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3 WILLIAMS SUBSTITUTE FOR HB317, AS ENGROSSED
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8 SYNOPSIS: This bill would revise notification and
9 confidentiality provisions governing certain
10 economic incentives provided for by law and would
11 clarify what incentives are subject to the
12 notification requirements.

13 This bill would also provide that certain
14 activity relating to the award of certain economic
15 incentives would not constitute lobbying.

16 This bill would also codify Act 91-635, 1991
17 Regular Session, as amended by Act 97-645, 1997
18 Regular Session, with certain revisions,
19 authorizing the State Industrial Development
20 Authority to sell and issue bonds for the financing
21 of industrial development and site preparations and
22 for other industrial development purposes.

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

1 Relating to economic development; to amend Section
2 41-29-3, Code of Alabama 1975, to revise notification and
3 confidentiality provisions governing certain economic
4 incentives; to provide that certain activity relating to the
5 award of certain economic incentives would not constitute
6 lobbying; to clarify what incentives are subject to the
7 notification requirements; to add Article 5 to Chapter 29 of
8 Title 41, Code of Alabama 1975, to codify Act 91-635, 1991
9 Regular Session, as amended by Act 97-645, 1997 Regular
10 Session, with certain revisions, authorizing the State
11 Industrial Development Authority to sell and issue bonds for
12 the financing of industrial development and site preparations
13 and for other industrial development purposes.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. This act shall be known and may be cited
16 as the The Alabama Jobs Enhancement Act.

17 Section 2. Section 41-29-3, Code of Alabama 1975, is
18 amended to read as follows:

19 "§41-29-3.

20 "(a) (1) The Secretary of Commerce shall be notified,
21 ~~either orally or~~ in writing, about the general parameters of a
22 project if an entity is considering locating or expanding a
23 facility at a site within this state and intends to claim any
24 of the incentives provided by the State of Alabama that are
25 described in subdivision (2) (the "required notification").
26 The required notification should be made as soon as the
27 project's parameters are generally known or when a site or

1 sites have been identified by ~~an investing~~ a project entity or
2 ~~entities~~ or a visit is made to the State of Alabama by the
3 project entity or its representative. The initial required
4 notification may be made on an anonymous basis (i.e., "Project
5 Alpha") in order to protect the confidentiality of a proposed
6 project. Upon timely notifying the secretary within the time
7 frame specified in this subdivision, the secretary shall
8 transmit a letter to the ~~company~~ project entity or its
9 representative acknowledging receipt of the required
10 notification (the "notification acknowledgment letter").

11 "(2) The required notification set forth in
12 subdivision (1) applies to ~~(i) capital investment credits~~
13 ~~pursuant to Act 95-187, as amended; (ii) site preparation~~
14 ~~grants pursuant to Act 91-635, as amended; (iii) funding for~~
15 ~~access roads and bridges through the Alabama Industrial Access~~
16 ~~Road and Bridge Corporation pursuant to Act 85-549, as~~
17 ~~amended; (iv) training or other assistance from the Alabama~~
18 ~~Industrial Development Training Program where the annual~~
19 ~~expenditures of cash is estimated to be in excess of one~~
20 ~~million dollars (\$1,000,000); and any of the following:~~

21 "a. The jobs credit provided for by Section
22 40-18-375.

23 "b. The investment credit provided for by Section
24 40-18-376.

25 "c. Any action by a local government body pursuant
26 to Amendment 772 of the Constitution of Alabama of 1901, or
27 local amendment of similar effect.

1 "d. Any abatement of taxes pursuant to Chapters 9B
2 or 9G of Title 40.

3 "e. The port credit provided for by Section
4 40-18-403.

5 "f. The growing Alabama credit provided for by
6 Section 40-18-413.

7 "g. Site preparation grants pursuant to Article 5 of
8 Chapter 29 of Title 41.

9 "h. Funding for access roads and bridges through the
10 Alabama Industrial Access Road and Bridge Corporation pursuant
11 to Chapter 6 of Title 23.

12 "i. Training or other assistance from the Alabama
13 Industrial Development Training Program.

14 "j. Any grant of federal funds administered or
15 otherwise involving any state or local government, agency,
16 department, body, or other entity, related to the location or
17 expansion of a facility at a site within this state.

