



**House Ways and Means Education Reported Substitute
for SB151**

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A BILL
TO BE ENTITLED
AN ACT

Relating to economic development; to amend Section 40-18-379, Code of Alabama 1975, to authorize the Joint Legislative Advisory Committee on Economic Development to cause to be conducted a certain economic incentive evaluation; and 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.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-18-379, Code of Alabama 1975, is amended to read as follows:

"§40-18-379

(a) There is hereby created a permanent Joint Legislative Advisory Committee on Economic Incentives, hereinafter referred to as the committee.

(b) The committee shall be comprised of all of the following persons:

(1) The chairs of the House Ways and Means General Fund and Education Fund committees.



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29 (2) The chairs of the Senate Finance and Taxation
30 General Fund and Education Fund committees.

31 (3) The Speaker of the House, or his or her designee,
32 and two members of the House of Representatives to be
33 appointed by the Speaker of the House.

34 (4) The President Pro Tempore of the Senate, or his or
35 her designee, the chair of the Senate Committee on Fiscal
36 Responsibility and Economic Development or its successor
37 committee, if any.

38 (5) One member of the Senate to be appointed by the
39 President Pro Tempore of the Senate.

40 (c) (1) The committee shall hold an organizational
41 meeting by August 1, 2015, and shall therein elect a chair and
42 vice chair from among its members. Thereafter, the committee
43 shall meet at the call of the chair or any majority of members
44 thereof; provided that the committee shall meet at least two
45 times annually. Other than the organizational meeting, such
46 meetings shall be held with the Secretary of Commerce in
47 attendance, or his or her designee. The committee may meet,
48 act, and conduct its business during the sessions of the
49 Legislature or any recess thereof, and in the interim period
50 between sessions.

51 (2) Beginning on the effective date of this act, in the
52 first year of each quadrennium, the committee shall elect from
53 its membership a chair and vice-chair which shall rotate
54 between members from the House and Senate. The chair shall be
55 elected from the House and the vice-chair from the Senate to
56 serve the first two years of each quadrennium. Beginning with

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57 the third January 1 of the quadrennium and to serve for the
58 remainder of the quadrennium, the vice-chair shall become the
59 chair, and the chair shall become the vice-chair. If the chair
60 becomes vacant, the vice-chair shall serve as chair until a
61 replacement chair is elected. An election to fill a vacancy of
62 the chair or vice-chair shall occur at the next meeting of the
63 committee.

64 (d) The committee shall adopt its own rules of
65 procedure for the transaction of committee business, and a
66 majority of the members present shall constitute a quorum for
67 the purpose of transacting or performing authorized duties.

68 (e) The committee shall monitor and evaluate the
69 management process and standards used by the Department of
70 Commerce in the development of project agreements and in the
71 awarding of economic development incentives as authorized by
72 the laws of this state. The committee may provide
73 recommendations to the Secretary of Commerce regarding the
74 same and shall act in an advisory role only. Such
75 recommendations may include certain identified minimum
76 standards to be set forth in project agreements and otherwise
77 in the awarding of economic development incentives, as well as
78 recommendations regarding the recruitment of certain
79 industries to the various geographic regions of the state. The
80 committee may also request from the Department of Commerce
81 specific, non-confidential information on successfully
82 negotiated and executed project agreements as well as
83 non-confidential information on unsuccessful project agreement
84 negotiations.



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85 (f) The Department of Commerce shall provide to the
86 committee, upon request, an aggregated list of the amounts and
87 types of economic development incentives awarded, as well as
88 an analysis of the cost and benefits of the incentives
89 awarded. The Department of Revenue shall assist the Department
90 of Commerce in the calculations required in this section.

91 (g) (1) The committee may request that a third-party
92 evaluation be conducted assessing the impacts of state
93 economic development incentives, in the form of an annual
94 Executive Report. The committee shall designate the third
95 party and shall determine the form and contents of the
96 Executive Report, that may include historical economic
97 incentives.

98 (2) The Department of Commerce, the Department of
99 Revenue, and the Department of Labor shall cooperate with, and
100 timely provide requested data to, the chosen third party
101 conducting the evaluation.

102 (3) An Executive Report provided to the committee
103 pursuant to this subsection shall not be considered a public
104 record under Article 3 of Chapter 12 of Title 36.

105 ~~(g)~~ (h) The committee shall make an annual report of its
106 findings and recommendations to the Legislature during each
107 regular session, and in its discretion may submit additional
108 reports from time to time, or at any time.

109 ~~(h)~~ (i) In no event shall the Department of Commerce be
110 required to disclose matters which would cause it to violate
111 any nondisclosure agreement executed for a project. In no
112 event shall the Department of Commerce be required to disclose



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113 matters which would cause the ~~state~~ State of Alabama to be at
114 a competitive disadvantage in ongoing or future project
115 negotiations. The Department of Commerce shall not be required
116 under this article to disclose confidential information to the
117 committee that involves ongoing project negotiations.

118 ~~(i)~~ (j) Meetings of the committee are exempt from
119 Chapter 205A of Title 36, provided that the minutes of each
120 meeting shall be made available for public inspection. In
121 order to balance the privacy needs of economic development
122 negotiations with openness to the public, the committee may
123 use code names in its deliberations about various applicants
124 and in the minutes of its proceedings.

125 ~~(j)~~ (k) The membership of the committee shall be
126 inclusive and shall reflect the racial, gender, geographic,
127 urban/rural, and economic diversity of the state.

128 (l) Upon request of the chair, the Secretary of the
129 Senate and the Clerk of the House shall provide clerical
130 assistance as the committee requires."

131 Section 2. Section 40-18-379.1 is added to the Code of
132 Alabama 1975, to read as follows:

133 §40-18-379.1

134 The Department of Commerce shall publish all of the
135 following information on its website:

- 136 (1) For each project incentivized under this article:
- 137 a. The name of the incentivized company.
 - 138 b. The county of the qualifying project.
 - 139 c. The estimated capital investment.
 - 140 d. The estimated number of new jobs.



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- 141 e. The estimated average hourly wage.
- 142 f. The estimated value of the jobs credit.
- 143 g. The estimated value of the investment credit.
- 144 h. The projected 10-year and 20-year return on
145 incentives.
- 146 i. The value of any cash incentive that was committed.
- 147 (2) Aggregated performance data on all projects
148 incentivized under this article.
- 149 Section 3. This act shall become effective on the first
150 day of the third month following its passage and approval by
151 the Governor, or its otherwise becoming law.

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154 Senate

155 Read for the first time and referred04-Apr-23
156 to the Senate committee on Fiscal
157 Responsibility and Economic
158 Development
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160 Read for the second time and placed11-Apr-23
161 on the calendar:
162 1 amendment
163
164 Read for the third time and passed13-Apr-23
165 as amended
166 Yeas 30
167 Nays 0
168 Abstains 0
169
170

Patrick Harris,
Secretary.

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