

HB417 INTRODUCED



1 HB417
2 T4EX599-1
3 By Representatives Crawford, Treadaway, Hulsey, Tillman, Moore
4 (M), Travis, DuBose, Hendrix, Fincher, Easterbrook, Bolton,
5 Standridge, Fidler, Faulkner, Smith, Shaw, Hollis, Rafferty,
6 Ingram, Mooney, Bracy
7 RFD: Economic Development and Tourism
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SYNOPSIS:

Under existing law, a county may establish an agriculture authority to construct and operate facilities to promote agricultural businesses, operations, commodities, workforce development, and economic development in the county.

Also under existing law, economic development organizations may receive incentives for certain projects undertaken in this state for the betterment of this state's economy.

This bill would provide for the creation of the Agriculture Exhibition Center Corporation to operate the Alabama Farm Center and vest the corporation with certain powers and privileges.

This bill would provide for the composition and operation of a board of directors to govern the corporation.

This bill would permit certain counties and municipalities to sell property and appropriate public funds to the corporation.

This bill would permit the corporation to allow the consumption of alcohol on the center's premises.

This bill would exempt the corporation and its property from municipal ordinances and rules.

This bill would exempt the corporation and its



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29 property from certain state, county, and municipal
30 taxes.

31 This bill would provide that the Alabama Farm
32 Center is an economic development organization for the
33 purposes of the Growing Alabama Act.

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36 A BILL

37 TO BE ENTITLED

38 AN ACT

39

40 Relating to agriculture; to authorize the creation of
41 the Agriculture Exhibition Center Corporation to operate the
42 Alabama Farm Center; to create and provide for the operation
43 of a board to govern the corporation; to provide specific
44 powers and privileges to the corporation; to permit certain
45 counties and municipalities to sell property and appropriate
46 public funds to the corporation; to exempt the corporation
47 from municipal ordinances; to exempt the corporation from
48 certain taxes; and to deem the Agriculture Exhibition Center
49 Corporation an economic development organization for the
50 purposes of the Growing Alabama Act.

51 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

52 Section 1. (a) The Agriculture Exhibition Center
53 Corporation may be established and created by any number of
54 individuals associated with an agricultural membership
55 advocacy organization filing articles of incorporation in the
56 office of the judge of probate of the county in which the



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57 Alabama Farm Center will be located.

58 (b) The Agriculture Exhibition Center Corporation shall
59 operate the Alabama Farm Center for the purposes of promoting,
60 showcasing, and facilitating education regarding all facets of
61 the agricultural industry and advancing agricultural business
62 and workforce development in this state.

63 (c) The Agriculture Exhibition Center Corporation shall
64 be governed by, and all powers of the corporation shall be
65 exercised by, pursuant to the corporation's authorization, a
66 board of directors that shall have five members appointed as
67 follows, subject to confirmation by the Senate:

68 (1) One member appointed by the Governor.

69 (2) One member appointed by the Commissioner of
70 Agriculture and Industries.

71 (3) One member appointed by the county commission of
72 the county in which the Alabama Farm Center will be located
73 who shall be a farmer and resident of that county.

74 (4) Two members appointed by the Alabama Farmers
75 Federation who shall each be a farmer. One appointee shall
76 reside in any county north of or in Pickens, Tuscaloosa, Bibb,
77 Shelby, Coosa, Tallapoosa, or Chambers County; and the other
78 appointee shall reside in any county south of or in Sumter,
79 Greene, Hale, Perry, Chilton, Elmore, Macon, or Lee County.

80 (d) The appointing authorities shall coordinate their
81 appointments to assure that the membership of the board is
82 inclusive and reflects the racial, gender, geographic, urban,
83 rural, and economic diversity of this state.

84 (e) Each member shall serve a term of five years,



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85 except the initial members shall serve terms as follows:

86 (1) The member appointed by the Governor shall serve a
87 term of one year.

88 (2) The member appointed by the Commissioner of
89 Agriculture and Industries shall serve a term of two years.

90 (3) The member appointed by the county commission of
91 the county in which the Alabama Farm Center will be located
92 shall serve a term of three years.

