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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
40 the Agriculture Exhibition Center Corporation to operate the
41 Alabama Farm Center; to create and provide for the operation
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
54 advocacy organization filing articles of incorporation in the
55 office of the judge of probate of the county in which the
56 Alabama Farm Center will be located. Upon filing articles of



57 incorporation pursuant to this subsection in the office of the
58 judge of probate of the county in which the singular Alabama
59 Farm Center will be located, no other corporation may be
60 incorporated pursuant to this subsection. After the initial
61 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.

65 (b) The Agriculture Exhibition Center Corporation shall
66 operate the Alabama Farm Center for the purposes of promoting,
67 showcasing, and facilitating education regarding all facets of
68 the agricultural industry and advancing agricultural business
69 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 who shall be
78 nominated jointly by the House Minority Leader and the Senate
79 Minority Leader, who shall serve an initial term of three
80 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.

86 (5) One member appointed by the Commissioner of
87 Agriculture and Industries from a list of nominees submitted
88 by the Alabama Cattlemen's Association, the Alabama Farmers
89 Federation, or the Southeastern Livestock Exhibition, who
90 shall serve an initial term of one year. These nominating
91 organizations may coordinate their nomination list or may
92 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
107 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



113 member may be removed for cause upon a majority vote by all
114 other members.

115 (h) No member may have an interest, directly or
116 indirectly, in any contract for work, materials, or services,
117 or profits therefrom, to be performed under the authority
118 conferred by this act if the member, directly or indirectly,
119 has more than a 10 percent interest in any business, firm,
120 corporation, or profits thereof, furnishing or providing the
121 work, materials, or services.

122 (i) The board may appoint an advisory council
123 consisting of not more than 10 members to advise the board.
124 Advisory-council members shall serve two-year terms and may be
125 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.

128 Section 2. (a) The Agriculture Exhibition Center
129 Corporation shall have the following powers:

130 (1) To adopt bylaws necessary for the implementation
131 and administration of this act.

132 (2) To institute and defend legal proceedings in any
133 court of competent jurisdiction and proper venue; provided,
134 however, that the corporation may not be sued in any trial
135 court other than the courts of the county of incorporation;
136 provided, further, that the officers, directors, agents, and
137 employees of the corporation may not be sued for their actions
138 on behalf of the corporation except for actions that are
139 unreasonable or known by the individual to be unlawful or are
140 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:

146 a. Buildings to hold offices for use by, and to house
147 or accommodate public facilities of, any governmental entity.

148 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.

152 d. Community houses, meeting houses, or auditoriums.

153 e. Arenas, convention halls, sports facilities,
154 stadiums, hotels, or other facilities for use as a transient
155 guest 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
159 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
162 development.

163 g. Any other buildings, structures, facilities, and
164 other improvements that the corporation determines are
165 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
176 their services in designing and supervising the construction
177 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
182 instruments necessary or convenient to lease or purchase and
183 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



197 for the advancement of agricultural and workforce development
198 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
209 internal improvement, interests in private or other corporate
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
220 appropriation of funds received from a public person. In
221 particular, but not by way of limitation, the corporation may
222 invest its funds, from whatever source, in the stock, bonds,
223 debentures, notes, or other securities issued by any person
224 locating a project in this state and may enter into contracts



225 or options, including contracts or options for the conveyance,
226 sale, or lease of property, to any such person and make direct
227 grants of money, property, or services for the purpose of
228 inducing the person to locate a project in this state.

229 (18) To issue its bonds for the purpose of carrying out
230 any of its powers and to apply proceeds from the sale of its
231 bonds, whether heretofore or hereafter issued, not only for
232 payment of interest thereon prior to and during the
233 construction and equipment of any buildings, structures,
234 facilities, or other improvements being financed thereby, but
235 also for payment of interest thereon.

236 (19) To mortgage and pledge any or all of its
237 properties, both real and personal, or any part or parts
238 thereof, as security for the payment of the principal of and
239 the interest on any bonds so issued and any agreements made in
240 connection therewith, whether then owned or thereafter
241 acquired, and to pledge the revenues and receipts therefrom or
242 from any thereof.

243 (b) Contracts of the corporation shall be executed in
244 the name of the corporation by the chair of the board and
245 attested by the secretary of the board. The board may provide
246 by resolution for a different form for the execution of a
247 contract by an officer or agent other than the chair and
248 secretary. A contract, irrespective of its form and of the
249 persons executing the contract, shall not be binding unless
250 the contract is authorized or ratified by the board.

251 (c) The corporation may deposit its funds not needed to
252 meet expenses or obligations in any bank or building and loan



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

256 (d) In addition to all other powers at any time
257 conferred on it by this section or otherwise by law, the
258 corporation shall have the following powers together with all
259 powers incidental thereto or necessary to the discharge
260 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
264 through the formation of one or more separate business
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,
276 operation, design, marketing, maintenance, and use of any
277 facilities upon the terms as the corporation determines are
278 appropriate, useful, or expedient to the center.

