

# SB317 ENROLLED



1 SB317  
2 SLB3H87-2  
3 By Senators Singleton, Gudger, Livingston, Smitherman  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 08-Apr-25



## SB317 Enrolled

1 Enrolled, An Act,

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3  
4 Relating to the Alabama Innovation Corporation; to  
5 amend Section 41-10-803, Code of Alabama 1975; to provide  
6 staggered terms for the board of directors.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. Section 41-10-803 of the Code of Alabama  
9 1975, is amended to read as follows:

10 "§41-10-803

11 (a) The corporation shall be under the management and  
12 control of a board of directors, and all powers necessary or  
13 appropriate for the management and control of the corporation  
14 shall be vested solely in the board. The board shall be  
15 comprised of both ex officio directors and at-large directors,  
16 all of whom shall be voting members of the board and shall be  
17 considered in determining whether a quorum is present.

18 (b) The board shall have five ex officio directors,  
19 consisting of the Governor, the Speaker of the House of  
20 Representatives, the President Pro Tempore of the Senate, and  
21 the House and Senate minority caucus leaders, or their  
22 designees. The service of each ex officio director shall begin  
23 and end concurrently with the beginning and end of his or her  
24 tenure in office or service as a minority caucus leader,  
25 respectively. Each ex officio director may appoint a person to  
26 serve in his or her place at any meeting of the board, or may  
27 designate a person to serve in his or her place at all  
28 meetings of the board until the term of the ex officio



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director should end, and the appointee or designee shall be counted for purposes of a quorum and voting.

(c) The Governor shall select six at-large directors, who shall be persons with experience relevant to the purposes and activities of the corporation including, but not limited to, experience with any of the following:

(1) Participating on boards of, or being employed by, nonprofit corporations which promote business or economic development throughout the state.

(2) Having other experience relevant to entrepreneurship and innovation including, but not limited to, any of the following:

a. Making more than one investment in seed or pre-seed stage startup companies or managing, or making investments in, one or more seed stage funds or venture capital funds.

b. Founding, or working as an executive in, a science or technology based business.

c. Founding, or working as an executive in, a business which acquired or commercialized intellectual property from a university or other research institution.

d. Founding, or working as an executive in, a business which regularly interacts with persons or businesses described in paragraphs a., b., or c.

(3) a. In making appointments of at-large directors, the Governor shall coordinate his or her appointments so that diversity of gender, race, and geographical areas of the board of directors is reflective of the makeup to assure the board membership is inclusive and reflects the racial, gender,



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geographic, urban, rural, and economic diversity of the state. The ~~service~~ term of each at-large director shall begin upon written acceptance of his or her appointment. ~~The at-large directors selected by the Governor shall serve on the board for a term ending on the date of the second year following his or her appointment as an at-large director.~~ and shall end on December 31.

b. For the six at-large directors serving on October 1, 2025, the Governor shall designate that the terms of two shall expire on December 31, 2025; the terms of two shall be extended by one year so that their terms shall expire on December 31, 2026; and the terms of two shall be extended by two years so that their terms shall expire on December 31, 2027. Thereafter, successor at-large directors appointed by the Governor shall serve for terms of two years.

c. Each at-large director, regardless of whether a prior Governor selected him or her, shall continue to serve until the director is reappointed, or a successor is appointed, to the office. An at-large director appointed by the Governor may only serve a maximum of two consecutive terms of office, but may be reappointed after he or she has spent at least two years without serving as an at-large director. At-large directors may resign or may be removed by the Governor at any time and for any reason, at which time the Governor shall appoint a different person to serve, so long as that person satisfies the requirements set forth in this section. A person appointed to fill a vacancy shall serve out the remainder of the unexpired term and may be appointed to



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85     serve two additional consecutive terms.

86             (d) No director shall receive compensation because of  
87     his or her service as a director. Each director shall be  
88     reimbursed for actual travel expenses incurred in the  
89     performance of his or her duties as a director.

90             (e) Notwithstanding subsections (a) through (d),  
91     inclusive, upon the incorporation of the corporation, the  
92     Governor shall select as one of the initial at-large directors  
93     the individual serving in the leadership of the Alabama  
94     Innovation Commission as of January 1, 2021. As long as that  
95     individual is serving on the board, he or she shall be the  
96     chair and presiding officer of the board. The individual shall  
97     serve on the board for a term ending on the date of the second  
98     year following his or her appointment as an at-large director  
99     and may be reappointed for additional consecutive two-year  
100    terms as an at-large director. At the time that the individual  
101    ~~shall resign, be~~ resigns, is removed, or otherwise no longer  
102    ~~serve~~ serves as chair, the position shall be subject to the  
103    appointment provisions for at-large directors provided by this  
104    section and, thereafter, the Governor shall appoint any member  
105    of the board to be the chair of the board.

106            (f) Notwithstanding ~~any provision of~~ Chapter 25A of  
107    Title 36, a majority of the directors shall constitute a  
108    quorum for the transaction of business by the board, and  
109    decisions shall be made on the basis of a majority of the  
110    quorum then present and voting. No vacancy in the membership  
111    of the board or the voluntary disqualification or abstention  
112    of any director shall impair the right of a quorum to exercise



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all of the powers and duties of the board. Members of the board may participate in meetings of the board in person, by means of telephone conference, video conference, or other similar communications equipment, so that all individuals participating in the meeting may hear each other at the same time. Participation by any such means shall constitute presence in person at a meeting for all purposes, including for purposes of establishing a quorum.

(g) The board may appoint other officers to perform duties not inconsistent with this article or applicable law, as the board deems necessary or appropriate.

(h) In addition to regular meetings of the board, as may be provided by law or by bylaws adopted by the board, special meetings of the board may be called by the chair acting alone or by any three other directors acting in concert, in each case upon notice to each director given in person, by email, by registered letter, or by other means. Notice to each director may be waived upon the unanimous written consent of all directors, either before or after the meeting with respect to which the notice would otherwise be required.

(i) All proceedings of the board, except executive sessions, shall be reduced to writing on behalf of the board and maintained in the permanent records of the corporation, a copy of which shall be filed in the principal office of the corporation and shall be open for public inspection during regular business hours. The principal office of the corporation shall be the principal office of the director of



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141 finance."

142 Section 2. This act shall become effective on October

143 1, 2025.



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB317  
Senate 24-Apr-25  
I hereby certify that the within Act originated in and passed  
the Senate.

Patrick Harris,  
Secretary.

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House of Representatives  
Passed: 06-May-25

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By: Senator Singleton