

1 HB37
2 133417-1
3 By Representative Hubbard (J)
4 RFD: Agriculture and Forestry
5 First Read: 07-FEB-12
6 PFD: 12/01/2011

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8 SYNOPSIS: This bill would establish the Alabama
9 Purchase of Local Agricultural Products Incentive
10 Program administered by the Department of
11 Agriculture and Industries to promote the
12 consumption of Alabama agricultural products by
13 granting a four percent incentive rebate to
14 restaurants for purchases of Alabama Agricultural
15 products.

16 The act would also create the Alabama
17 Purchase of Local Agricultural Products Incentive
18 Program Fund in the State Treasury subject to
19 appropriation by the Legislature.
20

21 A BILL
22 TO BE ENTITLED
23 AN ACT
24

25 To establish an Alabama Purchase of Local
26 Agricultural Products Incentive Program Fund within the State
27 Treasury; to establish, subject to funding, a monetary

1 incentive program administered by the Department of
2 Agriculture and Industries to promote the purchase of Alabama
3 agricultural products; to provide a rebate to certain
4 restaurants purchasing Alabama agricultural products under
5 certain conditions; to provide rulemaking authority to the
6 department; and to provide for termination of the incentive
7 program.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. For the purposes of this act, the
10 following terms shall have the following meanings:

11 (1) ALABAMA COASTAL WATERS. Those waters, adjacent
12 to the Alabama shoreline, which contain a measurable quantity
13 or percentage of sea water, including, but not limited to,
14 sounds, bays, lagoons, bayous, ponds, and estuaries.

15 (2) ALABAMA COASTAL AREA. The coastal waters,
16 including the lands therein and thereunder, and the adjacent
17 shorelands, including the waters therein and thereunder,
18 strongly influenced by each and in proximity to the shoreline
19 of Alabama and including transitional and intertidal areas,
20 salt marshes, wetlands, and beaches. The area extends seaward
21 to the outer limit of the United States territorial sea and
22 extends inland from the shoreline only to the extent necessary
23 to control shorelands, the uses of which have a direct and
24 significant impact on the coastal waters.

25 (3) ALABAMA AGRICULTURAL PRODUCTS. The following
26 products produced in Alabama:

1 a. Agronomic, aquacultural, floricultural,
2 horticultural, silvicultural, and viticultural products,
3 including, but not limited to, the following:

4 1. Plants, fruits, and crops.

5 2. Livestock and dairy products.

6 3. Crawfish, catfish, other fish, shrimp, oysters,
7 crabs, and any other seafood and freshwater food.

8 b. All meat and meat products including beef, veal,
9 pork, mutton, poultry, and their byproducts.

10 (4) DEPARTMENT. Department of Agriculture and
11 Industries.

12 (5) PRODUCED IN ALABAMA. Planted, cultivated, grown,
13 caught, or harvested in Alabama, including in Alabama coastal
14 waters, the Alabama coastal area, and in the territorial
15 waters of the state. With regard to seafood, the term shall
16 include anything caught or harvested in waters seaward of the
17 territorial waters of the state by the holder of an Alabama
18 commercial fisherman's license who transports and sells his or
19 her catch to a licensed Alabama wholesale or retail seafood
20 dealer located within this state.

21 (6) RESTAURANT. A reputable place licensed as a
22 restaurant that meets both of the following criteria:

23 a. Is principally used for the purpose of preparing
24 and serving meals for the public to consume on the premises.

25 b. Is not primarily devoted to serving alcoholic
26 beverages for consumption by patrons on the premises and in

1 which the serving of food is only incidental to the
2 consumption of beverages.

3 Section 2. There is hereby created the Alabama
4 Purchase of Local Agricultural Products Incentive Program
5 within the Department of Agriculture and Industries to grant
6 incentive payments to restaurants in this state for purchases
7 of Alabama agricultural products.

8 Section 3. (a) There is hereby established a fund in
9 the State Treasury to be known and designated as the Alabama
10 Purchase of Local Agricultural Products Incentive Program
11 Fund. Any public or private grants, gifts, and donations
12 received by the state or the department for the purposes of
13 this act shall be credited to the fund.

14 (b) Subject to an appropriation by the Legislature,
15 the fund shall be used solely to grant incentive payments
16 under the Alabama Purchase of Local Agricultural Products
17 Incentive Program as provided in this act to eligible
18 restaurants for purchases of Alabama agricultural products and
19 to pay all ordinary and necessary operating and administrative
20 costs and expenses associated with implementation of this act
21 not to exceed five percent of the monies appropriated from the
22 fund.

23 (c) The monies in the fund may be invested by the
24 State Treasurer and all monies and interest remaining
25 unexpended in the fund at the end of the fiscal year shall
26 remain in the State Treasury to be expended as provided by
27 this act.

1 Section 4. (a) The amount of the incentive payment
2 pursuant to this act shall not exceed four percent of the
3 total costs of the Alabama agricultural products purchased by
4 an eligible restaurant during a fiscal year.

5 (b) An application for an incentive payment pursuant
6 to this act shall be provided by the department and shall be
7 submitted by an interested restaurant establishment to the
8 department within the application period set forth by the
9 department based upon the restaurant's purchases of Alabama
10 agricultural products within that fiscal year.

11 (c) The department shall promulgate rules as are
12 necessary to implement the provisions of this act including,
13 but not limited to, rules regarding the period within which an
14 application for the incentive shall be submitted in order to
15 be eligible to receive an incentive payment and the
16 documentation required to be maintained and provided by a
17 restaurant applying for the incentive payment. The rules may
18 require a producer of Alabama agricultural products to obtain
19 a permit issued by the department evidencing that the Alabama
20 agricultural products produced are eligible for incentive
21 payments pursuant to this act.

22 (d) A restaurant applying for the incentive payment
23 shall be required to provide and maintain sufficient
24 documentation exhibiting the amount of purchases of Alabama
25 agricultural products and eligibility to claim the incentive
26 payment as determined by the department in rules adopted
27 pursuant to subsection (c).

1 (e) Payment of any incentives pursuant to this act
2 shall be contingent on funds being available in the Alabama
3 Purchase of Local Agricultural Products Incentive Program Fund
4 to pay the incentive payment. If there is insufficient money
5 in the Alabama Purchase of Local Agricultural Products
6 Incentive Program Fund to fully satisfy all timely filed
7 applications for incentive payments, incentive payments shall
8 be distributed to the applicants on a prorated basis based
9 upon the proportion of Alabama agricultural products purchased
10 by the applicant to the total amount of purchases by all
11 applicants.

12 Section 5. The program and fund created by this act
13 shall terminate on September 30, 2015. No rebate payments
14 authorized under this act shall be granted after September 30,
15 2015. Any unexpended and unencumbered monies in the fund at
16 the end of the program shall revert to the General Fund of the
17 state.

18 Section 6. This act shall become effective on the
19 first day of the third month following its passage and
20 approval by the Governor, or its otherwise becoming law.