

**SB219 ENGROSSED**



1 SB219

2 2H2DISK-2

3 By Senators Shelnutt, Smitherman, Roberts, Waggoner

4 RFD: Agriculture, Conservation, and Forestry

5 First Read: 19-Mar-24



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A BILL  
TO BE ENTITLED  
AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

(b) The Agriculture Exhibition Center Corporation shall operate the Alabama Farm Center for the purposes of promoting,



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29 showcasing, and facilitating education regarding all facets of  
30 the agricultural industry and advancing agricultural business  
31 and workforce development in this state.

32 (c) The Agriculture Exhibition Center Corporation shall  
33 be governed by, and all powers of the corporation shall be  
34 exercised by, pursuant to the corporation's authorization, a  
35 board of directors that shall have five members appointed as  
36 follows, subject to confirmation by the Senate:

37 (1) One member appointed by the Governor.

38 (2) One member appointed by the Commissioner of  
39 Agriculture and Industries.

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

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

49 (5) One member appointed by the Minority Leader of the  
50 Senate.

51 (6) One member appointed by the Minority Leader of the  
52 House of Representatives.

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



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57 (e) Each member shall serve a term of five years,  
58 except the initial members shall serve terms as follows:

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

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

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

66 (4) One member appointed by the Alabama Farmers  
67 Federation shall serve a term of four years and the other  
68 member appointed by the federation shall serve a term of five  
69 years, as determined by the federation at the time of the  
70 members' appointments.

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

73 (g) Any vacancy on the board shall be filled by the  
74 appointing authority who appointed the vacating member. Any  
75 member may be removed for cause upon a majority vote by all  
76 other members.

77 (h) No member may have an interest, directly or  
78 indirectly, in any contract for work, materials, or services,  
79 or profits therefrom, to be performed under the authority  
80 conferred by this act if the member, directly or indirectly,  
81 has more than a 10 percent interest in any business, firm,  
82 corporation, or profits thereof, furnishing or providing the  
83 work, materials, or services.

84 (i) The board may appoint an advisory council



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85 consisting of not more than 10 members to advise the board.  
86 Advisory-council members shall serve two-year terms and may be  
87 appointed to additional terms by the board.

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

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

92 (2) To institute and defend legal proceedings in any  
93 court of competent jurisdiction and proper venue; provided,  
94 however, that the corporation may not be sued in any trial  
95 court other than the courts of the county of incorporation;  
96 provided, further, that the officers, directors, agents, and  
97 employees of the corporation may not be sued for their actions  
98 on behalf of the corporation except for actions that are  
99 unreasonable or known by the individual to be unlawful or are  
100 performed with reckless disregard for the lawfulness of such  
101 actions.

102 (3) To plan for construction and development of the  
103 Alabama Farm Center on property owned by the corporation.  
104 Construction and development may include, without limitation,  
105 any of the following:

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

108 b. Streets, boulevards, walkways, parkways, parks, or  
109 other places of recreation.

110 c. Monuments, statues, or other structures beautifying  
111 the Alabama Farm Center.

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



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113 e. Arenas, convention halls, sports facilities,  
114 stadiums, hotels or other facilities for use as a transient  
115 guest housing facility, multifamily housing, dormitory  
116 housing, food courts or other food venue facilities, any  
117 facilities that provide for or support any public or private  
118 educational institution, and any other facilities related to  
119 or incidental to the foregoing.

120 f. Music halls, art museums, art exhibits, or other  
121 exhibits for the advancement of the humanities and cultural  
122 development.

123 g. Any other buildings, structures, facilities, and  
124 other improvements that the corporation determines are  
125 appropriate, useful, or expedient to the center's purposes.  
126 The determination of the corporation shall be conclusive.

127 (4) To acquire property, both real and personal, and  
128 rights and interests in such property, by gift, grant, lease,  
129 or purchase.

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

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

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

135 (8) To hire professionals and enter into contracts for  
136 their services in designing and supervising the construction  
137 of any building, agriculture center, auditorium, arena, barn,  
138 convention hall, music hall, art museum, place of recreation,  
139 art exhibit, office building, or other structure that it  
140 desires to construct.



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141           (9) To make and enter into contracts and to execute all  
142 instruments necessary or convenient to lease or purchase and  
143 own real or personal property to be used for the furtherance  
144 of the purposes for which the center is created.