18 ~~"(v) any~~ k. Any direct or indirect cash payment for
19 a project from the State of Alabama related to the location or
20 expansion of a facility within this state, whether in the form
21 of an in-kind contribution of a site, building, or equipment,
22 or otherwise.

23 "(3) Unless the secretary should specially determine
24 to the contrary, the notification set forth in subdivision (1)
25 shall be available for public inspection two years after a
26 project entity publicly commits to a site for development,

1 whether the publicly-committed site is in this state or
2 elsewhere.

3 "(b) ~~All~~ Except as provided in Chapter 25A of Title
4 36 and any constitutional or statutory disclosure requirements
5 for obtaining the economic develop incentives listed in
6 subdivision (2) of subsection (a), all information concerning
7 a proposed project seeking an economic development incentive
8 which is provided to the secretary and the Department of
9 Commerce any state or local government, agency, department, or
10 other entity seeking an economic development incentive shall
11 be confidential. Any state or local government, agency,
12 department, or other entity, or the secretary on their behalf
13 The secretary is authorized to enter into a confidentiality
14 agreement with a prospective project entity which prohibits
15 the disclosure of the identity of the prospective entity and
16 any information obtained, whether orally or in writing, about
17 the entity's proposed project. Unless the secretary should
18 specially determine to the contrary, such confidentiality
19 agreements shall terminate two years after a project entity
20 publicly commits to a site for development in this state.

21 Provided, however, such confidentiality agreements
22 shall not supersede or conflict with statutory provisions
23 requiring either of the following:

24 "(1) Notice to the entities for which a governmental
25 body or board intends to abate taxes.

26 "(2) Public disclosure of information for
27 applications for governmental approvals such as permits.

1 "(c) The secretary may adopt rules to implement this
2 section.

3 "~~(c) All written statements of intent to claim the~~
4 ~~capital credit which may be filed with the Department of~~
5 ~~Revenue at anytime prior to the date on which a qualifying~~
6 ~~project is placed in service pursuant to Section 40-18-191,~~
7 ~~shall include the notification acknowledgment letter from the~~
8 ~~secretary.~~

9 "~~(d) All applications to the State Industrial~~
10 ~~Development Authority for site preparation grants pursuant to~~
11 ~~Act 91-635, 1991 Regular Session, as last amended by Act~~
12 ~~97-645, 1997 Regular Session, shall include the notification~~
13 ~~acknowledgment letter from the secretary.~~

14 "~~(e) All applications to the Industrial Access Road~~
15 ~~and Bridge Corporation for funding for access roads and~~
16 ~~bridges shall include the notification acknowledgment letter~~
17 ~~from the secretary.~~

18 "~~(f) All companies seeking training or other~~
19 ~~assistance from the Alabama Industrial Development Training~~
20 ~~Program shall file an application with the Secretary of~~
21 ~~Commerce if the annual expenditure of cash is estimated to be~~
22 ~~in excess of one million dollars (\$1,000,000). The application~~
23 ~~shall include the notification acknowledgment letter from the~~
24 ~~secretary. The secretary shall be responsible for reviewing,~~
25 ~~coordinating, and processing each application. The secretary~~
26 ~~shall have 30 days to process each application.~~

1 ~~"(g) An application must be filed with the secretary~~
2 ~~before any direct or indirect cash payments are expended for a~~
3 ~~project from the State of Alabama, whether the payment is in~~
4 ~~the form of an in-kind contribution of a site, building,~~
5 ~~equipment, or otherwise. The application shall include the~~
6 ~~notification acknowledgment letter from the secretary. The~~
7 ~~secretary shall be responsible for reviewing, coordinating,~~
8 ~~processing, and approving each application for direct or~~
9 ~~indirect cash payments and shall have 30 days to approve or~~
10 ~~deny each application."~~

11 Section 3. (a) Notwithstanding any provision of law,
12 including, but not limited to, Chapter 25 of Title 36, a
13 person acting as an economic development professional is not a
14 lobbyist, unless and until he or she seeks incentives through
15 legislative action, or is seeking funds over which a
16 legislator or legislative delegation has discretionary
17 control, that are above and beyond, or in addition to, the
18 then current statutory or constitutional authorization.