93 (4) One member appointed by the Alabama Farmers
94 Federation shall serve a term of four years and the other
95 member appointed by the federation shall serve a term of five
96 years, as determined by the federation at the time of the
97 members' appointments.

98 (f) The board shall elect a chair, who shall be a
99 farmer, and a secretary from among its membership.

100 (g) Any vacancy on the board shall be filled by the
101 appointing authority who appointed the vacating member. Any
102 member may be removed for cause upon a majority vote by all
103 other members.

104 (h) No member may have an interest, directly or
105 indirectly, in any contract for work, materials, or services,
106 or profits therefrom, to be performed under the authority
107 conferred by this act if the member, directly or indirectly,
108 has more than a 10 percent interest in any business, firm,
109 corporation, or profits thereof, furnishing or providing the
110 work, materials, or services.

111 (i) The board may appoint an advisory council
112 consisting of not more than 10 members to advise the board.



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113 Advisory-council members shall serve two-year terms and may be
114 appointed to additional terms by the board.

115 Section 2. (a) The Agriculture Exhibition Center
116 Corporation shall have the following powers:

117 (1) To adopt bylaws necessary for the implementation
118 and administration of this act.

119 (2) To institute and defend legal proceedings in any
120 court of competent jurisdiction and proper venue; provided,
121 however, that the corporation may not be sued in any trial
122 court other than the courts of the county of incorporation;
123 provided, further, that the officers, directors, agents, and
124 employees of the corporation may not be sued for their actions
125 on behalf of the corporation except for actions that are
126 unreasonable or known by the individual to be unlawful or are
127 performed with reckless disregard for the lawfulness of such
128 actions.

129 (3) To plan for construction and development of the
130 Alabama Farm Center on property owned by the corporation.
131 Construction and development may include, without limitation,
132 any of the following:

133 a. Buildings to hold offices for use by, and to house
134 or accommodate public facilities of, any governmental entity.

135 b. Streets, boulevards, walkways, parkways, parks, or
136 other places of recreation.

137 c. Monuments, statues, or other structures beautifying
138 the Alabama Farm Center.

139 d. Community houses, meeting houses, or auditoriums.

140 e. Arenas, convention halls, sports facilities,



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141 stadiums, hotels or other facilities for use as a transient
142 guest housing facility, multifamily housing, dormitory
143 housing, food courts or other food venue facilities, any
144 facilities that provide for or support any public or private
145 educational institution, and any other facilities related to
146 or incidental to the foregoing.

147 f. Music halls, art museums, art exhibits, or other
148 exhibits for the advancement of the humanities and cultural
149 development.

150 g. Any other buildings, structures, facilities, and
151 other improvements that the corporation determines are
152 appropriate, useful, or expedient to the center's purposes.
153 The determination of the corporation shall be conclusive.

154 (4) To acquire property, both real and personal, and
155 rights and interests in such property, by gift, grant, lease,
156 or purchase.

157 (5) To accept or receive gifts, bequests, and devises.

158 (6) To have and use a corporate seal and alter the seal
159 at its pleasure.

160 (7) To appoint officers, agents, employees, and
161 attorneys and to fix their compensation.

162 (8) To hire professionals and enter into contracts for
163 their services in designing and supervising the construction
164 of any building, agriculture center, auditorium, arena, barn,
165 convention hall, music hall, art museum, place of recreation,
166 art exhibit, office building, or other structure that it
167 desires to construct.

168 (9) To make and enter into contracts and to execute all



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169 instruments necessary or convenient to lease or purchase and
170 own real or personal property to be used for the furtherance
171 of the purposes for which the center is created.

172 (10) To plan for programs and exhibits in the center
173 for the advancement of the agricultural, cultural, and
174 workforce development interests of the residents of this
175 state.

176 (11) To accept pledges of revenues or grants of money
177 from any person or governmental entity.

178 (12) To sell and lease its property to any person or
179 governmental entity.

180 (13) To enter into financing agreements with federal or
181 state agencies that may require the authority to mortgage its
182 property.

183 (14) To plan for programs and exhibits in the center
184 for the advancement of agricultural and workforce development
185 interests in this state.

186 (15) To enter into long-term contracts or agreements
187 for utility services.

188 (16) To accept lease payments, loan repayments, or
189 other compensation to or for the center or other public
190 person.

