

SB315 INTRODUCED



1 SB315
2 5VUURM3-1
3 By Senator Singleton
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 08-Apr-25



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SYNOPSIS:

Under existing law, the Alabama 21st Century Authority may issue bonds for economic development and industrial recruitment purposes, secured by tobacco settlement revenues received by the State of Alabama and deposited into the Alabama 21st Century Fund.

This bill would allow the Alabama 21st Century Fund revenues to be used to pay other project costs and debt service on bonds issued by the State Industrial Development Authority. This bill would also transfer five million dollars (\$5,000,000) from the Alabama 21st Century Fund to the Alabama Department of Commerce to establish additional international offices, enhance rural development strategies, and cover operational and personnel costs.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Alabama 21st Century Authority; to amend Section 41-10-629, Code of Alabama 1975, establishing the Alabama 21st Century Fund; to allow funds not needed to pay debt service on bonds of the authority to be used to pay



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29 other project costs and debt service obligations of the State
30 Industrial Development Authority; to transfer five million
31 dollars (\$5,000,000) from the fund to the Alabama Department
32 of Commerce for the establishment of international offices,
33 enhancement of rural development strategies, and to cover
34 operational and personnel costs.

35 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

36 Section 1. Section 41-10-629, Code of Alabama 1975, is
37 amended to read as follows:

38 "§41-10-629

39 (a) For the benefit of the State of Alabama and the
40 ~~citizens~~residents thereof, there is hereby created a special
41 fund named the "Alabama 21st Century Fund" which shall be
42 funded with tobacco revenues and administered in accordance
43 with this division. ~~The following amounts shall be retained in~~
44 ~~the special fund in the following fiscal years and shall be~~
45 ~~used to pay principal, interest, and premium, if any, due on~~
46 ~~bonds issued by the authority.~~

Fiscal Year	Amount to be Retained
2000	\$7,000,000
2001	9,000,000
2002	11,000,000
2003-2017	13,000,000
2018 and thereafter	16,000,000



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55 Beginning in fiscal year 2018 and thereafter, sixteen
56 million dollars (\$16,000,000) shall be retained in the special
57 fund and shall be used to pay principal, interest, and
58 premium, if any, due on bonds issued by the authority.

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60 (b) Pending the use of revenues in the special fund for
61 the payment of debt service on the bonds, such revenues shall
62 be invested by the State Treasurer in permitted investments
63 until such revenues are needed for such purposes. Earnings on
64 such permitted investments shall remain a part of the special
65 fund. ~~For the fiscal year ended September 30, 2015, twenty~~
66 ~~million dollars (\$20,000,000) shall be transferred from the~~
67 ~~Alabama 21st Century Fund to the State General Fund.~~ If amounts
68 in the special fund are no longer needed to pay obligations of
69 the Alabama 21st Century Authority, the amount in the fund
70 shall be used for any of the following:

71 (1) To pay for project and project costs as defined in
72 Section 41-10-541.

73 (2) To pay debt service on bonds issued by the Alabama
74 Incentives Financing Authority.

75 (3) For the fiscal year ending September 30, 2025, a
76 one-time transfer of \$5,000,000 from the Alabama 21st Century
77 Fund to the Alabama Department of Commerce for the
78 establishment of international offices, enhancement of rural
79 development strategies, and to cover operational and personnel
80 costs."

81 Section 2. This act shall become effective
82 immediately.