19 (b) For purposes of this section, an economic
20 development professional is a person employed to advance
21 specific, good faith economic development or trade promotion
22 projects or related objectives for his or her employer, a
23 professional services entity, or a chamber of commerce or
24 similar nonprofit economic development organization in the
25 State of Alabama.

26 (c) For the purposes of this section, the term
27 economic development professional does not include public

1 officials, public employees, legislators, nor any former
2 legislator within two years of the end of the term for which
3 he or she was elected.

4 (d) This section shall not apply to any person that
5 is otherwise required to register as a lobbyist.

6 (e) This section shall be repealed on December 1,
7 2019.

8 Section 4. A new Article 5 is added to Chapter 29 of
9 Title 41, Code of Alabama 1975, to read as follows:

10 Article 5.

11 Section 41-29-501.

12 (a) For the purposes of this article, the following
13 words and phrases shall have the following meanings:

14 (1) AUTHORITY. The public corporation organized
15 pursuant to the provisions of Sections 41-10-20 through
16 41-10-32, Code of Alabama 1975.

17 (2) AUTHORIZED PURPOSE. Any one or more of the
18 purposes for which grants are herein authorized to be made as
19 specified in Section 41-29-503(a).

20 (3) BOARD OF DIRECTORS. The board of directors of
21 the authority.

22 (4) BOND. The bonds issued under the provisions of
23 this article.

24 (5) CAPITAL COSTS. All costs and expenses incurred
25 by one or more investing companies in connection with the
26 acquisition, construction, installation and equipping of a
27 qualifying project during the period commencing with the date

1 on which such acquisition, construction, installation and
2 equipping commences and ending on the date on which the
3 qualifying project is placed in service, including, without
4 limitation of all of the following:

5 a. The costs of acquiring, constructing, installing,
6 equipping and financing a qualifying project, including all
7 obligations incurred for labor and to contractors,
8 subcontractors, builders, and materialmen.

9 b. The costs of acquiring land or rights in land and
10 any cost incidental thereto, including recording fees.

11 c. The costs of contract bonds and of insurance of
12 all kinds that may be required or necessary during the
13 acquisition, construction or installation of a qualifying
14 project.

15 d. The costs of architectural and engineering
16 services, including test borings, surveys, estimates, plans
17 and specifications, preliminary investigations, environmental
18 mitigation and supervision of construction, as well as for the
19 performance of all the duties required by or consequent upon
20 the acquisition, construction and installation of a qualifying
21 project.

22 e. The costs associated with installation of
23 fixtures and equipment; surveys, including archaeological and
24 environmental surveys; site tests and inspections; subsurface
25 site work; excavation; removal of structures, roadways,
26 cemeteries, and other surface obstructions; filling, grading,
27 paving and provisions for drainage, storm water retention,

1 installation of utilities, including water, sewer, sewage
2 treatment, gas, electricity, communications, and similar
3 facilities; off-site construction of utility extensions to the
4 boundaries of the property.

5 f. All other costs of a nature comparable to those
6 described, including, without limitation, all project costs
7 which are required to be capitalized for federal income tax
8 purposes pursuant to 26 U.S.C. § 263A.

9 g. Costs otherwise defined as capital costs that are
10 incurred by the investing company where the investing company
11 is the lessee under a lease that: (i) has a term of not less
12 than five years, and (ii) is characterized as a capital lease
13 for federal income tax purposes. Capital costs shall not
14 include property owned or leased by the investing company or a
15 related party before the commencement of the acquisition,
16 construction, installation or equipping of the qualifying
17 project unless such property was physically located outside
18 the state for a period of at least one year prior to the date
19 on which the qualifying project was placed in service.

20 h. Costs either paid or incurred by (i) a public
21 industrial development board or authority (including, without
22 limitation, the State Industrial Development Authority), city,
23 county, or other public corporation or political subdivision
24 (a "public entity") for the benefit of a qualifying project
25 where such costs are treated as costs paid by an investing
26 company with respect to the qualifying project for federal
27 income tax purposes (such costs shall not include amounts

1 contributed by a public entity to a qualifying project as a
2 capital contribution, grant, or gift except to the extent that
3 an investing company has cost basis in the contribution,
4 grant, or gift for federal income tax purposes); or (ii) a
5 related party to an investing company to the extent such costs
6 are included in or taken into account in determining the
7 investing company's federal income tax basis in the qualifying
8 project, whether or not incurred by an investing company.

