

SYNOPSIS:

Under existing law, a county may establish an agriculture authority to construct and operate facilities to promote agricultural businesses, operations, commodities, workforce development, and economic development in the county.

Also under existing law, economic development organizations may receive incentives for certain projects undertaken in this state for the betterment of this state's economy.

This bill would provide for the creation of the Agriculture Exhibition Center Corporation to operate the Alabama Farm Center and vest the corporation with certain powers and privileges.

This bill would provide for the composition and operation of a board of directors to govern the corporation.

This bill would permit certain counties and municipalities to sell property and appropriate public funds to the corporation.

This bill would permit the corporation to allow the consumption of alcohol on the center's premises.

This bill would exempt the corporation and its property from municipal ordinances and rules.

This bill would exempt the corporation and its



29 property from certain state, county, and municipal 30 taxes. 31 This bill would provide that the Alabama Farm 32 Center is an economic development organization for the 33 purposes of the Growing Alabama Act. 34 35 A BILL 36 TO BE ENTITLED 37 AN ACT 38 39 Relating to agriculture; to authorize the creation of the Agriculture Exhibition Center Corporation to operate the 40 Alabama Farm Center; to create and provide for the operation 41 42 of a board to govern the corporation; to provide specific 43 powers and privileges to the corporation; to permit certain 44 counties and municipalities to sell property and appropriate 45 public funds to the corporation; to exempt the corporation 46 from municipal ordinances; to exempt the corporation from 47 certain taxes; and to deem the Agriculture Exhibition Center 48 Corporation an economic development organization for the 49 purposes of the Growing Alabama Act. 50 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA: 51 Section 1. (a) A singular Agriculture Exhibition Center 52 Corporation may be established and created by any number of 53 individuals associated with an agricultural membership advocacy organization filing articles of incorporation in the 54 55 office of the judge of probate of the county in which the

Alabama Farm Center will be located. Upon filing articles of



- 57 incorporation pursuant to this subsection in the office of the
- judge of probate of the county in which the singular Alabama
- 59 Farm Center will be located, no other corporation may be
- incorporated pursuant to this subsection. After the initial
- filing of articles of incorporation pursuant to this
- 62 subsection, any subsequent filing of articles of incorporation
- 63 pursuant to this subsection in any other location shall be
- 64 considered null and void.
- (b) The Agriculture Exhibition Center Corporation shall
- operate the Alabama Farm Center for the purposes of promoting,
- 67 showcasing, and facilitating education regarding all facets of
- the agricultural industry and advancing agricultural business
- and workforce development in this state.
- 70 (c) The Agriculture Exhibition Center Corporation shall
- 71 be governed by, and all powers of the corporation shall be
- 72 exercised by, pursuant to the corporation's authorization, a
- 73 board of directors composed of the following members, subject
- 74 to confirmation by the Senate:
- 75 (1) One member appointed by the Governor, who shall
- 76 serve an initial term of four years.
- 77 (2) One member appointed by the Governor from a list of
- 78 not less than four nominees submitted jointly by the House
- 79 Minority Leader and the Senate Minority Leader, who shall
- 80 serve an initial term of three years.
- 81 (3) One member appointed by the Lieutenant Governor,
- 82 who shall serve an initial term of three years.
- 83 (4) One member appointed by the Speaker of the House of
- 84 Representatives who shall have livestock experience, who shall



- 85 serve an initial term of two years.
- Agriculture and Industries from a list of nominees submitted
 by the Alabama Cattlemen's Association, the Alabama Farmers
 Federation, or the Southeastern Livestock Exhibition, who
 shall serve an initial term of one year. These nominating
 organizations may coordinate their nomination list or may
 submit nomination lists individually.
- 93 (6) One member appointed by the Commissioner of 94 Agriculture and Industries from a list of not less than four 95 nominees submitted by the Dean of Agriculture of either 96 Tuskegee University or Alabama A&M University, who shall serve 97 an initial term of two years.
- 98 (7) One member appointed by the county commission of 99 the county in which the Alabama Farm Center will be located 100 who shall be a farmer and resident of that county, who shall 101 serve an initial term of four years.
- 102 (d) The appointing authorities shall coordinate their 103 appointments to assure that the membership of the board is 104 inclusive and reflects the racial, gender, geographic, urban, 105 rural, and economic diversity of the state.
- 106 (e) After the initial terms, each member shall serve a term of four years.
- 108 (f) The board shall elect a chair, who shall be a
 109 farmer or an individual with livestock experience, and a
 110 secretary from among its membership.
- 111 (g) Any vacancy on the board shall be filled by the 112 appointing authority who appointed the vacating member. Any



