

**SB151 ENGROSSED**



1 BVTX4J-2

2 By Senators Gudger, Reed, Weaver, Allen, Butler, Jones,  
3 Chesteen, Price, Waggoner, Bell, Kelley, Chambliss, Sessions,  
4 Shelnuitt, Scofield, Melson, Orr, Stewart, Smitherman, Hatcher,  
5 Coleman-Madison, Singleton

6 RFD: Fiscal Responsibility and Economic Development

7 First Read: 04-Apr-23

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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) The committee shall hold an organizational meeting  
41 by August 1, 2015, and shall therein elect a chair and vice  
42 chair from among its members. Thereafter, the committee shall  
43 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           (d) The committee shall adopt its own rules of  
52 procedure for the transaction of committee business, and a  
53 majority of the members present shall constitute a quorum for  
54 the purpose of transacting or performing authorized duties.

55           (e) The committee shall monitor and evaluate the  
56 management process and standards used by the Department of



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57 Commerce in the development of project agreements and in the  
58 awarding of economic development incentives as authorized by  
59 the laws of this state. The committee may provide  
60 recommendations to the Secretary of Commerce regarding the  
61 same and shall act in an advisory role only. Such  
62 recommendations may include certain identified minimum  
63 standards to be set forth in project agreements and otherwise  
64 in the awarding of economic development incentives, as well as  
65 recommendations regarding the recruitment of certain  
66 industries to the various geographic regions of the state. The  
67 committee may also request from the Department of Commerce  
68 specific, non-confidential information on successfully  
69 negotiated and executed project agreements as well as  
70 non-confidential information on unsuccessful project agreement  
71 negotiations.

72 (f) The Department of Commerce shall provide to the  
73 committee, upon request, an aggregated list of the amounts and  
74 types of economic development incentives awarded, as well as  
75 an analysis of the cost and benefits of the incentives  
76 awarded. The Department of Revenue shall assist the Department  
77 of Commerce in the calculations required in this section.

78 (g) (1) The committee may request that a third-party  
79 evaluation be conducted assessing the impacts of state  
80 economic development incentives, in the form of an annual  
81 Executive Report. The committee shall designate the third  
82 party and shall determine the form and contents of the  
83 Executive Report, that may include historical economic  
84 incentives.



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85           (2) The Department of Commerce, the Department of  
86 Revenue, and the Department of Labor shall cooperate with, and  
87 timely provide requested data to, the chosen third party  
88 conducting the evaluation.

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

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

96           ~~(h)~~(i) In no event shall the Department of Commerce be  
97 required to disclose matters which would cause it to violate  
98 any nondisclosure agreement executed for a project. In no  
99 event shall the Department of Commerce be required to disclose  
100 matters which would cause the ~~state~~ State of Alabama to be at  
101 a competitive disadvantage in ongoing or future project  
102 negotiations. The Department of Commerce shall not be required  
103 under this article to disclose confidential information to the  
104 committee that involves ongoing project negotiations.

105           ~~(i)~~(j) Meetings of the committee are exempt from  
106 Chapter 205A of Title 36, provided that the minutes of each  
107 meeting shall be made available for public inspection. In  
108 order to balance the privacy needs of economic development  
109 negotiations with openness to the public, the committee may  
110 use code names in its deliberations about various applicants  
111 and in the minutes of its proceedings.

112           ~~(j)~~(k) The membership of the committee shall be



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113 inclusive and shall reflect the racial, gender, geographic,  
114 urban/rural, and economic diversity of the state."

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

117 §40-18-379.1

118 The Department of Commerce shall publish all of the  
119 following information on its website:

120 (1) For each project incentivized under this article:

121 a. The name of the incentivized company.

122 b. The county of the qualifying project.

123 c. The estimated capital investment.

124 d. The estimated number of new jobs.

125 e. The estimated average hourly wage.

126 f. The estimated value of the jobs credit.

127 g. The estimated value of the investment credit.

128 h. The projected 10-year and 20-year return on

129 incentives.

130 i. The value of any cash incentive that was committed.

131 (2) Aggregated performance data on all projects

132 incentivized under this article.

133 Section 3. This act shall become effective on the first  
134 day of the third month following its passage and approval by  
135 the Governor, or its otherwise becoming law.

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138 Senate

139 Read for the first time and referred .....04-Apr-23  
140 to the Senate committee on Fiscal  
141 Responsibility and Economic  
142 Development

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144 Read for the second time and placed .....11-Apr-23  
145 on the calendar:  
146 1 amendment

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148 Read for the third time and passed .....13-Apr-23  
149 as amended  
150 Yeas 30  
151 Nays 0  
152 Abstains 0

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Patrick Harris,  
Secretary.