

# HB368 INTRODUCED



1 HB368  
2 PYKUREG-1  
3 By Representative Rafferty (Constitutional Amendment)  
4 RFD: Economic Development and Tourism  
5 First Read: 21-Mar-24



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SYNOPSIS:

Under the constitution, the state may not lend money or lend its credit except as expressly authorized by the constitution and may not incur certain debt. Also under the constitution, the Legislature may not authorize any county or municipality to lend its credit or grant public money to any person.

This bill would propose an amendment to the Constitution of Alabama of 2022, to authorize the Legislature, by law, to authorize counties and municipalities to provide for the incorporation of innovation districts as public corporations and provide for their powers and to exempt innovation districts from certain laws.

This bill would authorize the Legislature, by law, to authorize the state and political subdivisions of the state, without an election, to provide for use of public funds, revenues, property, and services to, or for the benefit of, innovation districts.

This bill would authorize the Legislature, by law, to authorize innovation districts to provide any public funds, revenues, or property of or under the control of innovation districts to, or for the benefit of, any public or private person or entity.



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A BILL

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TO BE ENTITLED

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AN ACT

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34           Proposing an amendment to the Constitution of Alabama  
35 of 2022, relating to economic development; to authorize the  
36 Legislature, by law, to authorize counties and municipalities  
37 to provide for the incorporation of innovation districts as  
38 public corporations and provide for their powers and exempt  
39 the innovation districts from specific state laws, to  
40 authorize the state and political subdivisions of the state,  
41 without an election, to provide for the use of public funds,  
42 revenues, property, and services to or for the benefit of  
43 innovation districts, and to authorize innovation districts to  
44 provide any public funds, revenues, or property of or under  
45 the control of a district to or for the benefit of a public or  
46 private person or entity.

47 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

48           Section 1. The following amendment to the Constitution  
49 of Alabama of 2022, is proposed:

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### PROPOSED AMENDMENT

51           Notwithstanding any provision of the constitution to  
52 the contrary, the Legislature, by general or local law, may  
53 authorize all of the following:

54           (1) Counties and municipalities in this state to  
55 provide for the incorporation of innovation districts and  
56 their corporate nature, governance, operations, and powers as



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57 public corporations of the state, and to provide for the  
58 appointment and qualifications of members of the governing  
59 bodies of innovation districts.

60 (2) To exempt innovation districts from the  
61 applicability, effect, and operation of, and compliance with,  
62 such state laws as the Legislature determines.

63 (3) The state and each county, municipality, public  
64 corporation, or taxing authority of the state, to provide,  
65 without an election and for use in furtherance of legislative  
66 purposes, public funds, revenues, property, and services to,  
67 or for the benefit of, any one or more innovation districts  
68 without regard to the jurisdiction or location of the  
69 innovation district or whether any county or municipality has  
70 authorized the innovation district to which its contributions  
71 shall be made.

72 (4) An innovation district, in its sole discretion, to  
73 provide any public funds, revenues, or property of or under  
74 the control of the innovation district to, or for the benefit  
75 of, any public or private person or entity.

76 Upon ratification of this constitutional amendment, the  
77 Code Commissioner shall number and place this amendment as  
78 appropriate in the constitution omitting this instructional  
79 paragraph and may make the following nonsubstantive revisions:  
80 change capitalization, hierarchy, spelling, and punctuation  
81 for purposes of style and uniformity; correct manifest  
82 grammatical, clerical, and typographical errors; revise  
83 internal or external citations and cross-references; harmonize  
84 language; and translate effective dates.



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85 END OF PROPOSED AMENDMENT

86 Section 2. An election upon the proposed amendment  
87 shall be held in accordance with Sections 284 and 285 of the  
88 Constitution of Alabama of 2022, and the election laws of this  
89 state. The appropriate election official shall assign a ballot  
90 number for the proposed constitutional amendment on the  
91 election ballot and shall set forth the following description  
92 of the substance or subject matter of the proposed  
93 constitutional amendment:

94 "Proposing an amendment to the Constitution of Alabama  
95 of 2022, to authorize the Legislature, by law, to authorize  
96 counties and municipalities to provide for the incorporation  
97 of innovation districts as public corporations and provide for  
98 their powers, to exempt innovation districts from specified  
99 laws, to authorize the state, counties, municipalities, and  
100 taxing authorities to provide public funds, revenues,  
101 property, and services to innovation districts, and to  
102 authorize innovation districts to provide public funds or  
103 property of or under the control of the district to any public  
104 or private person or entity.

105 Proposed by Act \_\_\_\_."

106 This description shall be followed by the following  
107 language:

108 "Yes( ) No( )."

109 Section 3. The proposed amendment shall become valid as  
110 a part of the Constitution of Alabama of 2022, when approved  
111 by a majority of the qualified electors voting thereon.

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