- member may be removed for cause upon a majority vote by all other members.
- indirectly, in any contract for work, materials, or services, or profits therefrom, to be performed under the authority conferred by this act if the member, directly or indirectly, has more than a 10 percent interest in any business, firm, corporation, or profits thereof, furnishing or providing the work, materials, or services.
- (i) The board may appoint an advisory council

 consisting of not more than 10 members to advise the board.

 Advisory-council members shall serve two-year terms and may be

 appointed to additional terms by the board.
- 126 (j) No public official or candidate for public office 127 shall be eligible for appointment to or service on the board.
- Section 2. (a) The Agriculture Exhibition Center

 Corporation shall have the following powers:

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- 130 (1) To adopt bylaws necessary for the implementation 131 and administration of this act.
 - (2) To institute and defend legal proceedings in any court of competent jurisdiction and proper venue; provided, however, that the corporation may not be sued in any trial court other than the courts of the county of incorporation; provided, further, that the officers, directors, agents, and employees of the corporation may not be sued for their actions on behalf of the corporation except for actions that are unreasonable or known by the individual to be unlawful or are performed with reckless disregard for the lawfulness of such



- 141 actions.
- 142 (3) To plan for construction and development of the
- 143 Alabama Farm Center on property owned by the corporation.
- 144 Construction and development may include, without limitation,
- 145 any of the following:
- a. Buildings to hold offices for use by, and to house
- or accommodate public facilities of, any governmental entity.
- b. Streets, boulevards, walkways, parkways, parks, or
- 149 other places of recreation.
- 150 c. Monuments, statues, or other structures beautifying
- 151 the Alabama Farm Center.
- d. Community houses, meeting houses, or auditoriums.
- e. Arenas, convention halls, sports facilities,
- 154 stadiums, hotels, or other facilities for use as a transient
- 155 quest housing facility, multifamily housing, dormitory
- 156 housing, food courts or other food venue facilities, any
- 157 facilities that provide for or support any public or private
- 158 educational institution, and any other facilities related to
- or incidental to the foregoing.
- 160 f. Music halls, art museums, art exhibits, or other
- 161 exhibits for the advancement of the humanities and cultural
- development.
- 163 g. Any other buildings, structures, facilities, and
- 164 other improvements that the corporation determines are
- appropriate, useful, or expedient to the center's purposes.
- 166 The determination of the corporation shall be conclusive.
- 167 (4) To acquire property, both real and personal, and
- 168 rights and interests in such property, by gift, grant, lease,



- 169 or purchase.
- 170 (5) To accept or receive gifts, bequests, and devises.
- 171 (6) To have and use a corporate seal and alter the seal
- 172 at its pleasure.
- 173 (7) To appoint officers, agents, employees, and
- 174 attorneys and to fix their compensation.
- 175 (8) To hire professionals and enter into contracts for
- their services in designing and supervising the construction
- of any building, agriculture center, auditorium, arena, barn,
- 178 convention hall, music hall, art museum, place of recreation,
- 179 art exhibit, office building, or other structure that it
- 180 desires to construct.
- 181 (9) To make and enter into contracts and to execute all
- instruments necessary or convenient to lease or purchase and
- own real or personal property to be used for the furtherance
- 184 of the purposes for which the center is created.
- 185 (10) To plan for programs and exhibits in the center
- 186 for the advancement of the agricultural, cultural, and
- 187 workforce development interests of the residents of this
- 188 state.
- 189 (11) To accept pledges of revenues or grants of money
- 190 from any person or governmental entity.
- 191 (12) To sell and lease its property to any person or
- 192 governmental entity.
- 193 (13) To enter into financing agreements with federal or
- 194 state agencies that may require the authority to mortgage its
- 195 property.
- 196 (14) To plan for programs and exhibits in the center



