

**SB165 INTRODUCED**



1 WV4V9E-1

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

7 RFD: Fiscal Responsibility and Economic Development

8 First Read: 04-Apr-23

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SYNOPSIS:

This bill would create the Site Evaluation Economic Development Strategy, a site development grant funding program that encourages the acquisition of new sites to meet speed-to-market demand. Grants would be available for the assessment of sites and for the subsequent development of sites.

This bill would require matching funds from local economic development organizations.

This bill would also provide that the site development grant funding program would be administered by the State Industrial Development Authority.

This bill would create the Alabama Site Development Fund and provide for its management.

This bill would exempt the State Industrial Development Authority and economic development organizations from specified state laws.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to economic development; to add Article 2D,



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29 commencing with Section 41-10-47.01, to Chapter 10 of Title  
30 41, Code of Alabama 1975; to authorize the State Industrial  
31 Development Authority to make site assessment grants and site  
32 development grants to certain companies; to provide for the  
33 criteria that must be met for grant approval; to provide for  
34 changes to criteria based on economic conditions; to limit the  
35 funding that may be received by any site under the grant  
36 program; to create the Alabama Site Development Fund and  
37 provide for its management; to amend Section 41-10-27.2, Code  
38 of Alabama 1975, providing for an annual appropriation to the  
39 State Industrial Development Authority, to authorize the  
40 appropriation to be expended on the grant program created  
41 herein; and to exempt the State Industrial Development  
42 Authority and certain economic development organizations from  
43 certain state laws.

44 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

45 Section 1. A new Article 2D, commencing with Section  
46 41-10-47.01, is added to Chapter 10 of Title 41, Code of  
47 Alabama 1975, to read as follows:

48 Article 2D

49 §41-10-47.01

50 This article shall be known and may be cited as the  
51 Site Evaluation Economic Development Strategy.

52 §41-10-47.02

53 As used in this article, the following terms have the  
54 following meanings:

55 (1) AUTHORITY. The public corporation organized  
56 pursuant to Article 2.



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57 (2) BOARD. The board of directors of the authority.

58 (3) COMPANY. Any person that has employees and conducts  
59 an activity listed in Section 40-18-372(1).

60 (4) LOCAL ECONOMIC DEVELOPMENT ORGANIZATION. Any  
61 organization that is determined by the authority to meet both  
62 of the following criteria:

63 a. The organization is an Alabama entity not operating  
64 for profit, including, but not limited to, a municipality,  
65 county, industrial development board, industrial development  
66 authority, chamber of commerce, or some other foundation or  
67 nonprofit organization charged with improving a community or  
68 region of the state.

69 b. The organization has a record of supporting or  
70 otherwise participating in economic development in some part  
71 of the state.

72 (5) FUND. The Alabama Site Development Fund created by  
73 this article.

74 (6) SITE. Any parcel of real property intended for  
75 development by a company.

76 (7) STATEWIDE ECONOMIC DEVELOPMENT ORGANIZATION. An  
77 organization that is determined by the authority to be an  
78 Alabama entity not operating for profit which is charged with  
79 improving the state or a region of the state and has a record  
80 of supporting or otherwise participating in economic  
81 development in the state.

82 (8) TARGETED COUNTY. Any Alabama county that is  
83 described in Section 40-18-376.1.

84 §41-10-47.03



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85 (a) Any local economic development organization may  
86 apply to the authority for a site assessment grant.

87 (b) Before making a site assessment grant, the  
88 authority shall make all of the following findings:

89 (1) The site is owned by a local economic development  
90 organization, or a local economic development organization has  
91 an option to purchase the site.

92 (2) The site is at least 50 acres.

93 (3) The application includes proof that the grant funds  
94 that are approved by the authority will be matched by funds on  
95 hand with, or contingently committed to, the applicant such  
96 that one of the following is true:

97 a. If the site is located in a targeted county with a  
98 population of less than 12,000, for every dollar of grant  
99 funds, the applicant will contribute twenty-five cents (\$0.25)  
100 of additional funds.

101 b. If the site is located in a targeted county with a  
102 population of 12,000 or greater but less than 50,000, for  
103 every dollar of grant funds, the applicant will contribute  
104 fifty cents (\$0.50) of additional funds.

105 c. If the site is located in a county with a population  
106 of 50,000 or greater but less than 150,000, for every dollar  
107 of grant funds, the applicant will contribute seventy-five  
108 cents (\$0.75) of additional funds.

109 d. If the site is located in a county with a  
110 population of 150,000 or greater, for every dollar of grant  
111 funds, the applicant will contribute one dollar (\$1) of  
112 additional funds.



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113 (c) The authority may impose additional requirements  
114 with regard to the sites, including, but not limited to,  
115 environmental and geotechnical matters, as well as utility  
116 related and transportation related issues.

117 (d) Each applicant must enter into a project agreement  
118 with the authority to establish the terms and conditions of  
119 the site assessment grant.

120 §41-10-47.04

121 (a) Any local economic development organization may  
122 apply to the authority for a site development grant.

123 (b) Before making a site development grant, the  
124 authority shall make both of the following findings:

125 (1) The site is comprised of at least 200 contiguous  
126 acres, provided that in addition to the 200 contiguous acres,  
127 other proximate but noncontiguous property may be a part of  
128 the site.

129 (2) The application includes proof that the grant funds  
130 that are approved by the authority will be matched by funds on  
131 hand with, or contingently committed to, the applicant such  
132 that one of the following is true:

133 a. If the site is located in a targeted county with a  
134 population of less than 12,000, for every dollar of grant  
135 funds, the applicant will contribute twenty-five cents (\$0.25)  
136 of additional funds.

