Alabama Legislative Report April 14, 2023

Alabama "Game Plan" Moving Down the Field

The Ivey Administration's four-bill package of economic development incentive related bills, dubbed the "Game Plan", saw significant action in both houses of the legislature this week. All four bills detailed in last week's legislative report passed the House unanimously on Thursday. The Senate also passed two bills in the package. The Game Plan's lynchpin, the renewal of the Alabama Jobs Act, extends the program's sunset date and increases the cap on incentives the State is able to offer to prospective employers from \$350 million in 2022 to \$475 million by 2027. The bills are expected to receive final passage next week and go to the governor for her signature.

School Choice Bills Filed

Sen. Larry Stutts and Rep. Ernie Yarbrough have each filed the Parental Rights in Children's Education ("PRICE") Act legislation. The bills are similar to legislation passed in other states that create Education Savings Accounts ("ESAs"), which families can use to send students to the schools of their choice. The bills provide that the ESAs would be funded by the state portion of the per pupil allotment of tax dollars, which is currently just under \$7,000. Parents who apply and are approved would be able to use their ESA for expenses related to home schooling, private school, online school, private tutors, and other qualifying educational needs.

Additional school choice bills pertaining to the Alabama Accountability Act and the Alabama charter school program are also expected to be filed in the coming weeks.

Roadbuilder Liability Bill

Rep. David Faulkner filed HB249, which would vastly increase the liability protections provided to contractors on highway, road, and bridge projects awarded by governmental entities. HB249 would absolve a contractor of liability for its work on a highway, road, and/or bridge project if the contractor followed the specifications with the contract. Currently, if the specifications create a dangerous condition, the burden is on the contractor to show that they otherwise would not have reasonably known the dangerous condition was created, even if they followed the contract's specifications. Moreover, the bill states that following completion of the project and the determination by the awarding authority that the project substantially complies with the plans and specifications, the contractor is thereby civilly immune for any future condition of the project that may develop.

Other Bills of Interest

Two education-related bills passed their respective committees this week. Senator Rodger Smitherman's SB180 would require all K-12 public school history and social studies classes to teach fact-based, historically accurate, and inclusive history, recognizing the contributions of minority groups. Rep. Ed Oliver's HB7 would ban divisive concepts in classrooms and worker trainings on race and gender. The bill would prohibit a list of what it calls "divisive concepts," or ideas that

people from any one group should be asked to accept "a sense of guilt" because of their race or gender — or that fault, blame, or bias should be assigned to a race or gender solely because of their race or gender. It passed the House State Government Committee by a vote of 9-3.

Rep. Chip Brown's HB293 is a new port incentive bill designed to enhance current incentives tied to utilizing the Port of Mobile. The bill changes the existing port income tax credit so that the credit increases with a business's cargo volume.

Rep. Russell Bedsole's HB219 would begin to place restrictions around the sale of Delta-8 products and other products that contain psychoactive cannabinoids. The bill would place an 8% tax on the products and require a customer to be at least 21 years of age to purchase. The bill received a favorable report in the House Health Committee.

EDAA

Bill	Sponsors	Title	Last Action	Latest Version
AL 2023rs HB 241	Danny Garrett	Relating to the Alabama Jobs Act and the Growing Alabama Act; to amend Sections 40-18-370, 40-18-372, 40-18-374, 40-18-375, 40-18-376, 40-18-376.1, 40-18-376.2, 40-18-376.3, 40-18-376.4, 40-18-377, 40-18-378, 40-18-382, 40-18-383, 40-18-417.1, 40-18-417.2, 40-18-417.3, 40-18-417.4, 40-18-417.7, and 40-9B-4.1, Code of Alabama 1975, to extend the Alabama Jobs Act sunset date to July 31, 2028; to increase the annualized cap on outstanding Alabama Jobs Act incentives by twenty-five million dollars each year for five years up to four hundred seventy-five million dollars; to increase the investment tax credit transfer time to provide that the first five years of the investment credit may be transferred by the incentivized company and applied by another person or company under the Alabama Jobs Act; to extend the Growing Alabama Act sunset date to July 31, 2028, to increase the annual cap on funding approved pursuant to the Growing Alabama Act to thirty-five million dollars; to remove certain programs from the Growing Alabama Act	Senate • Apr 13, 2023: Referred to Committee (Finance and Taxation Education)	Engrossed

Bill	Sponsors	Title	Last Action	Latest Version
		for the transfer to Innovate Alabama. (Finance and Taxation Education)		
AL 2023rs HB 240	Cynthia Almond	Relating to economic development; to add Section 40-18-379.1 to the Code of Alabama 1975, to require the Department of Commerce to publish certain information regarding economic development incentives awarded under the Alabama Jobs Act. (Fiscal Responsibility and Economic Development)	Senate • Apr 13, 2023: Referred to Committee (Fiscal Responsibility and Economic Development)	Introduced
AL 2023rs HB 247	Anthony Daniels	Relating to economic development; to amend Sections 41-10-802 and 41-10-822, Code of Alabama 1975, to provide for a name change for the Alabama Innovation Corporation and revise the residency requirements for certain grant recipients; to amend Section 41-10-805, Code of Alabama 1975, relating to the Board of Directors of the Alabama Innovation Corporation, to make conforming changes to accurately cite the Code of Alabama 1975; and to add a new Article 22, commencing with Section 41-10-840, to Chapter 10 of Title 41, Code of Alabama 1975, to reestablish the technology accelerator tax credit program and the underrepresented company tax credit program as the Innovating Alabama tax credit program; and to exempt working groups, task forces, and subcommittees of the Alabama Innovation Corporation from the Alabama Open Meetings Act. (Finance and Taxation Education)	Senate • Apr 13, 2023: Referred to Committee (Finance and Taxation Education)	Introduced
AL 2023rs SB 165	Arthur Orr	Relating to economic development; to add Article 2D, commencing with Section 41-10-47.01, to Chapter 10 of Title 41, Code of Alabama 1975; to authorize the State Industrial Development Authority to make site assessment grants and site development grants to certain companies; to provide for the criteria that must be met for grant approval; to provide for changes to criteria based on economic conditions; to limit the funding that may be received by any site under the grant program; to create the Alabama Site Development Fund and provide for its management; to amend Section 41-10-27.2, Code of Alabama 1975, providing for an annual	House • Apr 13, 2023: Referred to Committee (Ways and Means Education)	Engrossed