191 (17) To invest in bank deposits, U.S. Treasury bills,
192 projects, instruments, real, personal, or mixed property, or
193 any other investments as the corporation may from time to time
194 determine to be appropriate and convenient to accomplish any
195 purpose for which the center is organized, including works of
196 internal improvement, interests in private or other corporate



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197 enterprises, loans of money or credit to individuals,
198 associations, or other corporations; and to lend the
199 corporation's credit, grant public money or things of value in
200 aid of or to any individual, association, or other corporation
201 whatsoever, or become a stockholder in any other corporation,
202 association, or company by issuing bonds or otherwise, even
203 though they may be in violation of Section 93 or Section 94 of
204 the Constitution of Alabama of 2022, if done by the state or a
205 subdivision thereof, notwithstanding the fact that any
206 investment or action may involve the expenditure or
207 appropriation of funds received from a public person. In
208 particular, but not by way of limitation, the corporation may
209 invest its funds, from whatever source, in the stock, bonds,
210 debentures, notes, or other securities issued by any person
211 locating a project in this state and may enter into contracts
212 or options, including contracts or options for the conveyance,
213 sale, or lease of property, to any such person and make direct
214 grants of money, property, or services for the purpose of
215 inducing the person to locate a project in this state.

216 (18) To issue its bonds for the purpose of carrying out
217 any of its powers and to apply proceeds from the sale of its
218 bonds, whether heretofore or hereafter issued, not only for
219 payment of interest thereon prior to and during the
220 construction and equipment of any buildings, structures,
221 facilities, or other improvements being financed thereby, but
222 also for payment of interest thereon.

223 (19) To mortgage and pledge any or all of its
224 properties, both real and personal, or any part or parts



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225 thereof, as security for the payment of the principal of and
226 the interest on any bonds so issued and any agreements made in
227 connection therewith, whether then owned or thereafter
228 acquired, and to pledge the revenues and receipts therefrom or
229 from any thereof.

230 (b) Contracts of the corporation shall be executed in
231 the name of the corporation by the chair of the board and
232 attested by the secretary of the board. The board may provide
233 by resolution for a different form for the execution of a
234 contract by an officer or agent other than the chair and
235 secretary. A contract, irrespective of its form and of the
236 persons executing the contract, shall not be binding unless
237 the contract is authorized or ratified by the board.

238 (c) The corporation may deposit its funds not needed to
239 meet expenses or obligations in any bank or building and loan
240 association, provided the deposit is fully insured by a
241 federal corporation or agency of the federal government
242 insuring deposits in financial institutions.

243 (d) In addition to all other powers at any time
244 conferred on it by this section or otherwise by law, the
245 corporation shall have the following powers together with all
246 powers incidental thereto or necessary to the discharge
247 thereof in corporate form:

248 (1) To participate: As a shareholder in any other
249 corporation; as a joint venturer in a joint venture, whether
250 the joint venture is to be memorialized contractually or
251 through the formation of one or more separate business
252 entities; as a general or limited partner in a limited



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253 partnership or a general partnership; as a member in a
254 nonprofit corporation or limited liability company; or as a
255 member of any other lawful form of business organization, that
256 may be involved in the development or operational activities
257 of any buildings, structures, facilities, and other
258 improvements that the corporation determines are appropriate,
259 useful, or expedient to the center's purposes. In connection
260 with the foregoing, the corporation may elect or appoint an
261 individual to a governing body and enter into contracts or
262 other agreements with other parties for the development,
263 operation, design, marketing, maintenance, and use of any
264 facilities upon the terms as the corporation determines are
265 appropriate, useful, or expedient to the center.

266 (2) To make or arrange for loans, contributions to
267 capital, and other debt and equity financing for the
268 activities of any other corporation of which the corporation
269 is a shareholder; any joint venture in which the corporation
270 is a joint venture; any limited partnership or general
271 partnership of which the corporation is a general or limited
272 partnership; any nonprofit corporation in which the
273 corporation is a member; or any other lawful form of business
274 organization of which the corporation is a member; and to
275 guarantee loans, issue bonds, or incur other forms of
276 indebtedness on behalf of the corporation, joint venture,
277 partnership, nonprofit corporation, or other business entity
278 for such purposes.