- for the advancement of agricultural and workforce development interests in this state.
- 199 (15) To enter into long-term contracts or agreements 200 for utility services.
- 201 (16) To accept lease payments, loan repayments, or 202 other compensation to or for the center or other public 203 person.
- 204 (17) To invest in bank deposits, U.S. Treasury bills, 205 projects, instruments, real, personal, or mixed property, or 206 any other investments as the corporation may from time to time 207 determine to be appropriate and convenient to accomplish any 208 purpose for which the center is organized, including works of internal improvement, interests in private or other corporate 209 210 enterprises, loans of money or credit to individuals, 211 associations, or other corporations; and to lend the 212 corporation's credit, grant public money or things of value in 213 aid of or to any individual, association, or other corporation 214 whatsoever, or become a stockholder in any other corporation, 215 association, or company by issuing bonds or otherwise, even 216 though they may be in violation of Section 93 or Section 94 of 217 the Constitution of Alabama of 2022, if done by the state or a 218 subdivision thereof, notwithstanding the fact that any 219 investment or action may involve the expenditure or appropriation of funds received from a public person. In 220 221 particular, but not by way of limitation, the corporation may 222 invest its funds, from whatever source, in the stock, bonds, debentures, notes, or other securities issued by any person 223 224 locating a project in this state and may enter into contracts

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- 225 or options, including contracts or options for the conveyance, sale, or lease of property, to any such person and make direct 226 227 grants of money, property, or services for the purpose of 228 inducing the person to locate a project in this state.
- (18) To issue its bonds for the purpose of carrying out any of its powers and to apply proceeds from the sale of its bonds, whether heretofore or hereafter issued, not only for payment of interest thereon prior to and during the 233 construction and equipment of any buildings, structures, facilities, or other improvements being financed thereby, but also for payment of interest thereon.
 - (19) To mortgage and pledge any or all of its properties, both real and personal, or any part or parts thereof, as security for the payment of the principal of and the interest on any bonds so issued and any agreements made in connection therewith, whether then owned or thereafter acquired, and to pledge the revenues and receipts therefrom or from any thereof.
 - (b) Contracts of the corporation shall be executed in the name of the corporation by the chair of the board and attested by the secretary of the board. The board may provide by resolution for a different form for the execution of a contract by an officer or agent other than the chair and secretary. A contract, irrespective of its form and of the persons executing the contract, shall not be binding unless the contract is authorized or ratified by the board.
 - (c) The corporation may deposit its funds not needed to meet expenses or obligations in any bank or building and loan



association, provided the deposit is fully insured by a federal corporation or agency of the federal government insuring deposits in financial institutions.

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- (d) In addition to all other powers at any time conferred on it by this section or otherwise by law, the corporation shall have the following powers together with all powers incidental thereto or necessary to the discharge thereof in corporate form:
- 261 (1) To participate: As a shareholder in any other 262 corporation; as a joint venturer in a joint venture, whether 263 the joint venture is to be memorialized contractually or through the formation of one or more separate business 264 265 entities; as a general or limited partner in a limited 266 partnership or a general partnership; as a member in a 267 nonprofit corporation or limited liability company; or as a 268 member of any other lawful form of business organization that 269 may be involved in the development or operational activities 270 of any buildings, structures, facilities, and other 271 improvements that the corporation determines are appropriate, 272 useful, or expedient to the center's purposes. In connection 273 with the foregoing, the corporation may elect or appoint an 274 individual to a governing body and enter into contracts or 275 other agreements with other parties for the development, operation, design, marketing, maintenance, and use of any 276 277 facilities upon the terms as the corporation determines are 278 appropriate, useful, or expedient to the center.
 - (2) To make or arrange for loans, contributions to capital, and other debt and equity financing for the



- 281 activities of any other corporation of which the corporation 282 is a shareholder; any joint venture in which the corporation 283 is a joint venturer; any limited partnership or general 284 partnership of which the corporation is a general or limited 285 partner; any nonprofit corporation in which the corporation is 286 a member; or any other lawful form of business organization of 287 which the corporation is a member; and to guarantee loans, 288 issue bonds, or incur other forms of indebtedness on behalf of 289 the corporation, joint venture, partnership, nonprofit 290 corporation, or other business entity for such purposes.
 - (3) To create, establish, acquire, operate, or support subsidiaries and affiliates, either for profit or nonprofit, to assist the center in fulfilling its purposes.