9 (6) GRANTEE. A county, municipality, local
10 industrial development board or authority or economic
11 development council or authority, airport authority, port
12 authority or public corporation or political subdivision,
13 department, or agency of this state authorized to own or
14 possess by lease a project site, to which a grant of money is
15 made as provided in Section 41-29-503 hereof.

16 (7) HEADQUARTERS FACILITY. A facility described by
17 Section 40-18-372(1)d. or f.

18 (8) INDUSTRIAL, WAREHOUSING, OR RESEARCH ACTIVITY.
19 Any trade or business predominantly conducting an activity
20 described in Section 40-18-372(1).

21 (9) INVESTING COMPANY. Any corporation, partnership,
22 limited liability company, proprietorship, trust or other
23 business' entity, regardless of form, making a qualified
24 investment.

25 (10) PERSON. Unless limited to a natural person by
26 the context in which it is used, includes a private firm, a
27 private association, a public or private corporation or

1 partnership (whether limited liability company, limited
2 liability partnership or other form of business organization),
3 a municipality, a county, or an agency, department or
4 instrumentality of the state or of a county or municipality.

5 (11) PREPARATION OF PROJECT SITES. The preparation
6 of project sites including, without limitation, (i)
7 preparation of a means of access to the site, (ii) provision
8 for adequate drainage of the site to prevent the accumulation
9 of excess natural waters thereon, (iii) boundary and
10 topographical surveying, clearing and grubbing, and
11 excavating, (iv) the reasonable rehabilitation of buildings
12 and other structures, and (v) other work relative to site
13 preparation deemed necessary or appropriate.

14 (12) PROJECT. Any land, building or other
15 improvement, whether or not previously in existence, located
16 or to be located in the state.

17 (13) PROJECT SITES. Land and structures located
18 thereon owned by a grantee or potential grantee on which a
19 qualifying project has been or will be located and which is
20 held for sale or lease to a person for use as a qualifying
21 project.

22 (14) QUALIFYING INVESTMENTS. The undertaking by one
23 or more investing companies of a qualifying project.

24 (15) QUALIFYING PROJECT. A project to be sponsored
25 or undertaken by one or more investing companies (i) at which
26 the predominant trade or business activity conducted will

1 constitute industrial, warehousing or research activity, or
2 (ii) which qualifies as a headquarters facility.

3 (16) STATE. The State of Alabama.

4 (b) The definitions set forth above shall be deemed
5 applicable whether the words defined are used in the singular
6 or plural. Whenever used herein, any pronoun or pronouns shall
7 be deemed to include both singular and plural and to cover all
8 genders.

9 Section 41-29-502.

10 (a) In addition to all powers heretofore conferred
11 on it by acts heretofore enacted by the Legislature of
12 Alabama, and in addition to all other powers conferred on it
13 in this article, the authority is hereby authorized to sell
14 and issue its bonds, not exceeding one hundred million dollars
15 (\$100,000,000) in aggregate principal amount, for the purposes
16 of making the grants of money authorized in Section 41-29-503
17 hereof and to anticipate by the issuance of its bonds the
18 receipt of the revenues herein appropriated and pledged;
19 provided the authority shall not issue more than ten million
20 dollars (\$10,000,000) in aggregate principal amount of such
21 bonds in any two-year period; and provided there shall not be
22 more than forty million dollars (\$40,000,000) in aggregate
23 principal amount of such bonds, in addition to bonds
24 heretofore issued by the authority, outstanding at any one
25 time, but excluding for this purpose refunding bonds, which
26 shall not be considered in determining such limit. The bonds
27 authorized hereby may be sold in one or more series.

1 (b) It is further provided that the authority shall
2 be exempt from the laws of the state governing usury or
3 prescribing or limiting interest rates, including, without
4 limitation, the provisions of Chapter 8 of Title 8 of the Code
5 of Alabama 1975.