145           (10) To plan for programs and exhibits in the center  
146 for the advancement of the agricultural, cultural, and  
147 workforce development interests of the residents of this  
148 state.

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

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

153           (13) To enter into financing agreements with federal or  
154 state agencies that may require the authority to mortgage its  
155 property.

156           (14) To plan for programs and exhibits in the center  
157 for the advancement of agricultural and workforce development  
158 interests in this state.

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

161           (16) To accept lease payments, loan repayments, or  
162 other compensation to or for the center or other public  
163 person.

164           (17) To invest in bank deposits, U.S. Treasury bills,  
165 projects, instruments, real, personal, or mixed property, or  
166 any other investments as the corporation may from time to time  
167 determine to be appropriate and convenient to accomplish any  
168 purpose for which the center is organized, including works of



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169 internal improvement, interests in private or other corporate  
170 enterprises, loans of money or credit to individuals,  
171 associations, or other corporations; and to lend the  
172 corporation's credit, grant public money or things of value in  
173 aid of or to any individual, association, or other corporation  
174 whatsoever, or become a stockholder in any other corporation,  
175 association, or company by issuing bonds or otherwise, even  
176 though they may be in violation of Section 93 or Section 94 of  
177 the Constitution of Alabama of 2022, if done by the state or a  
178 subdivision thereof, notwithstanding the fact that any  
179 investment or action may involve the expenditure or  
180 appropriation of funds received from a public person. In  
181 particular, but not by way of limitation, the corporation may  
182 invest its funds, from whatever source, in the stock, bonds,  
183 debentures, notes, or other securities issued by any person  
184 locating a project in this state and may enter into contracts  
185 or options, including contracts or options for the conveyance,  
186 sale, or lease of property, to any such person and make direct  
187 grants of money, property, or services for the purpose of  
188 inducing the person to locate a project in this state.

189 (18) To issue its bonds for the purpose of carrying out  
190 any of its powers and to apply proceeds from the sale of its  
191 bonds, whether heretofore or hereafter issued, not only for  
192 payment of interest thereon prior to and during the  
193 construction and equipment of any buildings, structures,  
194 facilities, or other improvements being financed thereby, but  
195 also for payment of interest thereon.

196 (19) To mortgage and pledge any or all of its





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197 properties, both real and personal, or any part or parts  
198 thereof, as security for the payment of the principal of and  
199 the interest on any bonds so issued and any agreements made in  
200 connection therewith, whether then owned or thereafter  
201 acquired, and to pledge the revenues and receipts therefrom or  
202 from any thereof.

203 (b) Contracts of the corporation shall be executed in  
204 the name of the corporation by the chair of the board and  
205 attested by the secretary of the board. The board may provide  
206 by resolution for a different form for the execution of a  
207 contract by an officer or agent other than the chair and  
208 secretary. A contract, irrespective of its form and of the  
209 persons executing the contract, shall not be binding unless  
210 the contract is authorized or ratified by the board.

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

216 (d) In addition to all other powers at any time  
217 conferred on it by this section or otherwise by law, the  
218 corporation shall have the following powers together with all  
219 powers incidental thereto or necessary to the discharge  
220 thereof in corporate form:

221 (1) To participate: As a shareholder in any other  
222 corporation; as a joint venturer in a joint venture, whether  
223 the joint venture is to be memorialized contractually or  
224 through the formation of one or more separate business



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225 entities; as a general or limited partner in a limited  
226 partnership or a general partnership; as a member in a  
227 nonprofit corporation or limited liability company; or as a  
228 member of any other lawful form of business organization, that  
229 may be involved in the development or operational activities  
230 of any buildings, structures, facilities, and other  
231 improvements that the corporation determines are appropriate,  
232 useful, or expedient to the center's purposes. In connection  
233 with the foregoing, the corporation may elect or appoint an  
234 individual to a governing body and enter into contracts or  
235 other agreements with other parties for the development,  
236 operation, design, marketing, maintenance, and use of any  
237 facilities upon the terms as the corporation determines are  
238 appropriate, useful, or expedient to the center.