Bill	Sponsors	Title	Last Action	Latest Version
		appropriation to the State Industrial Development Authority, to authorize the appropriation to be expended on the grant program created herein; and to exempt the State Industrial Development Authority and certain economic development organizations from certain state laws. (Ways and Means Education)		
AL 2023rs SB 151	Garlan Gudger	Relating to economic development; to add Section 40-18-379.1 to the Code of Alabama 1975, to require the Department of Commerce to publish certain information regarding economic development incentives awarded under the Alabama Jobs Act. (Ways and Means Education)	House • Apr 13, 2023: Referred to Committee (Ways and Means Education)	Engrossed
AL 2023rs HB 257	Danny Garrett	Relating to economic development; to add Article 2D, commencing with Section 41-10-47.01, to Chapter 10 of Title 41, Code of Alabama 1975; to authorize the State Industrial Development Authority to make site assessment grants and site development grants to certain companies; to provide for the criteria that must be met for grant approval; to provide for changes to criteria based on economic conditions; to limit the funding that may be received by any site under the grant program; to create the Alabama Site Development Fund and provide for its management; to amend Section 41-10-27.2, Code of Alabama 1975, providing for an annual appropriation to the State Industrial Development Authority, to authorize the appropriation to be expended on the grant program created herein; and to exempt the State Industrial Development Authority and certain economic development organizations from certain state laws. (Fiscal Responsibility and Economic Development)	Senate • Apr 13, 2023: Referred to Committee (Fiscal Responsibility and Economic Development)	Engrossed
AL 2023rs HB 259	Margie Wilcox	Relating to tax abatements; to specify that the method of determining fair market value of real or personal property by a tax abatement recipient appealing an ad valorem tax assessment in circuit court shall be the same method used by the county granting the tax abatement; and to exclude consideration of obsolescence in determining fair market valuation of real or	House • Apr 12, 2023: Carry Over (State Government)	Introduced

Bill	Sponsors	Title	Last Action	Latest Version
		personal property for the duration of an abatement. (State Government)		
AL 2023rs HB 291	<u>Donna</u> <u>Givens</u>	Relating to use of industrial access roads and bridges; to amend Section 23-6-9, Code of Alabama 1975, to exclude certain industrial access roads constructed by certain public corporations from the public highway and street system of the state; and to make nonsubstantive, technical revisions to update the existing code language to current style. (Transportation, Utilities and Infrastructure) On the agenda • House Transportation, Utilities and Infrastructure standing meeting Apr 19, 2023 09:00am Room 429	House • Apr 11, 2023: Introduced and Referred (Transportation, Utilities and Infrastructure)	Introduced
AL 2023rs SB 152	Bobby D. Singleton	Relating to economic development; to amend Sections 41-10-802 and 41-10-822, Code of Alabama 1975, to provide for a name change for the Alabama Innovation Corporation and revise the residency requirements for certain grant recipients; to amend Section 41-10-805, Code of Alabama 1975, relating to the Board of Directors of the Alabama Innovation Corporation, to make conforming changes to accurately cite the Code of Alabama 1975; and to add a new Article 22, commencing with Section 41-10-840, to Chapter 10 of Title 41, Code of Alabama 1975, to reestablish the technology accelerator tax credit program and the underrepresented company tax credit program as the Innovating Alabama tax credit program; and to exempt working groups, task forces, and subcommittees of the Alabama Innovation Corporation from the Alabama Open Meetings Act. (Finance and Taxation Education)	Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)	Introduced
AL 2023rs SB 164	Greg J. Reed	Relating to the Alabama Jobs Act and the Growing Alabama Act; to amend Sections 40-18-370, 40-18-372, 40-18-374, 40-18-375, 40-18-376, 40-18-376.1, 40-18-376.2, 40-18-376.3, 40-18-376.4, 40-18-377, 40-18-378, 40-18-382, 40-18-383, 40-18-417.1, 40-18-417.2, 40-18-417.3, 40-18-417.4, 40-18-417.7, and 40-9B-4.1, Code of Alabama 1975, to extend the Alabama Jobs Act sunset date to July 31,	Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)	Introduced

Bill	Sponsors	Title	Last Action	Latest Version
		2028; to increase the annualized cap on outstanding Alabama Jobs Act incentives by twenty-five million dollars each year for five years up to four hundred seventy-five million dollars; to increase the investment tax credit transfer time to provide that the first five years of the investment credit may be transferred by the incentivized company and applied by another person or company under the Alabama Jobs Act; to extend the Growing Alabama Act sunset date to July 31, 2028, to increase the annual cap on funding approved pursuant to the Growing Alabama Act to thirty-five million dollars; to remove certain programs from the Growing Alabama Act for the transfer to Innovate Alabama. (Finance and Taxation Education)		

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