6 Section 41-29-503.

7 (a) The authority is hereby authorized to make
8 grants of money derived from the sale of its bonds, to
9 grantees for use by the grantees for any one or more of the
10 following purposes:

11 (1) The making of surveys to determine the location
12 of suitable project sites in the locality of the grantee;

13 (2) The making of surveys to determine the
14 availability of labor in the locality of the grantee and to
15 classify such labor in terms of skills and educational level;

16 (3) The preparation of project sites; or

17 (4) Any combination of any of the foregoing which
18 the grantees consider appropriate and necessary for the
19 promotion of industrial development in their respective
20 localities.

21 (b) Provided, however, that 20 percent of the grant
22 funds shall be expended specifically in rural areas of the
23 state and/or areas with high unemployment and low personal
24 income levels. The Director of the State Industrial
25 Development Authority shall report annually to the Chairs of
26 the House Government Finance and Appropriations Committee and
27 the Senate Finance and Taxation-General Fund Committee and the

1 Legislative Fiscal Officer the status of all grants allotted
2 and specifically those grants allotted in rural areas of the
3 state and/or areas with high unemployment and low personal
4 income levels.

5 (c) Every grant of money made by the authority, any
6 part of which is made from the proceeds of the authority's
7 bonds, shall be made subject to the terms and conditions set
8 forth herein, which are here by declared to be legally
9 enforceable, and may be enforced by the authority, in any
10 court of competent jurisdiction.

11 (d) Each application to the authority shall set
12 forth the following:

13 (1) A description of the qualifying project;

14 (2) The estimated capital costs of the qualifying
15 project; and

16 (3) Such other information, certification, and
17 agreements as may be required by the authority to be contained
18 in any application.

19 (e) Subject to receipt of an application and other
20 required documentation and agreements in form and substance
21 satisfactory to the authority, the grantee, subject to
22 availability of funds, shall receive grants as follows:

23 (1) For qualifying projects having capital costs of
24 less than \$200,000, an amount equal to 5 percent of the
25 capital costs of the qualifying project;

26 (2) For qualifying projects having capital costs of
27 not less than \$200,000, but less than \$500,000, an amount

1 equal to 3.5 percent of the capital costs of the qualifying
2 project, with a minimum grant of \$10,000;

3 (3) For qualifying projects having capital costs of
4 not less than \$500,000, but less than \$1,000,000, an amount
5 equal to 2.5 percent of the capital costs of the qualifying
6 project, with a minimum grant of \$20,000;

7 (4) For qualifying projects having capital costs of
8 not less than \$1,000,000, but less than \$2,000,000, an amount
9 equal to 1.5 per cent of the capital costs of the qualifying
10 project, with a minimum grant of \$28,000;

11 (5) For qualifying projects having capital costs of
12 not less than \$2,000,000, but less than \$10,000,000, an amount
13 equal to 1 percent of the capital costs of the qualifying
14 project, with a minimum grant of \$32,000; and

15 (6) For qualifying projects having capital costs of
16 not less than \$10,000,000, an amount equal to .75 percent of
17 the capital costs of the qualifying project, with a minimum
18 grant of \$100,000 and a maximum grant of \$150,000.

19 (f) The authority shall have the power to audit the
20 disbursements by the grantees from such grant or grants.

21 (g) The authority may specify any appropriate terms
22 and conditions to facilitate the enforcement of the foregoing
23 provisions of this section.

24 (h) The Director of the State Industrial
25 Development Authority shall report annually to each member of
26 the Legislature on the number and amount and location of
27 grants distributed by the authority. The report for the

1 previous fiscal year shall be reported by the second
2 legislative day of each regular session.

3 (i) All grants made by the State Industrial
4 Development Authority prior to the effective date of this act
5 are hereby ratified, confirmed, and approved.