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- 294 (4) To create, establish, or support nonaffiliated for 295 profit or nonprofit corporations or other lawful business 296 organizations that operate and have as their purpose the 297 furtherance of the center's purposes.
 - (5) Without limiting the generality of the preceding subdivisions, to accomplish and facilitate the creation, establishment, acquisition, development, operation, or support of any subsidiary, affiliate, nonaffiliated corporation, or other lawful business organization by means of loans of funds, leases of real or personal property, gifts and grants of funds, or guarantees of indebtedness of the subsidiaries, affiliates, and non-affiliated corporations.
 - (6)a. In addition to any other authority to enter into contracts, to enter into contracts, agreements, or understandings with any other public and private parties



- 309 including, but not limited to, the following:
- 310 1. Design-build, design-build-operate,
- design-build-own-operate, design-build-own-operate-maintain,
- 312 design-build-finance-operate-maintain, or other similar
- 313 arrangements or agreements pursuant to which the design,
- 314 right-of-way acquisition, relocation of structures or
- 315 utilities, construction, financing, ownership, management,
- 316 maintenance, and operation, or any combination thereof of a
- 317 project is accomplished by or on behalf of the corporation.
- 318 2. Leases, licenses, franchises, concessions, or other
- 319 agreements for the development, operation, management, or
- 320 undertaking of all or any part of a project of or on behalf of
- 321 the corporation.
- 322 b. Notwithstanding any provision of law to the
- 323 contrary, proposals under paragraph a. may be evaluated and
- 324 awarded by the corporation based on qualifications of
- 325 participants or best value, or both, as evaluated by
- 326 procedures of the corporation and taking into consideration
- 327 the best interests of the corporation. Evaluation criteria for
- 328 a contract procured pursuant to the preceding sentence shall
- 329 be set forth in the request for proposal for the contract. The
- 330 contract may also be awarded through any existing procurement
- 331 authority, proposals, or other means of procurement otherwise
- available to the corporation.
- 333 Section 3. (a) Subject to the conditions,
- qualifications, and restrictions set forth in subsection (b),
- 335 the Agriculture Exhibition Center Corporation may borrow money
- from any person or governmental entity. As security for any



money borrowed, together with interest thereon, and any obligations incurred or assumed, the corporation may mortgage, pledge, or otherwise transfer and convey its real, personal, and mixed property, or any part or parts thereof, whether then owned or thereafter acquired, including any franchises then owned or thereafter adopted and all or any part of any funds of the corporation. In a resolution authorizing the mortgage given to secure the payment thereof, the corporation, in addition to its other powers, shall have the power to agree with the several holders of the mortgage to make, enter, and perform covenants and agreements as to all of the following:

- (1) The conduct, management, and maintenance of the properties held by the corporation or of the activities, operations, and enterprises then or thereafter conducted by the corporation.
 - (2) Insurance of the properties of the corporation.
- (3) Restrictions on the exercise of the powers of the corporation to dispose, limit, or regulate the use of all or any part of the properties of the corporation.
- (4) The use and disposition of any monies of the corporation, including taxes payable to the corporation under any act of the Legislature and revenues derived or to be derived from the activities, operations, and enterprises of the properties of the corporation, including any part or parts theretofore constructed or acquired and any parts, extensions, replacements, or improvements thereafter constructed or acquired.
 - (5) The setting aside of the taxes payable to the