137 b. If the site is located in a targeted county with a  
138 population of 12,000 or greater but less than 50,000, for  
139 every dollar of grant funds, the applicant will contribute  
140 fifty cents (\$0.50) of additional funds.



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141 c. If the site is located in a county with a population  
142 of 50,000 or greater but less than 150,000, for every dollar  
143 of grant funds, the applicant will contribute seventy-five  
144 cents (\$0.75) of additional funds.

145 d. If the site is located in a county with a  
146 population of 150,000 or greater, for every dollar of grant  
147 funds, the applicant will contribute one dollar (\$1) of  
148 additional funds.

149 (c) The authority may impose additional requirements  
150 with regard to the sites, including, but not limited to,  
151 environmental and geotechnical matters, as well as utility  
152 related and transportation related issues.

153 (d) Each applicant must enter into a project agreement  
154 with the authority to establish the terms and conditions of  
155 the site development grant.

156 §41-10-47.05

157 (a) For the benefit of the state and the residents of  
158 the state, there is created an irrevocable fund named the  
159 Alabama Site Development Fund, which shall be funded from all  
160 of the following sources:

161 (1) Proceeds of any gifts, grants, or contributions.

162 (2) Revenue sources as directed by, and at the  
163 discretion of, the Legislature.

164 (3) Appropriations as directed by, and at the  
165 discretion of, the Legislature.

166 (4) Investment income.

167 (5) Federal grants relating to site-based development  
168 initiatives which the authority finds will have the effect of



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169 advancing economic development in Alabama.

170 (6) Any other lawful sources.

171 (b) The funds shall be administered in accordance with  
172 this article. All revenues received by the fund shall be  
173 deposited in the fund upon receipt and may be invested by the  
174 board and withdrawn and expended by the authority for the  
175 purposes of this article in a manner consistent with the  
176 powers granted to the authority by this article.

177 (c) The fund shall be under the management and control  
178 of the board, and all powers necessary or appropriate for the  
179 management and control of the fund shall be vested solely in  
180 the board. The authority may make whatever representations and  
181 covenants it finds reasonable or necessary for federal grant  
182 applications and agreements, and it may take whatever actions  
183 it deems reasonable or necessary to implement such grants.

184 §41-10-47.06

185 (a) The funds shall be held in perpetual trust and  
186 shall not be appropriated by the Legislature or expended or  
187 disbursed for any purpose other than as provided in this  
188 article. The board may expend the fund's earnings and  
189 principal in furtherance of its purposes.

190 (b) (1) To the extent practicable, the board shall keep  
191 all monies at any time held in the fund invested in eligible  
192 investments, in its sole judgment, as shall produce the  
193 greatest trust income over the term of the investments while  
194 preserving capital.

195 (2) The board may select the eligible investments in  
196 which monies held in the fund shall at any time be invested.





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197           (3) The board may invest the fund capital in any  
198 eligible investments producing trust income in accordance with  
199 the schedule as the board, in its sole judgment, determines to  
200 be in the best interests of the state. In determining the  
201 schedule, the board may emphasize future benefits in  
202 preference to near-term needs. A board member may not be held  
203 personally liable for any liability, loss, or expense suffered  
204 by the fund, unless the liability, loss, or expense arises out  
205 of or results from the willful misconduct or intentional  
206 wrongdoing of the board member. A board member shall not be  
207 responsible for the adequacy of the fund to satisfy and  
208 discharge any obligation of the corporation.

209           §41-10-47.07

210           The Legislature recognizes that economic conditions may  
211 require the consideration of a grant for a site that does not  
212 meet one or more requirements of Section 41-10-47.03(b) or  
213 41-10-47.04(b). The board, by majority vote, may cause a grant  
214 to be made so long as the board determines that the site is  
215 suitable for development for one or more activities listed in  
216 Section 40-18-372(1) and is in the best interest of the  
217 public.

218           §41-10-47.08

219           The authority may contract with and rely on one or more  
220 statewide economic development organizations in implementing  
221 this article. The authority may enter into such contracts,  
222 leases, agreements, and investments and may otherwise expend  
223 monies without compliance with Article 5 of Chapter 4 of Title  
224 41 or Chapter 2 of Title 39. Solely as a result of entering



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225 into contracts, leases, agreements, investments, or otherwise,  
226 no statewide economic development organization, nor the  
227 officers, employees, agents, or directors of any of the  
228 foregoing, shall become subject to Chapter 25 or Chapter 25A  
229 of Title 36; Article 5 of Chapter 4 of Title 41; Chapter 2 of  
230 Title 39; or Section 36-12-40.

231 §41-10-47.09

232 The authority shall report annually to each member of  
233 the Legislature on the number, amount, and location of site  
234 grants distributed by the authority.

235 Section 2. Section 41-10-27.2, Code of Alabama 1975, is  
236 amended to read as follows:

237 "§41-10-27.2

238 Beginning in the fiscal year ending September 30,  
239 ~~2006~~2024, the Legislature shall annually appropriate an amount  
240 up to \$2,000,000 from the Capital Improvement Trust Fund to  
241 the State Industrial Development Authority for the purpose of  
242 paying industrial development site grants, site assessment  
243 grants, or site development grants. The bond commission  
244 established by ~~Amendment 666 of the Constitution of Alabama of~~  
245 ~~1901, now appearing as~~ Section 210.04, ~~of the Official~~  
246 ~~Recompilation~~ of the Constitution of Alabama of ~~1901~~2022, ~~as~~  
247 ~~amended~~, shall consult with the State Industrial Development  
248 Authority and recommend to the Legislature the actual amount  
249 of the annual appropriation."

250 Section 3. This act shall become effective immediately  
251 following its passage and approval by the Governor, or its  
252 otherwise becoming law.