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3 HOUSE STATE GOVERNMENT COMMITTEE SUBSTITUTE FOR HB362
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8 SYNOPSIS: Under existing law, property that has been
9 acquired by the Forever Wild Land Trust is not
10 subject to ad valorem taxation.

11 This bill proposes a constitutional
12 amendment that would require the Forever Wild Land
13 Trust to pay counties annually an amount in lieu of
14 the ad valorem tax that would be paid on property
15 in the county acquired by the Forever Wild Land
16 Trust, which monies shall be paid to the county tax
17 official in each county where the property has been
18 acquired and distributed as other ad valorem tax
19 proceeds unless the county opts out. The amount of
20 reimbursement would be the amount as if the
21 property was taxed at current use value of the
22 property for forest purposes. The bill would also
23 provide that if funding for the Forever Wild Land
24 Trust is not continued after September 30, 2032,
25 the Forever Wild Land Stewardship Account would
26 receive up to \$1,000,000 from the Alabama Trust
27 Fund annually.

1
2 A BILL
3 TO BE ENTITLED
4 AN ACT
5

6 Proposing an amendment to the Constitution of
7 Alabama of 1901, to require the Forever Wild Land Trust to
8 annually pay counties an amount equal to the ad valorem tax
9 revenue on property in the county acquired by the Forever Wild
10 Land Trust based on current use of the property as forest
11 property; to provide that reimbursed monies shall be paid to
12 the county tax official in each county where the property has
13 been acquired and distributed as other ad valorem tax proceeds
14 unless the county opts out; and to provide additional funds to
15 the Alabama Forever Wild Land Stewardship Fund if funding for
16 the Forever Wild Land Trust is not continued.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. The following amendment to the
19 Constitution of Alabama of 1901, as amended, is proposed and
20 shall become valid as a part thereof when approved by a
21 majority of the qualified electors voting thereon and in
22 accordance with Sections 284, 285, and 287 of the Constitution
23 of Alabama of 1901, as amended:

24 PROPOSED AMENDMENT

25 (a) This amendment applies to each county of the
26 state unless the county commission elects not to participate.
27 A county may elect not to participate through a vote by the

1 county commission on or before August 1 preceding the tax year
2 for which reimbursement would be due under subsection (b). The
3 county commission shall provide notice of the election to the
4 Board of Trustees of the Forever Wild Land Trust on or before
5 October 1 of the year in which the election is made.

6 (b) Beginning with the ad valorem tax year
7 commencing after ratification of this amendment and continuing
8 each year thereafter, in each year following a fiscal year in
9 which the Forever Wild Land Trust received at least ten
10 million dollars (\$10,000,000) pursuant to Amendment 860, the
11 Forever Wild Land Trust shall reimburse a county for ad
12 valorem tax revenue for property in the county previously
13 acquired by the Forever Wild Land Trust. Payment shall be made
14 from monies received pursuant to Amendment 860 of the
15 Constitution of Alabama of 1901 or otherwise. The amount due
16 to be paid each year shall be determined by the county tax
17 official in each county where the property has been acquired
18 by the Forever Wild Land Trust and shall be in an amount equal
19 to the amount of ad valorem tax revenue lost in the affected
20 county for the current ad valorem tax year only on property in
21 the county that has been acquired by the Forever Wild Land
22 Trust. This provision applies to property acquired by the
23 Alabama Forever Wild Land Trust prior to or after ratification
24 of this amendment but shall not require payment of any taxes
25 lost before the ad valorem tax year commencing after
26 ratification of this amendment.

1 (c) The amount to be reimbursed each year shall be
2 the amount of ad valorem tax that would have been assessed for
3 the current use value of the property as forest property if
4 the property had not been acquired by the Forever Wild Land
5 Trust. The county tax official in a county where property has
6 been acquired by the Forever Wild Land Trust shall determine
7 and report in writing the amount of ad valorem taxes that
8 would have been assessed on the property on October 1 of the
9 reporting year if the property had not been acquired by the
10 Forever Wild Land Trust. The county tax official shall submit
11 the written report to the Board of Trustees of the Forever
12 Wild Land Trust on or before October 1 of each year setting
13 out the amount to be reimbursed to the county by the board.

14 (d) The monies paid from the Forever Wild Land Trust
15 for lost ad valorem tax as a result of the acquisition of
16 property previously subject to ad valorem tax shall be a first
17 priority payment made by the Forever Wild Land Trust each
18 applicable year. The payments shall be distributed to the
19 county tax official in each county where payment is due on or
20 before December 31 of that year. The county tax official shall
21 distribute monies paid as lost ad valorem tax pursuant to this
22 amendment in the same manner as other ad valorem tax proceeds
23 are distributed pursuant to this constitution or the general
24 laws of the state.

25 (e) If a constitutional amendment is not ratified to
26 continue funding of Forever Wild past September 30, 2032:

1 (1) The Forever Wild Land Stewardship Account shall
2 receive annually one percent of the total of 33 percent of the
3 oil and gas capital payments paid into the Alabama Trust Fund
4 for the fiscal year ending one year prior to the beginning of
5 the fiscal year for which the distribution is being made and
6 five percent of the average market value of invested assets of
7 the Alabama Trust Fund at the end of three fiscal years ending
8 one, two, and three years prior to the beginning for which the
9 distribution is being made, not to exceed one million dollars
10 (\$1,000,000).

11 (2) The payments under subsections (b), (c), and (d)
12 shall be made from the Forever Wild Land Stewardship Account.

13 (f) Notwithstanding Amendment 543 to the
14 Constitution of Alabama of 1901, the proceeds from the sale of
15 any timber on property acquired by the Forever Wild Land Trust
16 shall be deposited into the Forever Wild Land Stewardship
17 Account, unless the prior owner has retained timber rights.

18 (g) The Legislature shall have the right and power
19 to enact laws supplemental hereto and in furtherance of the
20 purposes and objectives hereof, provided that such laws are
21 not inconsistent with the provisions of this amendment,
22 Amendment 543, or Amendment 860 of the Constitution of Alabama
23 of 1901.

24 Section 2. An election upon the proposed amendment
25 shall be held in accordance with Sections 284 and 285 of the
26 Constitution of Alabama of 1901, now appearing as Sections 284
27 and 285 of the Official Recompilation of the Constitution of

1 Alabama of 1901, as amended, and the election laws of this
2 state.

3 Section 3. The appropriate election official shall
4 assign a ballot number for the proposed constitutional
5 amendment on the election ballot and shall set forth the
6 following description of the substance or subject matter of
7 the proposed constitutional amendment:

8 "Proposing an amendment to the Constitution of
9 Alabama of 1901, to require the Forever Wild Land Trust to
10 annually reimburse the amount of ad valorem tax revenue lost
11 as a result of property previously subject to ad valorem tax
12 being acquired by the Forever Wild Land Trust, which monies
13 shall be paid to the county tax official in each county
14 wherein property has been acquired and distributed as other ad
15 valorem tax proceeds unless the county opts out, and to
16 provide additional funds to the Alabama Forever Wild
17 Stewardship Fund if funding for Forever Wild is not continued
18 beyond fiscal year 2032.

19 "Proposed by Act _____."

20 This description shall be followed by the following
21 language:

22 "Yes () No ()."