SB151 ENGROSSED



- 1 BVTX4J-2
- 2 By Senators Gudger, Reed, Weaver, Allen, Butler, Jones,
- 3 Chesteen, Price, Waggoner, Bell, Kelley, Chambliss, Sessions,
- 4 Shelnutt, Scofield, Melson, Orr, Stewart, Smitherman, Hatcher,
- 5 Coleman-Madison, Singleton
- 6 RFD: Fiscal Responsibility and Economic Development
- 7 First Read: 04-Apr-23

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6	A BILL
7	TO BE ENTITLED
8	AN ACT
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10	Relating to economic development; to amend Section
11	40-18-379, Code of Alabama 1975, to authorize the Joint
12	Legislative Advisory Committee on Economic Development to
13	cause to be conducted a certain economic incentive evaluation;
14	and to add Section $40-18-379.1$ to the Code of Alabama 1975, to
15	require the Department of Commerce to publish certain
16	information regarding economic development incentives awarded
17	under the Alabama Jobs Act.
18	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
19	Section 1. Section 40-18-379, Code of Alabama 1975, is
20	amended to read as follows:
21	" §40-18-379
22	(a) There is hereby created a permanent Joint
23	Legislative Advisory Committee on Economic Incentives,
24	hereinafter referred to as the committee.
25	(b) The committee shall be comprised of all of the
26	following persons:
27	(1) The chairs of the House Ways and Means General Fund
28	and Education Fund committees.



- 29 (2) The chairs of the Senate Finance and Taxation
 30 General Fund and Education Fund committees.
- 31 (3) The Speaker of the House, or his or her designee, 32 and two members of the House of Representatives to be 33 appointed by the Speaker of the House.
- 34 (4) The President Pro Tempore of the Senate, or his or 35 her designee, the chair of the Senate Committee on Fiscal 36 Responsibility and Economic Development or its successor 37 committee, if any.
- 38 (5) One member of the Senate to be appointed by the 39 President Pro Tempore of the Senate.

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- (c) The committee shall hold an organizational meeting by August 1, 2015, and shall therein elect a chair and vice chair from among its members. Thereafter, the committee shall meet at the call of the chair or any majority of members thereof; provided that the committee shall meet at least two times annually. Other than the organizational meeting, such meetings shall be held with the Secretary of Commerce in attendance, or his or her designee. The committee may meet, act, and conduct its business during the sessions of the Legislature or any recess thereof, and in the interim period between sessions.
- (d) The committee shall adopt its own rules of procedure for the transaction of committee business, and a majority of the members present shall constitute a quorum for the purpose of transacting or performing authorized duties.
- (e) The committee shall monitor and evaluate the management process and standards used by the Department of



Commerce in the development of project agreements and in the 57 awarding of economic development incentives as authorized by 58 the laws of this state. The committee may provide 59 recommendations to the Secretary of Commerce regarding the 60 same and shall act in an advisory role only. Such 61 recommendations may include certain identified minimum 62 standards to be set forth in project agreements and otherwise 63 in the awarding of economic development incentives, as well as 64 recommendations regarding the recruitment of certain 65 industries to the various geographic regions of the state. The 66 committee may also request from the Department of Commerce 67 specific, non-confidential information on successfully 68 negotiated and executed project agreements as well as 69 non-confidential information on unsuccessful project agreement 70 negotiations. 71

- (f) The Department of Commerce shall provide to the committee, upon request, an aggregated list of the amounts and types of economic development incentives awarded, as well as an analysis of the cost and benefits of the incentives awarded. The Department of Revenue shall assist the Department of Commerce in the calculations required in this section.
- (g) (1) The committee may request that a third-party

 evaluation be conducted assessing the impacts of state

 economic development incentives, in the form of an annual

 Executive Report. The committee shall designate the third

 party and shall determine the form and contents of the

 Executive Report, that may include historical economic

84 <u>incentives.</u>

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85	(2) The Department of Commerce, the Department of
86	Revenue, and the Department of Labor shall cooperate with, and
87	timely provide requested data to, the chosen third party
00	conducting the evaluation

(3) An Executive Report provided to the committee pursuant to this subsection shall not be considered a public record under Article 3 of Chapter 12 of Title 36.

(g) (h) The committee shall make an annual report of its findings and recommendations to the Legislature during each regular session, and in its discretion may submit additional reports from time to time, or at any time.

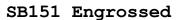
(h)(i) In no event shall the Department of Commerce be required to disclose matters which would cause it to violate any nondisclosure agreement executed for a project. In no event shall the Department of Commerce be required to disclose matters which would cause the state State of Alabama to be at a competitive disadvantage in ongoing or future project negotiations. The Department of Commerce shall not be required under this article to disclose confidential information to the committee that involves ongoing project negotiations.

(i)(j) Meetings of the committee are exempt from Chapter 205A of Title 36, provided that the minutes of each meeting shall be made available for public inspection. In order to balance the privacy needs of economic development negotiations with openness to the public, the committee may use code names in its deliberations about various applicants and in the minutes of its proceedings.

(j)(k) The membership of the committee shall be



- inclusive and shall reflect the racial, gender, geographic,
- 114 urban/rural, and economic diversity of the state."
- 115 Section 2. Section 40-18-379.1 is added to the Code of
- 116 Alabama 1975, to read as follows:
- \$40-18-379.1
- The Department of Commerce shall publish all of the
- 119 following information on its website:
- 120 (1) For each project incentivized under this article:
- a. The name of the incentivized company.
- b. The county of the qualifying project.
- 123 c. The estimated capital investment.
- d. The estimated number of new jobs.
- e. The estimated average hourly wage.
- f. The estimated value of the jobs credit.
- 127 g. The estimated value of the investment credit.
- h. The projected 10-year and 20-year return on
- 129 incentives.
- i. The value of any cash incentive that was committed.
- 131 (2) Aggregated performance data on all projects
- incentivized under this article.
- 133 Section 3. This act shall become effective on the first
- day of the third month following its passage and approval by
- the Governor, or its otherwise becoming law.





136 137 138 Senate Read for the first time and referred04-Apr-23 139 140 to the Senate committee on Fiscal Responsibility and Economic 141 142 Development 143 144 Read for the second time and placed11-Apr-23 on the calendar: 145 146 1 amendment 147 148 as amended 149 Yeas 30 150 151 Nays 0 Abstains 0 152 153 154 155 Patrick Harris, 156 Secretary. 157