

SB76 INTRODUCED



1 ZGY2KR-1
2 By Senator Barfoot
3 RFD: Finance and Taxation General Fund
4 First Read: 21-Mar-23
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SYNOPSIS:

Under existing law, the first 85 percent of the proceeds from the state license tax on certain public utilities is allocated to the Special Mental Health Fund and the remaining 15 percent is allocated to the State General Fund.

This bill would further provide for the distribution of those funds by crediting a portion to the Alabama Forestry Commission to be distributed for the purposes of providing grants for logging workforce development, researching, and implementing technologies that promote forest product harvesting and transportation efficiencies, and to counties for maintaining and constructing public rural bridges.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Alabama Forestry Commission; to establish the Rural Logging Support Act of 2023; to provide for the distribution funding to the Alabama Forestry Commission to support rural economic development; and to amend



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29 Section 40-21-51, Code of Alabama 1975, to further provide for
30 the distribution of certain state revenues collected on the
31 state license tax of certain public utilities.

32 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

33 Section 1. (a) This section shall be known and may be
34 cited as the Rural Logging Support Act of 2023.

35 (b) The Legislature finds and declares all of the
36 following:

37 (1) The forest product manufacturing sector is a large
38 contributor to the state's economy.

39 (2) In order to have a successful forest product
40 manufacturing sector, it is imperative that the supply chain
41 for forest raw materials be as competitive and efficient as
42 possible.

43 (3) Logging companies are a vital link of the forest
44 supply chain system and it is critical for the state's economy
45 that these companies have every opportunity to be successful.

46 (4) It is the intent of the Legislature to provide a
47 stable funding source for the following:

48 a. Maintaining, repairing, replacing, and constructing
49 public rural bridges that may not qualify for funding through
50 traditional funding formulas utilized by the state and
51 counties to distribute revenue generated by fuel taxes.

52 b. Researching and implementing technologies that
53 enhance forest product harvesting and transportation
54 efficiencies.

55 c. Providing grants to support logging workforce
56 development.



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57 (c) As used in this section, the following words have
58 the following meanings:

59 (1) FOREST PRODUCTS. Any material harvested from a
60 forest or generated by the manufacture of a finished product
61 utilizing materials harvested from a forest, including, but
62 not limited to, logs, pulpwood, chips, poles, veneer, and
63 stumps.

64 (2) RURAL AREA. Any area within this state not included
65 within the boundaries of any incorporated or unincorporated
66 city, town, village, or borough, having a population in excess
67 of twenty-five thousand inhabitants according to the last
68 preceding federal census.

69 (3) RURAL BRIDGE. A load restricted bridge located in a
70 rural area.

71 (d) The Alabama Forestry Commission shall do all of the
72 following:

73 (1) Adopt rules to implement and administer this
74 section.

75 (2) Ensure that grants provided for the purposes
76 described in subsection (e) are provided in a manner that does
77 not discriminate based on gender, race, or disability status
78 of the applicant.

79 (3) Ensure that all grant applicants are residents of
80 the State of Alabama.

81 (4) Ensure that all revenues provided in Section
82 40-21-51, Code of Alabama 1975, are used as follows:

83 a. Five percent to be retained by the Alabama Forestry
84 Commission for administrative purposes.



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85 b. Ten percent to fund grants that support logging
86 workforce development and advance research and implementation
87 of technologies that improve forest product harvesting and
88 transportation efficiencies.

89 c. Eighty-five percent to fund grants to county
90 commissions to maintain, repair, replace, and construct public
91 rural bridges. Grants will be prioritized based on the county
92 commission's application setting forth the amount of matching
93 contributions provided to the project and the rural economic
94 impact of the project.

95 (e) (1) There is created a fund in the State Treasury to
96 be known as the Logging Workforce and Forest Product
97 Harvesting and Transportation Grant Fund. The fund shall
98 consist of all of the following:

99 a. All distributions made to the fund pursuant to
100 Section 40-21-51, Code of Alabama 1975.

101 b. All grants, gifts, bequests, or donations made to
102 the fund from any source whatsoever.

103 (2) Monies in the fund shall be used and expended by
104 the Alabama Forestry Commission in accordance with subsection
105 (d).

106 (3) No monies shall be withdrawn or expended from the
107 fund for any purpose unless the monies have been appropriated
108 by the Legislature and allocated pursuant to this chapter. Any
109 monies appropriated shall be budgeted and allotted pursuant to
110 the Budget Management Act in accordance with Article 4,
111 commencing with Section 41-4-80 of Chapter 4 of Title 41, and
112 only in the amounts provided by the Legislature in the general



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113 appropriations act or other appropriations act.

114 Section 2. Section 40-21-51, Code of Alabama 1975, is
115 amended as follows:

116 "§40-21-51

117 All revenues collected under ~~the provisions of~~ Section
118 40-21-50 ~~shall~~, after deduction of the cost of collection,
119 shall be distributed in the following manner:

120 (1) Eighty-five percent of the balance remaining after
121 deduction of the cost of collection shall be deposited in the
122 Special Mental Health Fund to be used for mental health
123 purposes. ~~;~~ ~~and~~

124 (2) Fifteen percent of the balance remaining after
125 deduction of the cost of collection shall be deposited in the
126 ~~State General Fund~~ State Treasury to the credit of the Logging
127 Workforce and Forest Product Harvesting and Transportation
128 Grant Fund under Section 9-3-10."

129 Section 3. This act shall become effective on the first
130 day of the third month following its passage and approval by
131 the Governor, or its otherwise becoming law.