

EXECUTIVE ORDER NUMBER 29

WHEREAS, the Tax Reform Act of 1984 (the "Act"), was enacted by the 98th Congress of the United States and signed into law by the President of the United States on July 18, 1984;

WHEREAS, the Act amended the Internal Revenue Code of 1954, as amended, among other things, to establish a ceiling on the aggregate dollar amount of "private activity bonds" (as defined in the Act) that may be issued by or on behalf of each state and its political subdivisions during each calendar year;

WHEREAS, the formula for allocation of the ceiling amount included in the Act is ill-suited for the needs of the State of Alabama (the "State") and its political subdivisions;

WHEREAS, the Act provides that the Governor of any state may proclaim a different formula for allocating the ceiling amount among the governmental units in such state having authority to issue private activity bonds;

WHEREAS, the authority of the Governor of the State to make such a proclamation will expire on the earlier of (1) January 1, 1986 or (2) the effective date of any legislation with respect to the allocation of the ceiling amount enacted by the Legislature of the State;

WHEREAS, based on the most recent census estimate of the resident population of the State published by the Bureau of the Census before the beginning of calendar year 1984, the ceiling amount for the State of Alabama is \$593,850,000; and

WHEREAS, the State Industrial Development Authority (the "Authority"), a public corporation of the State of Alabama composed of the Director of the Alabama Development Office (ex officio President of the

Authority), the Commissioner of Revenue of the State (ex officio Vice President of the Authority), and the Director of Finance of the State (ex officio Secretary of the Authority), is hereby found and declared to be an appropriate body for management and supervision of allocation of the said ceiling amount;

NOW THEREFORE, be it proclaimed and ordered as follows:

Part I. Allocation Plan for the Calendar Year 1984

1. Under the Act, the ceiling applies to obligations issued after December 31, 1983, except that the ceiling does not apply to any issue of obligations if (a) an inducement resolution (or other comparable preliminary approval) for the issue was effected before June 19, 1984, and (b) the issue is issued before January 1, 1985. The ceiling applicable to the State for the calendar year 1984 is expected to be fully adequate to accommodate the demand of the State, its political subdivisions and their instrumentalities for issuance of private activity bonds during 1984. Therefore, for the calendar year 1984, the ceiling amount shall be allocated as in this Part I provided:

a. Upon application filed with the President of the Authority (the "President") by any entity authorized under the laws of the State to issue private activity bonds, the Authority shall promptly allocate the amount stated therein to such issuer for a period of sixty (60) calendar days (or ninety (90) calendar days if the issuer states in the application that the bonds are to be validated) or until midnight December 31, 1984, unless the requested amount shall exceed the remaining ceiling amount; provided, however, \$75,000,000 of the ceiling amount shall be allocated and reserved for bonds of

the type designed in the Act as student loan bonds. If the reservation for student loan bonds hereafter is determined not to be needed or not to be usable by the State in 1984, such reservation will be relinquished, and the allocation therefor released, by means of a supplemental executive order.

b. The application required hereby shall be made by an instrument in writing signed by an officer or agent of the issuer and shall contain (i) the name and address of the issuer, the proposed lessee, purchaser or user of the project to be financed (if applicable), and bond counsel and (ii) the maximum amount of the private activity bonds proposed to be issued. A copy of any notification that is required by law to be filed with the Alabama Securities Commission in connection with the issuance of the bonds also shall be filed, simultaneously, with the Authority.

c. All applications shall be mailed or hand-delivered to the Authority at the following address:

State Industrial Development Authority
c/o Mr. Jamie Etheredge, President
State Capitol
Montgomery, Alabama 36130

All applications shall carry a prominent notation of the words "Application for 1984 Allocation of State Ceiling for Private Activity Bonds" or of words similar thereto.

d. In making allocations, the Authority shall consider only the dollar amount of the request and the amount of the unallocated ceiling, except as noted above with respect to student loan bonds. The Authority shall promptly give written notification to bond

counsel named in the application of the amount allocated and the date of the allocation.

e. All applications shall be processed, and allocations made, in the order received by the Authority. Any application may be renewed, but any such renewal request shall be deemed to be received at the end of the day on which the previous allocation expires. It is intended that applications should be made only within sixty (60) days (or ninety (90) days, if the bonds are to be validated) prior to the planned issuance of the bonds.

f. Each issuer, or a person acting on its behalf, shall, on or before ten (10) calendar days after the expiration of the allocation, notify the Authority in writing as to the amount of bonds issued pursuant to such allocation; failure to do so shall be deemed a revocation of such allocation. Such notification may be made by hand-delivery or regular mail, effective upon receipt at the office of the President, or by certified or registered mail, effective upon mailing.

g. In the event any issuer has issued bonds that would be subject to the ceiling amount prior to the date of this proclamation, the Authority, upon application by such issuer or any person acting on its behalf, shall promptly allocate the amount stated therein to such issuer, with the same effect as if such allocation had been made prior to the issuing of such bonds, unless the amount shall exceed the remaining ceiling amount.

2. As it is expected that the allocation of the ceiling amount to issuers as hereinabove provided for will be sufficient during 1984 to provide both for projects given preliminary approval prior to October 19,

1983 and for projects given approval after such date, no special procedure need be established to give priority to projects referred to in the Act given preliminary approval prior to October 19, 1983.

Part II. Allocation Plan After December 31, 1984

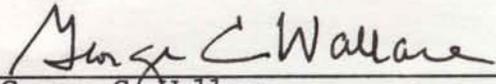
Attached hereto and by this reference made a part hereof is an allocation plan (the "State Plan") which is hereby established as the state ceiling allocation plan for the State for private activity bonds issued after December 31, 1984. In order for the State Plan to be effectively administered, processing by the Authority of applications for 1985 issues will be available on and after November 1, 1984.

AS TO BOTH PART I AND PART II HEREOF, it is further provided:

1. Inasmuch as the authority of issuers subject to the ceiling amount exists independent of the Act and this Executive Order, nothing contained in this Executive Order shall be deemed to take away from such authority.
2. Nothing contained in this Executive Order shall be deemed, in any way, to be an admission or concession as to the legality, constitutionality or propriety of anything contained in the Act.
3. The Authority is directed by this order to undertake and perform the duties imposed upon it hereby in addition to all other powers, duties and obligations that it may have; and the President of the Authority, as Director of the Alabama Development Office, is directed to make available and to utilize the staff of the Alabama Development Office to support the Authority in the carrying out of the Authority's duties hereunder.

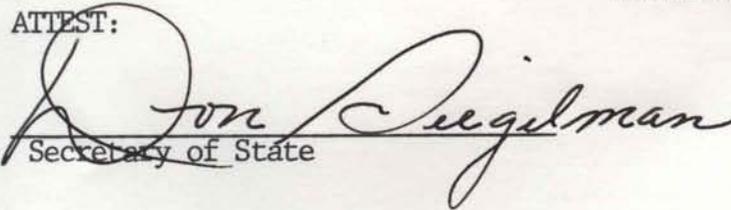
4. Such supplemental or additional executive orders shall be made as shall be necessary or desirable (i) for further implementing the allocation of the ceiling amount during calendar year 1984 substantially as herein provided and (ii) for further implementing the allocation of the applicable ceiling amount during calendar year 1985. Any special application forms, procedures, rules or regulations that may be found to be necessary or desirable in connection with the 1985 allocation will be provided by means of a further executive order or orders.

PROCLAIMED, DONE AND ORDERED, this 2nd day of August, 1984.



George C. Wallace
Governor

ATTEST:



Secretary of State