6 Section 41-29-504.

7 The bonds of the authority shall be signed by its
8 president and attested by its secretary, and the seal of the
9 authority shall be affixed thereto or a facsimile of such seal
10 shall be printed or otherwise reproduced thereon; provided,
11 that (a) a facsimile of the signature of one, but not both, of
12 said officers may be printed or otherwise reproduced on any
13 such bonds in lieu of being manually subscribed thereon, and
14 (b) a facsimile of the signatures of both of the said officers
15 may be printed or otherwise reproduced on such bonds in lieu
16 of being manually affixed thereof if the authority, in its
17 proceedings with respect to issuance of the bonds, provides
18 for manual authentication of such bonds and the secretary
19 designates a trustee or paying agent or named individuals who
20 are employees of the state and who are assigned to the finance
21 department or the state treasurer's office of the state to
22 authenticate the bonds. Any bonds of the authority may be
23 executed and delivered by it any time and from time to time
24 and shall be in such form or forms and such denomination or
25 denominations and of such tenor and maturity or maturities,
26 shall bear such rate or rates of interest, which may be
27 variable rates, shall be payable at such times and evidenced

1 in such manner, and may contain such other provisions not
2 inconsistent herewith, all as may be provided by the
3 resolution of the board of directors of the authority under
4 which such bonds are authorized to be issued; provided, that
5 no bond of the authority shall have a specified maturity date
6 later than twenty years after its date. Any bond of the
7 authority may be made subject to redemption at the option of
8 the authority at such times and after such notice and on such
9 conditions and at such redemption price or prices as may be
10 provided in the resolution under which it is authorized to be
11 issued; provided, that those bonds of the authority having
12 specified maturity dates more than ten years after their date
13 shall be made subject to redemption at the option of the
14 authority not later than the end of the tenth year after their
15 date, and on any interest payment date thereafter, under such
16 terms and conditions and at such redemption price or prices as
17 may be provided in the resolution under which such bonds are
18 authorized to be issued. Bonds of the authority may be sold at
19 such price or prices and at such time or times as the board of
20 directors of the authority may consider advantageous, either
21 at public or private sale and by negotiation or by competitive
22 bid. Bonds of the authority sold by competitive bid must be
23 sold, whether on sealed bids or at public auction, to the
24 bidder whose bid reflects the lowest true interest cost to the
25 authority for the bonds being sold, computed from their date
26 to their respective maturities; provided, that if no bid
27 acceptable to the authority is received, it may reject all

1 bids. The authority may fix the terms and conditions under
2 which each sale of bonds may be held; provided, that such
3 terms and conditions shall not conflict with any of the
4 requirements of this article. Subject to the provisions and
5 limitations contained in this article, the authority may from
6 time to time sell and issue refunding bonds for the purpose of
7 refunding any matured or unmatured bonds of the authority then
8 outstanding. Such refunding bonds shall be subrogated and
9 entitled to all priorities, rights and pledges to which the
10 bonds refunded thereby were entitled. The authority may pay
11 out of the proceeds of the sale of its bonds attorneys' fees
12 and the expenses of issuance which the board of directors may
13 deem necessary and advantageous in connection with the
14 issuance of such bonds. Bonds issued by the authority shall
15 not be general obligations of the authority but shall be
16 payable solely out of the funds appropriated and pledged
17 thereof in Section 41-29-506 hereof. As security for the
18 payment of the principal of and interest on the bonds issued
19 by it, the authority is hereby authorized and empowered to
20 pledge for payment of such principal and interest the funds
21 that are appropriated and pledged in Section 41-29-506 hereof
22 for payment of such principal and interest. All such pledges
23 made by the authority shall take precedence in the order of
24 the adoption of the resolutions containing such pledges;
25 provided, that each pledge for the benefit of refunding bonds
26 shall have the same priority as the pledge for the benefit of
27 the bonds refunded thereby. All contracts made and all bonds

1 issued by the authority pursuant to the provisions of this
2 article shall be solely and exclusively obligations of the
3 authority and shall not constitute or, create an obligation or
4 debt of the State of Alabama. All bonds issued by the
5 authority and the income therefrom shall be exempt from all
6 taxation in the state. Any bonds issued by the authority may
7 be used by the holder thereof as security for any funds
8 belonging to the state, or to any political subdivision,
9 instrumentality of agency of the state, in any instance where
10 security for such deposits may be required by law. Unless
11 otherwise directed by the court having jurisdiction thereof,
12 or the document that is the source of authority, a trustee,
13 executor, administrator, guardian, or one acting in any other
14 fiduciary capacity may, in addition to any other investment
15 powers conferred by law and with the exercise of reasonable
16 business prudence, invest trust funds in bonds of the
17 authority. Neither a public hearing nor consent of the
18 department of finance of the state or any other department or
19 agency shall be a prerequisite to the issuance of the bonds by
20 the authority. The bonds issued under the provisions of this
21 article shall be legal investments for funds of the Teachers'
22 Retirement System of Alabama, the Employees' Retirement System
23 of Alabama, and the State Insurance Fund.