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- corporation under any act of the Legislature or use of the revenues or the monies of the corporation or reserves and sinking funds, and the source, custody, security, regulation, application, and disposition thereof.
 - (6) The assumption, payment, or discharge of any indebtedness, liens, or other claims relating to any part of the properties of the corporation or any obligations constituting, or which may constitute, a lien on the properties or any part thereof.
 - (7) Limitations or other evidences of indebtedness or upon the incurrence of indebtedness of the corporation.
- 376 (b) The power vested in the corporation to pledge taxes to be paid to the corporation or to pledge revenue of the 377 378 corporation shall not be construed as undertaking or 379 purporting to empower the corporation to pledge any tax or any 380 revenue if the pledge is prohibited by the Constitution of 381 Alabama of 2022. It is expressly provided that the corporation 382 shall have the power to pledge any tax paid to the corporation 383 or revenue of the corporation, the pledge of which is 384 authorized by the Constitution of Alabama of 2022.
 - (c) The powers and authority set forth in this section shall only be exercised if necessary in order for the corporation to receive federal funding or grants for any projects or activities of the corporation.

389 Section 4. The county in which the Alabama Farm Center 390 is located and each municipality therein may lease, sell, 391 donate, or otherwise convey to the Agriculture Exhibition 392 Center Corporation real or personal property, including park



393 properties, without authorization by election of the qualified 394 voters of the county or of the municipality; and the county in 395 which the center is located and each municipality therein are 396 authorized, but not required, to appropriate public funds of 397 the county or of the municipality to the corporation to be 398 used by the corporation for purposes of this act. The county 399 in which the center is located shall not lease, sell, donate, 400 or convey any property to the corporation, or appropriate any 401 money to the corporation, unless the county commission of that county has determined that the lease, sale, donation, 402 403 conveyance, or appropriation will benefit the people of that 404 county or municipality to such an extent as to fully warrant 405 and justify the lease, sale, donation, conveyance, or 406 appropriation.

Section 5. The Agriculture Exhibition Center

Corporation may permit the consumption of alcoholic beverages

any day of the week, purchased from licensees of the Alcoholic

Beverage Control Board, to be consumed by purchasers within

the boundaries of the Alabama Farm Center.

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Section 6. The Agriculture Exhibition Center

Corporation and all property in which it may have any
ownership, leasehold, or other interest, direct or indirect,
is exempt from all municipal ordinances and rules, including
zoning ordinances, unless the corporation consents to the
application of ordinance or rule.

Section 7. (a) The Agriculture Exhibition Center Corporation, as a governmental entity, is exempt from the payment of all state, county, and municipal sales and use



- taxes. The corporation and its contractors shall be granted a certificate of exemption from sales and use taxes by the

 Department of Revenue as provided by Sections 40-9-14.1 and

 424 40-9-60, Code of Alabama 1975, or other general law.
 - (b) (1) Any county or municipal sales and use tax proceeds that are collected by the corporation; a joint venture of the corporation, including a public or private venture of the corporation; or a lessee of the corporation or a joint venture of the corporation, and remitted to a local taxing authority shall be rebated by that local taxing authority to the corporation.
 - (2) The county commission of the county in which the Alabama Farm Center will be located, at the time of the formation of the corporation, may opt-out of the requirement to rebate sales taxes collected by a private entity, joint venture partner, or public-private partnership.
 - (3) The corporation may enter into revenue sharing agreements with the county commission of the county in which the center will be located and municipalities therein to share any tax revenue generated by the corporation outside of the operational area outlined in the corporation's articles of incorporation.
 - (c) The corporation is exempt from paying all state, county, and local ad valorem taxes.
- (d) The corporation is exempt from paying any other taxes levied by a county, municipality, or other political subdivision of this state, including, but not limited to, license and excise taxes imposed relating to the privilege of

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- engaging in any activities in which the corporation may engage.
- Section 8. The Agriculture Exhibition Center
- 452 Corporation shall be deemed an economic development
- 453 organization, and the Alabama Farm Center shall be deemed a
- 454 site, for the purposes of Article 19A, Chapter 18, Title 40 of
- 455 the Code of Alabama 1975.
- Section 9. The Agriculture Exhibition Center
- 457 Corporation shall be subject to audit and examination every
- 458 two years by the Department of Examiners of Public Accounts
- for compliance with this act.
- Section 10. The provisions of this act are severable.
- 461 If any part of this act is declared invalid or
- 462 unconstitutional, that declaration shall not affect the part
- 463 which remains.
- 464 Section 11. This act shall become effective
- 465 immediately.