279 (3) To create, establish, acquire, operate, or support
280 subsidiaries and affiliates, either for profit or nonprofit,



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281 to assist the center in fulfilling its purposes.

282 (4) To create, establish, or support nonaffiliated for
283 profit or nonprofit corporations or other lawful business
284 organizations that operate and have as their purpose the
285 furtherance of the center's purposes.

286 (5) Without limiting the generality of the preceding
287 subdivisions, to accomplish and facilitate the creation,
288 establishment, acquisition, development, operation, or support
289 of any subsidiary, affiliate, nonaffiliated corporation, or
290 other lawful business organization by means of loans of funds,
291 leases of real or personal property, gifts and grants of
292 funds, or guarantees of indebtedness of the subsidiaries,
293 affiliates, and non-affiliated corporations.

294 (6)a. In addition to any other authority to enter into
295 contracts, to enter into contracts, agreements, or
296 understandings with any other public and private parties
297 including, but not limited to, the following:

298 1. Design-build, design-build-operate,
299 design-build-own-operate, design-build-own-operate-maintain,
300 design-build-finance-operate-maintain, or other similar
301 arrangements or agreements pursuant to which the design,
302 right-of-way acquisition, relocation of structures or
303 utilities, construction, financing, ownership, management,
304 maintenance, and operation, or any combination thereof of a
305 project is accomplished by or on behalf of the corporation.

306 2. Leases, licenses, franchises, concessions, or other
307 agreements for the development, operation, management, or
308 undertaking of all or any part of a project of or on behalf of



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309 the corporation.

310 b. Notwithstanding any provision of law to the
311 contrary, proposals under paragraph a. may be evaluated and
312 awarded by the corporation based on qualifications of
313 participants or best value, or both, as evaluated by
314 procedures of the corporation and taking into consideration
315 the best interests of the corporation. Evaluation criteria for
316 a contract procured pursuant to the preceding sentence shall
317 be set forth in the request for proposal for the contract. The
318 contract may also be awarded through any existing procurement
319 authority, proposals, or other means of procurement otherwise
320 available to the corporation.

321 Section 3. (a) Subject to the conditions,
322 qualifications, and restrictions set forth in subsection (b),
323 the Agriculture Exhibition Center Corporation may borrow money
324 from any person or governmental entity. As security for any
325 money borrowed, together with interest thereon, and any
326 obligations incurred or assumed, the corporation may mortgage,
327 pledge, or otherwise transfer and convey its real, personal,
328 and mixed property, or any part or parts thereof, whether then
329 owned or thereafter acquired, including any franchises then
330 owned or thereafter adopted and all or any part of any funds
331 of the corporation. In a resolution authorizing the mortgage
332 given to secure the payment thereof, the corporation, in
333 addition to its other powers, shall have the power to agree
334 with the several holders of the mortgage to make, enter, and
335 perform covenants and agreements as to all of the following:

336 (1) The conduct, management, and maintenance of the



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337 properties held by the corporation or of the activities,
338 operations, and enterprises then or thereafter conducted by
339 the corporation.

340 (2) Insurance of the properties of the corporation.

341 (3) Restrictions on the exercise of the powers of the
342 corporation to dispose or to limit or regulate the use of all
343 or any part of the properties of the corporation.

344 (4) The use and disposition of any monies of the
345 corporation, including taxes payable to the corporation under
346 any act of the Legislature and revenues derived or to be
347 derived from the activities, operations, and enterprises of
348 the properties of the corporation, including any part or parts
349 theretofore constructed or acquired and any parts, extensions,
350 replacements, or improvements thereafter constructed or
351 acquired.

352 (5) The setting aside of the taxes payable to the
353 corporation under any act of the Legislature or use of the
354 revenues or the monies of the corporation or reserves and
355 sinking funds, and the source, custody, security, regulation,
356 application, and disposition thereof.

357 (6) The assumption or payment or discharge of any
358 indebtedness, liens, or other claims relating to any part of
359 the properties of the corporation or any obligations
360 constituting, or which may constitute, a lien on the
361 properties or any part thereof.

