

SB151 ENROLLED



1 BVTX4J-3

2 By Senators Gudger, Reed, Weaver, Allen, Butler, Jones,
3 Chesteen, Price, Waggoner, Bell, Kelley, Chambliss, Sessions,
4 Shelnut, 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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1 Enrolled, An Act,

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5 Relating to economic development; to amend Section
6 40-18-379, Code of Alabama 1975, to authorize the Joint
7 Legislative Advisory Committee on Economic Development to
8 cause to be conducted a certain economic incentive evaluation;
9 and to add Section 40-18-379.1 to the Code of Alabama 1975, to
10 require the Department of Commerce to publish certain
11 information regarding economic development incentives awarded
12 under the Alabama Jobs Act.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. Section 40-18-379, Code of Alabama 1975, is
15 amended to read as follows:

16 "§40-18-379

17 (a) There is hereby created a permanent Joint
18 Legislative Advisory Committee on Economic Incentives,
19 hereinafter referred to as the committee.

20 (b) The committee shall be comprised of all of the
21 following persons:

22 (1) The chairs of the House Ways and Means General Fund
23 and Education Fund committees.

24 (2) The chairs of the Senate Finance and Taxation
25 General Fund and Education Fund committees.

26 (3) The Speaker of the House, or his or her designee,
27 and two members of the House of Representatives to be
28 appointed by the Speaker of the House.



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29 (4) The President Pro Tempore of the Senate, or his or
30 her designee, the chair of the Senate Committee on Fiscal
31 Responsibility and Economic Development or its successor
32 committee, if any.

33 (5) One member of the Senate to be appointed by the
34 President Pro Tempore of the Senate.

35 (c) (1) The committee shall hold an organizational
36 meeting by August 1, 2015, and shall therein elect a chair and
37 vice chair from among its members. Thereafter, the committee
38 shall meet at the call of the chair or any majority of members
39 thereof; provided that the committee shall meet at least two
40 times annually. Other than the organizational meeting, such
41 meetings shall be held with the Secretary of Commerce in
42 attendance, or his or her designee. The committee may meet,
43 act, and conduct its business during the sessions of the
44 Legislature or any recess thereof, and in the interim period
45 between sessions.

46 (2) Beginning on the effective date of this act, in the
47 first year of each quadrennium, the committee shall elect from
48 its membership a chair and vice-chair which shall rotate
49 between members from the House and Senate. The chair shall be
50 elected from the House and the vice-chair from the Senate to
51 serve the first two years of each quadrennium. Beginning with
52 the third January 1 of the quadrennium and to serve for the
53 remainder of the quadrennium, the vice-chair shall become the
54 chair, and the chair shall become the vice-chair. If the chair
55 becomes vacant, the vice-chair shall serve as chair until a
56 replacement chair is elected. An election to fill a vacancy of



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57 the chair or vice-chair shall occur at the next meeting of the
58 committee.

59 (d) The committee shall adopt its own rules of
60 procedure for the transaction of committee business, and a
61 majority of the members present shall constitute a quorum for
62 the purpose of transacting or performing authorized duties.

63 (e) The committee shall monitor and evaluate the
64 management process and standards used by the Department of
65 Commerce in the development of project agreements and in the
66 awarding of economic development incentives as authorized by
67 the laws of this state. The committee may provide
68 recommendations to the Secretary of Commerce regarding the
69 same and shall act in an advisory role only. Such
70 recommendations may include certain identified minimum
71 standards to be set forth in project agreements and otherwise
72 in the awarding of economic development incentives, as well as
73 recommendations regarding the recruitment of certain
74 industries to the various geographic regions of the state. The
75 committee may also request from the Department of Commerce
76 specific, non-confidential information on successfully
77 negotiated and executed project agreements as well as
78 non-confidential information on unsuccessful project agreement
79 negotiations.

80 (f) The Department of Commerce shall provide to the
81 committee, upon request, an aggregated list of the amounts and
82 types of economic development incentives awarded, as well as
83 an analysis of the cost and benefits of the incentives
84 awarded. The Department of Revenue shall assist the Department



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85 of Commerce in the calculations required in this section.

86 (g) The Department of Commerce, the Department of
87 Revenue, and the Department of Finance shall collectively
88 report, no later than January 1 of each year, the aggregate
89 amount of incentives committed by tax source on executed
90 project agreements during the past fiscal year. Nothing in
91 this subsection shall require or authorize the disclosure of
92 any individual taxpayer or taxpayer identifying information.

93 (h) (1) The committee may request that a third-party
94 evaluation be conducted assessing the impacts of state
95 economic development incentives, in the form of an annual
96 Executive Report. The committee shall designate the third
97 party and shall determine the form and contents of the
98 Executive Report, that may include historical economic
99 incentives.

100 (2) The Department of Commerce, the Department of
101 Revenue, and the Department of Labor shall cooperate with, and
102 timely provide requested nonconfidential information to, the
103 chosen third party conducting the evaluation.

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

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

111 ~~(h)~~ (j) In no event shall the Department of Commerce be
112 required to disclose matters which would cause it to violate



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113 any nondisclosure agreement executed for a project. In no
114 event shall the Department of Commerce be required to disclose
115 matters which would cause the ~~state~~ State of Alabama to be at
116 a competitive disadvantage in ongoing or future project
117 negotiations. The Department of Commerce shall not be required
118 under this article to disclose confidential information to the
119 committee that involves ongoing project negotiations.

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

127 ~~(j)~~ (l) The membership of the committee shall be
128 inclusive and shall reflect the racial, gender, geographic,
129 urban/rural, and economic diversity of the state.

130 (m) Upon request of the chair, the Secretary of the
131 Senate and the Clerk of the House shall provide clerical
132 assistance as the committee requires."

133 Section 2. Section 40-18-379.1 is added to the Code of
134 Alabama 1975, to read as follows:

135 §40-18-379.1

136 The Department of Commerce shall publish all of the
137 following information on its website:

138 (1) For each project incentivized under this article:

139 a. The name of the incentivized company.

140 b. The county of the qualifying project.



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- 141 c. The estimated capital investment.
- 142 d. The estimated number of new jobs.
- 143 e. The estimated average hourly wage.
- 144 f. The estimated value of the jobs credit.
- 145 g. The estimated value of the investment credit.
- 146 h. The projected 10-year and 20-year return on
- 147 incentives.
- 148 i. The value of any cash incentive that was committed.
- 149 (2) Aggregated performance data on all projects
- 150 incentivized under this article.
- 151 Section 3. This act shall become effective on the first
- 152 day of the third month following its passage and approval by
- 153 the Governor, or its otherwise becoming law.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB151
Senate 13-Apr-23
I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 20-Apr-23

Senate concurred in House amendment 20-Apr-23

By: Senator Gudger