279 (2) To make or arrange for loans, contributions to
280 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.

291 (3) To create, establish, acquire, operate, or support
292 subsidiaries and affiliates, either for profit or nonprofit,
293 to assist the center in fulfilling its purposes.

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.

298 (5) Without limiting the generality of the preceding
299 subdivisions, to accomplish and facilitate the creation,
300 establishment, acquisition, development, operation, or support
301 of any subsidiary, affiliate, nonaffiliated corporation, or
302 other lawful business organization by means of loans of funds,
303 leases of real or personal property, gifts and grants of
304 funds, or guarantees of indebtedness of the subsidiaries,
305 affiliates, and non-affiliated corporations.

306 (6)a. In addition to any other authority to enter into
307 contracts, to enter into contracts, agreements, or
308 understandings with any other public and private parties



309 including, but not limited to, the following:

310 1. Design-build, design-build-operate,
311 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
332 available to the corporation.

333 Section 3. (a) Subject to the conditions,
334 qualifications, and restrictions set forth in subsection (b),
335 the Agriculture Exhibition Center Corporation may borrow money
336 from any person or governmental entity. As security for any



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

348 (1) The conduct, management, and maintenance of the
349 properties held by the corporation or of the activities,
350 operations, and enterprises then or thereafter conducted by
351 the corporation.

352 (2) Insurance of the properties of the corporation.

353 (3) Restrictions on the exercise of the powers of the
354 corporation to dispose, limit, or regulate the use of all or
355 any part of the properties of the corporation.

356 (4) The use and disposition of any monies of the
357 corporation, including taxes payable to the corporation under
358 any act of the Legislature and revenues derived or to be
359 derived from the activities, operations, and enterprises of
360 the properties of the corporation, including any part or parts
361 theretofore constructed or acquired and any parts, extensions,
362 replacements, or improvements thereafter constructed or
363 acquired.

364 (5) The setting aside of the taxes payable to the



365 corporation under any act of the Legislature or use of the
366 revenues or the monies of the corporation or reserves and
367 sinking funds, and the source, custody, security, regulation,
368 application, and disposition thereof.

369 (6) The assumption, payment, or discharge of any
370 indebtedness, liens, or other claims relating to any part of
371 the properties of the corporation or any obligations
372 constituting, or which may constitute, a lien on the
373 properties or any part thereof.

374 (7) Limitations or other evidences of indebtedness or
375 upon the incurrence of indebtedness of the corporation.

376 (b) The power vested in the corporation to pledge taxes
377 to be paid to the corporation or to pledge revenue of the
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.

385 (c) The powers and authority set forth in this section
386 shall only be exercised if necessary in order for the
387 corporation to receive federal funding or grants for any
388 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
402 county has determined that the lease, sale, donation,
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.

407 Section 5. The Agriculture Exhibition Center
408 Corporation may permit the consumption of alcoholic beverages
409 any day of the week, purchased from licensees of the Alcoholic
410 Beverage Control Board, to be consumed by purchasers within
411 the boundaries of the Alabama Farm Center.

412 Section 6. The Agriculture Exhibition Center
413 Corporation and all property in which it may have any
414 ownership, leasehold, or other interest, direct or indirect,
415 is exempt from all municipal ordinances and rules, including
416 zoning ordinances, unless the corporation consents to the
417 application of ordinance or rule.

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



421 taxes. The corporation and its contractors shall be granted a
422 certificate of exemption from sales and use taxes by the
423 Department of Revenue as provided by Sections 40-9-14.1 and
424 40-9-60, Code of Alabama 1975, or other general law.

425 (b) (1) Any county or municipal sales and use tax
426 proceeds that are collected by the corporation; a joint
427 venture of the corporation, including a public or private
428 venture of the corporation; or a lessee of the corporation or
429 a joint venture of the corporation, and remitted to a local
430 taxing authority shall be rebated by that local taxing
431 authority to the corporation.

432 (2) The county commission of the county in which the
433 Alabama Farm Center will be located, at the time of the
434 formation of the corporation, may opt-out of the requirement
435 to rebate sales taxes collected by a private entity, joint
436 venture partner, or public-private partnership.

437 (3) The corporation may enter into revenue sharing
438 agreements with the county commission of the county in which
439 the center will be located and municipalities therein to share
440 any tax revenue generated by the corporation outside of the
441 operational area outlined in the corporation's articles of
442 incorporation.

443 (c) The corporation is exempt from paying all state,
444 county, and local ad valorem taxes.

445 (d) The corporation is exempt from paying any other
446 taxes levied by a county, municipality, or other political
447 subdivision of this state, including, but not limited to,
448 license and excise taxes imposed relating to the privilege of



449 engaging in any activities in which the corporation may
450 engage.

451 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.

456 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
459 for compliance with this act.

460 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.