24 Section 41-29-505.

25 (a) The proceeds of all bonds, other than refunding
26 bonds, issued by the authority remaining after paying expenses
27 of their issuance, shall be deposited in the state treasury

1 and shall be carried in the state treasury in a special or
2 separate account or accounts. Such funds shall be subject to
3 be drawn upon by the authority, but any funds so withdrawn
4 shall be used solely for the purposes for which the bonds were
5 issued as authorized in this article.

6 (b) The state treasurer, with the approval of the
7 secretary of the authority, shall invest funds not needed by
8 the authority within the ensuing thirty days for any purpose
9 for which they are held, which investments shall be made in
10 the manner authorized and provided for in Section 36-17-18.
11 The state treasurer and the authority may apply so much as may
12 be necessary from the earnings on said investments toward
13 satisfaction of the arbitrage rebate requirements under the
14 Internal Revenue Code of 1986, as amended.

15 (c) The proceeds from the sale of any refunding
16 bonds issued hereunder remaining after paying the expenses of
17 their issuance shall be used only for the purpose of refunding
18 the principal of outstanding bonds of the authority and of
19 paying any premium that may be necessary to be paid in order
20 to redeem or retire the bonds to be refunded.

21 Section 41-29-506.

22 For the purpose of providing funds to enable the
23 authority to pay at their respective maturities the principal
24 of and interest on any bonds issued by it under the provisions
25 of this article and to accomplish the objects of this article,
26 there are hereby irrevocably pledged to such purpose and there
27 are hereby appropriated so much as may be necessary for such

1 purpose of: (a) the residue of the receipts from the tax
2 levied by Sections 40-25-2 and 40-25-41 after there shall have
3 been taken therefrom the amount necessary for the purposes
4 specified in Section 40-25-23(1)b.1., as in existence prior to
5 the effective date of Act 91-635; and (b) any other revenues
6 or receipts dedicated to the payment of bonds of the
7 authority, issued by it under the provisions of Act 91-635 or
8 any subsequent authorizing legislation. All moneys hereby
9 appropriated and pledged shall constitute a sinking fund for
10 the purpose of paying the principal of and the interest on the
11 bonds herein authorized.

12 Section 41-29-507.

13 Out of the revenues appropriated and pledged in
14 Section 41-29-506 hereof, the state treasurer is hereby
15 authorized and directed to pay the principal of and interest
16 on the bonds issued by the authority under the provisions of
17 this article, as the said principal and interest shall
18 respectively mature, and the state treasurer is further
19 authorized and directed to set up and maintain appropriate
20 records pertaining thereto.

21 Section 5. The acceptance of a tax abatement, grant,
22 credit, or exemption provided in Section 2 of this act, shall
23 act as approval and written consent by the taxpayer, as
24 required by Section 40-2A-10, Code of Alabama 1975, to
25 disclose the taxpayer, the corresponding amount of the tax
26 abatement, grant, credit, or exemption, and the realized
27 benefits to the Secretary of Commerce. The disclosure of the

1 tax abatement, grant, credit, or exemption, and the realized
2 benefits shall be provided by the taxpayer to the Secretary of
3 Commerce for the previous fiscal year and shall be reported by
4 the Secretary of Commerce no later than the second legislative
5 day of each regular session in accordance with Section
6 40-1-50, Code of Alabama 1975, to the Legislature.

7 Section 6. The provisions of this act are severable.
8 If any part of this act is declared invalid or
9 unconstitutional, that declaration shall not affect the part
10 which remains.

11 Section 7. This act shall become effective
12 immediately following its passage and approval by the
13 Governor, or its otherwise becoming law.