239           (2) To make or arrange for loans, contributions to  
240 capital, and other debt and equity financing for the  
241 activities of any other corporation of which the corporation  
242 is a shareholder; any joint venture in which the corporation  
243 is a joint venture; any limited partnership or general  
244 partnership of which the corporation is a general or limited  
245 partnership; any nonprofit corporation in which the  
246 corporation is a member; or any other lawful form of business  
247 organization of which the corporation is a member; and to  
248 guarantee loans, issue bonds, or incur other forms of  
249 indebtedness on behalf of the corporation, joint venture,  
250 partnership, nonprofit corporation, or other business entity  
251 for such purposes.

252           (3) To create, establish, acquire, operate, or support



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253 subsidiaries and affiliates, either for profit or nonprofit,  
254 to assist the center in fulfilling its purposes.

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

259 (5) Without limiting the generality of the preceding  
260 subdivisions, to accomplish and facilitate the creation,  
261 establishment, acquisition, development, operation, or support  
262 of any subsidiary, affiliate, nonaffiliated corporation, or  
263 other lawful business organization by means of loans of funds,  
264 leases of real or personal property, gifts and grants of  
265 funds, or guarantees of indebtedness of the subsidiaries,  
266 affiliates, and non-affiliated corporations.

267 (6)a. In addition to any other authority to enter into  
268 contracts, to enter into contracts, agreements, or  
269 understandings with any other public and private parties  
270 including, but not limited to, the following:

271 1. Design-build, design-build-operate,  
272 design-build-own-operate, design-build-own-operate-maintain,  
273 design-build-finance-operate-maintain, or other similar  
274 arrangements or agreements pursuant to which the design,  
275 right-of-way acquisition, relocation of structures or  
276 utilities, construction, financing, ownership, management,  
277 maintenance, and operation, or any combination thereof of a  
278 project is accomplished by or on behalf of the corporation.

279 2. Leases, licenses, franchises, concessions, or other  
280 agreements for the development, operation, management, or

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281 undertaking of all or any part of a project of or on behalf of  
282 the corporation.

283           b. Notwithstanding any provision of law to the  
284 contrary, proposals under paragraph a. may be evaluated and  
285 awarded by the corporation based on qualifications of  
286 participants or best value, or both, as evaluated by  
287 procedures of the corporation and taking into consideration  
288 the best interests of the corporation. Evaluation criteria for  
289 a contract procured pursuant to the preceding sentence shall  
290 be set forth in the request for proposal for the contract. The  
291 contract may also be awarded through any existing procurement  
292 authority, proposals, or other means of procurement otherwise  
293 available to the corporation.

294           Section 3. (a) Subject to the conditions,  
295 qualifications, and restrictions set forth in subsection (b),  
296 the Agriculture Exhibition Center Corporation may borrow money  
297 from any person or governmental entity. As security for any  
298 money borrowed, together with interest thereon, and any  
299 obligations incurred or assumed, the corporation may mortgage,  
300 pledge, or otherwise transfer and convey its real, personal,  
301 and mixed property, or any part or parts thereof, whether then  
302 owned or thereafter acquired, including any franchises then  
303 owed or thereafter adopted and all or any part of any funds of  
304 the corporation. In a resolution authorizing the mortgage  
305 given to secure the payment thereof, the corporation, in  
306 addition to its other powers, shall have the power to agree  
307 with the several holders of the mortgage to make, enter, and  
308 perform covenants and agreements as to all of the following:



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309           (1) The conduct, management, and maintenance of the  
310 properties held by the corporation or of the activities,  
311 operations, and enterprises then or thereafter conducted by  
312 the corporation.

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

314           (3) Restrictions on the exercise of the powers of the  
315 corporation to dispose or to limit or regulate the use of all  
316 or any part of the properties of the corporation.

317           (4) The use and disposition of any monies of the  
318 corporation, including taxes payable to the corporation under  
319 any act of the Legislature and revenues derived or to be  
320 derived from the activities, operations, and enterprises of  
321 the properties of the corporation, including any part or parts  
322 theretofore constructed or acquired and any parts, extensions,  
323 replacements, or improvements thereafter constructed or  
324 acquired.

325           (5) The setting aside of the taxes payable to the  
326 corporation under any act of the Legislature or use of the  
327 revenues or the monies of the corporation or reserves and  
328 sinking funds, and the source, custody, security, regulation,  
329 application, and disposition thereof.

330           (6) The assumption or payment or discharge of any  
331 indebtedness, liens, or other claims relating to any part of  
332 the properties of the corporation or any obligations  
333 constituting, or which may constitute, a lien on the  
334 properties or any part thereof.