362 (7) Limitations or other evidences of indebtedness or
363 upon the incurrence of indebtedness of the corporation.

364 (b) The power vested in the corporation to pledge taxes



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365 to be paid to the corporation or to pledge revenue of the
366 corporation shall not be construed as undertaking or
367 purporting to empower the corporation to pledge any tax or any
368 revenue if the pledge is prohibited by the Constitution of
369 Alabama of 2022. It is expressly provided that the corporation
370 shall have the power to pledge any tax paid to the corporation
371 or revenue of the corporation, the pledge of which is
372 authorized by the Constitution of Alabama of 2022.

373 (c) The powers and authority set forth in this section
374 shall only be exercised if necessary in order for the
375 corporation to receive federal funding or grants for any
376 projects or activities of the corporation.

377 Section 4. The county in which the Alabama Farm Center
378 is located and each municipality therein may lease, sell,
379 donate, or otherwise convey to the Agriculture Exhibition
380 Center Corporation real or personal property, including park
381 properties, without authorization by election of the qualified
382 voters of the county or of the municipality; and the county in
383 which the center is located and each municipality therein are
384 authorized, but not required, to appropriate public funds of
385 the county or of the municipality to the corporation to be
386 used by the corporation for purposes of this act. The county
387 in which the center is located shall not lease, sell, donate,
388 or convey any property to the corporation, or appropriate any
389 money to the corporation, unless the county commission of that
390 county has determined that the lease, sale, donation,
391 conveyance, or appropriation will benefit the people of that
392 county or municipality to such an extent as to fully warrant



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393 and justify the lease, sale, donation, conveyance, or
394 appropriation.

395 Section 5. The Agriculture Exhibition Center
396 Corporation may permit the consumption of alcoholic beverages
397 any day of the week, purchased from licensees of the Alcoholic
398 Beverage Control Board, to be consumed by purchasers within
399 the boundaries of the Alabama Farm Center.

400 Section 6. The Agriculture Exhibition Center
401 Corporation and all property in which it may have any
402 ownership, leasehold, or other interest, direct or indirect,
403 is exempt from all municipal ordinances and rules, including
404 zoning ordinances, unless the corporation consents to the
405 application of ordinance or rule.

406 Section 7. (a) The Agriculture Exhibition Center
407 Corporation, as a governmental entity, is exempt from the
408 payment of all state, county, and municipal sales and use
409 taxes. The corporation and its contractors shall be granted a
410 certificate of exemption from sales and use taxes by the
411 Department of Revenue as provided in Sections 40-9-14.1 and
412 40-9-60, Code of Alabama 1975, or other general law.

413 (b) (1) Any county or municipal sales and use tax
414 proceeds that are collected by the corporation; a joint
415 venture of the corporation, including a public or private
416 venture of the corporation; or a lessee of the corporation or
417 a joint venture of the corporation, and remitted to a local
418 taxing authority shall be rebated by that local taxing
419 authority to the corporation.

420 (2) The county commission of the county in which the



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421 Alabama Farm Center will be located, at the time of the
422 formation of the corporation, may opt-out of the requirement
423 to rebate sales taxes collected by a private entity, joint
424 venture partner, or public-private partnership.

425 (3) The corporation may enter into revenue sharing
426 agreements with the county commission of the county in which
427 the center will be located and municipalities therein to share
428 any tax revenue generated by the corporation outside of the
429 operational area outlined in the corporation's articles of
430 incorporation.

431 (c) The corporation is exempt from paying all state,
432 county, and local ad valorem taxes.

433 (d) The corporation is exempt from paying any other
434 taxes levied by a county, municipality, or other political
435 subdivision of this state, including, but not limited to,
436 license and excise taxes imposed relating to the privilege of
437 engaging in any activities that the corporation may engage in.

438 Section 8. The Agriculture Exhibition Center
439 Corporation shall be deemed an economic development
440 organization, and the Alabama Farm Center shall be deemed a
441 site, for the purposes of Article 19A, Chapter 18, Title 40 of
442 the Code of Alabama 1975.

443 Section 9. The provisions of this act are severable. If
444 any part of this act is declared invalid or unconstitutional,
445 that declaration shall not affect the part which remains.

446 Section 10. This act shall become effective
447 immediately.