to be made by the  
40 municipal officials or license officer for the cost of  
41 services to any particular business or classification of  
42 businesses within the police jurisdiction so long as the total  
43 amount of revenues from the licenses collected in the police  
44 jurisdiction is not an amount greater than the cost of  
45 services provided by the municipality to the police  
46 jurisdiction.

47 (c) (1) ~~On or before December 31, 2021, any~~ Any  
48 municipality collecting license revenue or other taxes and  
49 fees within its police jurisdiction outside the corporate  
50 limits shall notify the Department of Examiners of Public  
51 Accounts that it collects license revenue and other taxes and  
52 fees in its police jurisdiction outside the corporate limits.  
53 Beginning March 1, ~~2022~~2023, each municipality collecting  
54 license revenue and other taxes or fees within its police  
55 jurisdiction outside the corporate limits shall prepare an  
56 annual report which shall include an accounting of all license



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57 revenues and other taxes or fees collected in the police  
58 jurisdiction outside the corporate limits during the previous  
59 fiscal year and provide a list of the services provided by the  
60 municipality and a list of providers within the police  
61 jurisdiction outside the corporate limits. If the municipality  
62 provides police or fire protection within the police  
63 jurisdiction, the report shall include the following  
64 information:

65           a. The total annual budget for each police department  
66 and fire department within the municipal corporate limits.

67           b. The total number of calls responded to by each  
68 police or fire department within the municipal corporate  
69 limits and the total number of calls responded to by each  
70 police or fire department within the police jurisdiction. For  
71 the police department, the number should include the number of  
72 calls responded to as well as the number of citations and  
73 arrests made.

74           (2) A copy of the annual report, which shall be  
75 completed by March 1 for the previous fiscal year, shall be  
76 forwarded to the Department of Examiners of Public Accounts  
77 and shall be made available to the public.

78           (3) If a municipality fails to file a report as  
79 provided in subdivision (1) within 12 months of the report  
80 being due, the municipality may not collect any further  
81 license revenue or any other taxes or fees in the police  
82 jurisdiction outside the corporate limits.

83           (4) The Department of Examiners of Public Accounts  
84 shall provide written notice to the Department of Revenue of



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85 any municipality prevented from the further collection of  
86 license revenue or other taxes or fees as provided in  
87 subdivision (3), within 30 days of the expiration of the time  
88 period provided for in subdivision (3).

89 (5) The Legislative Committee on Public Accounts, by  
90 majority vote, shall have the authority to direct the  
91 Examiners of Public Accounts to perform an audit of any  
92 municipality collecting revenue in its police jurisdiction  
93 outside the corporate limits. A municipality shall not be  
94 responsible for the cost of the audit so directed unless it is  
95 determined by the Examiners of Public Accounts that a  
96 municipality is not in compliance with the requirements of  
97 subsections (a) and (b).

98 (d) When the place at which any business, trade, or  
99 profession is done or carried on is within the police  
100 jurisdiction of two or more municipalities which levy the  
101 licenses thereon authorized by this section, the licenses  
102 shall be paid to, issued, and collected by that municipality  
103 only whose boundary measured to the nearest point thereof is  
104 closest to the business, trade, or profession. This section  
105 shall not have the effect of repealing or modifying the  
106 limitations in this article relating to railroad, express  
107 companies, sleeping car companies, telegraph companies,  
108 telephone companies, and public utilities and insurance  
109 companies and their agents. This section shall be given a  
110 liberal construction to effectuate its purpose and meaning.

111 (e) Act 2021-297 does not affect any public or private  
112 contracts, or any mutual aid agreements between law



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113 enforcement, fire service, public safety, or emergency service  
114 agencies."

115           Section 2. This act shall become effective immediately  
116 following its passage and approval by the Governor, or its  
117 otherwise becoming law.