335           (7) Limitations or other evidences of indebtedness or  
336 upon the incurrence of indebtedness of the corporation.



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337 (b) The power vested in the corporation to pledge taxes  
338 to be paid to the corporation or to pledge revenue of the  
339 corporation shall not be construed as undertaking or  
340 purporting to empower the corporation to pledge any tax or any  
341 revenue if the pledge is prohibited by the Constitution of  
342 Alabama of 2022. It is expressly provided that the corporation  
343 shall have the power to pledge any tax paid to the corporation  
344 or revenue of the corporation, the pledge of which is  
345 authorized by the Constitution of Alabama of 2022.

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

350 Section 4. The county in which the Alabama Farm Center  
351 is located and each municipality therein may lease, sell,  
352 donate, or otherwise convey to the Agriculture Exhibition  
353 Center Corporation real or personal property, including park  
354 properties, without authorization by election of the qualified  
355 voters of the county or of the municipality; and the county in  
356 which the center is located and each municipality therein are  
357 authorized, but not required, to appropriate public funds of  
358 the county or of the municipality to the corporation to be  
359 used by the corporation for purposes of this act. The county  
360 in which the center is located shall not lease, sell, donate,  
361 or convey any property to the corporation, or appropriate any  
362 money to the corporation, unless the county commission of that  
363 county has determined that the lease, sale, donation,  
364 conveyance, or appropriation will benefit the people of that



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365 county or municipality to such an extent as to fully warrant  
366 and justify the lease, sale, donation, conveyance, or  
367 appropriation.

368           Section 5. The Agriculture Exhibition Center  
369 Corporation may permit the consumption of alcoholic beverages  
370 any day of the week, purchased from licensees of the Alcoholic  
371 Beverage Control Board, to be consumed by purchasers within  
372 the boundaries of the Alabama Farm Center.

373           Section 6. The Agriculture Exhibition Center  
374 Corporation and all property in which it may have any  
375 ownership, leasehold, or other interest, direct or indirect,  
376 is exempt from all municipal ordinances and rules, including  
377 zoning ordinances, unless the corporation consents to the  
378 application of ordinance or rule.

379           Section 7. (a) The Agriculture Exhibition Center  
380 Corporation, as a governmental entity, is exempt from the  
381 payment of all state, county, and municipal noneducational  
382 taxes.

383           (b) (1) Any county or municipal sales and use tax  
384 proceeds that are collected by the corporation; a joint  
385 venture of the corporation, including a public or private  
386 venture of the corporation; or a lessee of the corporation or  
387 a joint venture of the corporation, and remitted to a local  
388 taxing authority shall be rebated by that local taxing  
389 authority to the corporation.

390           (2) The county commission of the county in which the  
391 Alabama Farm Center will be located, at the time of the  
392 formation of the corporation, may opt-out of the requirement



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393 to rebate sales taxes collected by a private entity, joint  
394 venture partner, or public-private partnership.

395 (3) The corporation may enter into revenue sharing  
396 agreements with the county commission of the county in which  
397 the center will be located and municipalities therein to share  
398 any tax revenue generated by the corporation outside of the  
399 operational area outlined in the corporation's articles of  
400 incorporation.

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

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

408 Section 8. The Agriculture Exhibition Center  
409 Corporation shall be deemed an economic development  
410 organization, and the Alabama Farm Center shall be deemed a  
411 site, for the purposes of Article 19A, Chapter 18, Title 40 of  
412 the Code of Alabama 1975.

413 Section 9. The Agriculture Exhibition Center  
414 Corporation shall be subject to audit and examination every  
415 two years by the Department of Examiners of Public Accounts  
416 for compliance with this act.

417 Section 10. The provisions of this act are severable.  
418 If any part of this act is declared invalid or  
419 unconstitutional, that declaration shall not affect the part  
420 which remains.





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421                   Section 11. This act shall become effective  
422 immediately.

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423  
424  
425 Senate

426 Read for the first time and referred .....19-Mar-24  
427 to the Senate committee on  
428 Agriculture, Conservation, and  
429 Forestry

431 Read for the second time and placed .....21-Mar-24  
432 on the calendar:  
433 1 amendment

435 Read for the third time and passed .....16-Apr-24  
436 as amended  
437 Yeas 26  
438 Nays 0  
439 Abstains 4

440  
441  
442 Patrick Harris,  
443 Secretary.  
444