

Alabama Legislative Report

April 21, 2023

Alabama “Game Plan” Crosses the Goal Line

All four state economic development incentive bills, dubbed the “Game Plan”, have passed the Alabama Legislature and were quickly signed into law by Governor Ivey on Thursday. The Game Plan package includes the following bills:

HB24 renews the Alabama Jobs Act, extends the sunset date to 2028, and increases the Act’s incentive cap by \$25 million annually over the next five years. HB241 explicitly allows for renewable energy projects to qualify for the jobs and investment credit programs offered by the State. The bill also extends existing data center incentives and establishes a new tourism incentive.

HB247 establishes programs to incentivize innovation and small business development, particularly in rural areas. \$25 million a year will be available for the Innovating Alabama Tax Credit to meet increasing demand for tech accelerators and to assist small and underrepresented businesses throughout the state.

SB165, known as the SEEDS Act, allows the State Industrial Development Authority (“SIDA”) to facilitate the development of industry-ready sites. The bill expands SIDA’s role in the preparation of industrial sites and allows SIDA to issue grants to stimulate the creation of new sites.

Lastly, SB151 amends the Jobs Act to require the Department of Commerce to publish certain incentivized project information on its website. Specifically, Commerce will publish the name of the company, the estimated capital investment, the number of jobs being created, the estimated hourly wage, the estimated value of incentives, and the project’s location. Commerce will also publish the projected 10 and 20-year return on the incentives to the state as well as aggregate performance data on all incentivized projects.

State General Fund on the Move

The House began consideration of the General Fund budget this week. The House Ways and Means General Fund Committee adopted a substitute to the Governor’s

proposed budget on Wednesday. The substitute budget includes \$15 million more in spending than the original bill. Some notable differences between the Governor's recommended budget and the substitute are as follows:

- \$2 million more (\$5.5m total) for the Airport Development Grant Program
- \$1 million less (\$4m total) for the Electric Vehicle Infrastructure and Planning Grant Program
- \$1.7 million as a new line item for the Huntsville Hospital Health System to facilitate workforce development schools for in-demand health professionals
- \$4 million more spread across multiple programs to the Department of Mental Health

Other Bills of Interest

SB156 by Senator Chris Elliott, which establishes the **Occupational Licensing Boards Division** within the office of the Alabama Secretary of State, passed the Senate County and Municipal Government Committee last week. Some lawmakers have expressed frustration with the number of occupational licensing boards and their power to issue rules, fees, and fines in Alabama. Most boards are largely funded by fees they collect from licensees on authority given by the State. Senator Elliott's bill would consolidate the "back office" licensing administration under the Occupational Licensing Board Division for consistency and efficiency.

HB261 passed the House this week with a bipartisan vote of 83-5. The bill **prohibits the participation of biological males on female athletic teams and the participation of biological females on male athletic teams in collegiate level sports in the State**. Alabama already has a ban on transgender athletes in K-12 sports teams. The bill now goes to the Senate.

The Legislature will reconvene on Tuesday, April the 25th.

EDAA

Bill	Sponsors	Title	Last Action	Latest Version
<p>AL 2023rs HB 241</p>	<p>Danny Garrett</p>	<p>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</p>	<p>House • Apr 20, 2023: Enrolled</p>	<p>Enrolled</p>

Bill	Sponsors	Title	Last Action	Latest Version
		<p>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.</p>		
<p>AL 2023rs HB 247</p>	<p>Anthony Daniels</p>	<p>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</p>	<p>House • Apr 20, 2023: Enrolled</p>	<p>Enrolled</p>

Bill	Sponsors	Title	Last Action	Latest Version
		forces, and subcommittees of the Alabama Innovation Corporation from the Alabama Open Meetings Act.		
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 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	Senate • Apr 20, 2023: Enrolled	Enrolled

Bill	Sponsors	Title	Last Action	Latest Version
		Industrial Development Authority and certain economic development organizations from certain state laws.		
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.	Senate • Apr 20, 2023: Enrolled	Enrolled
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.	Senate • Apr 19, 2023: Read Second Time in Second House	Introduced
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	Senate • Apr 19, 2023: Read Second Time in Second House	Engrossed

Bill	Sponsors	Title	Last Action	Latest Version
		<p>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.</p>		
<p>AL 2023rs HB 291</p>	<p>Donna Givens</p>	<p>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</p>	<p>House • Apr 19, 2023: Read Second Time in House of Origin</p>	<p>Introduced</p>

Bill	Sponsors	Title	Last Action	Latest Version
		make nonsubstantive, technical revisions to update the existing code language to current style.		
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 personal property for the duration of an abatement. (State Government)	House • Apr 12, 2023: Carry Over (State Government)	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	Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)	Introduced

Bill	Sponsors	Title	Last Action	Latest Version
		<p>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)</p>		
<p>AL 2023rs SB 164</p>	<p>Greg J. Reed</p>	<p>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,</p>	<p>Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)</p>	<p>Introduced</p>

Bill	Sponsors	Title	Last Action	Latest Version
		<p>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)</p>		