

HB135 INTRODUCED



1 HB135
2 HGYY488-1
3 By Representative Brown
4 RFD: Ports, Waterways and Intermodal Transit
5 First Read: 13-Jan-26
6 PFD: 08-Jan-26



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4 SYNOPSIS:

5 This bill would create the Alabama Port
6 Infrastructure Grant Program and Alabama Port
7 Infrastructure Fund to fund grants for ports within
8 this state.

9 This bill provides for the Alabama Department of
10 Economic and Community Affairs to administer the
11 program and funding of the program.

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14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 Relating to ports; to create the Alabama Port
19 Infrastructure Grant Program and Alabama Port Infrastructure
20 Fund; to amend Sections 41-23-130, 41-23-131, 41-23-132,
21 41-23-133, and 41-23-134, Code of Alabama 1975; to provide for
22 the administration of the program by the Alabama Department of
23 Economic and Community Affairs; and to provide for funding of
24 the program.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. Sections 41-23-130, 41-23-131, 41-23-132,
27 41-23-133, and 41-23-134, Code of Alabama 1975, are amended to
28 read as follows:



29 "§41-23-130

30 When used in this article, the following words and
31 phrases have the following meanings unless the context clearly
32 indicates otherwise:

33 (1) DEPARTMENT or ADECA. The Alabama Department of
34 Economic and Community Affairs.

35 (2) FUND. The Alabama Port Infrastructure Fund created
36 by Section 41-23-132.

37 ~~(1)~~ (3) INLAND PORT. Inland Any port, including
38 ~~ports~~ a port owned or operated by the Alabama State Port
39 Authority, ~~are that is physical sites~~ physically located away
40 from traditional land, air, and coastal borders with the
41 vision to facilitate and process international and domestic
42 trade through strategic investment in ~~multi-modal~~ multimodal
43 transportation assets and by promoting value-added services as
44 goods move through the supply chain. The term specifically
45 excludes the Port of Mobile.

46 ~~(2)~~ (4) INTERMODAL FACILITY. A transportation element
47 that accommodates and interconnects different modes of
48 transportation and serves intrastate, interstate, and
49 international movement of people and goods and facilitates the
50 movement of goods on two or more modes involving either direct
51 transfer or intermediate storage.

52 (5) PORT. Any inland port as defined in subsection (3),
53 public port located in coastal areas, or the Port of Mobile.

54 ~~(3)~~ (6) PORT FACILITY. Any authority, municipality,
55 county, or publicly owned~~inland~~ port through which cargo is
56 transported by way of waterborne ship, barge, or railroad, to



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57 or from destinations inside or outside this state and which
58 handles cargo owned by third parties.[_](#)

59 (7) PROGRAM. The Alabama Port Infrastructure Grant

60 Program created by Section 41-23-131."

61 "§41-23-131

62 (a) The Alabama Port Infrastructure Grant Program~~Inland Ports and Intermodal Development Fund~~ is created within the
63 Alabama Department of Economic and Community Affairs~~to receive appropriations from the State General Fund for the purpose of financing improvements to existing publicly owned inland ports and intermodal facility infrastructure.~~ The
64 program shall award grants to fund the improvement, maintenance, and construction of ports and intermodal facilities within the state. ~~Funding for the grant program~~Grants shall be awarded on a competitive bid basis for ~~inland port and intermodal facility~~port and intermodal facility projects that will have a significant local or
70 regional impact.~~Priority of funding shall be given to inland ports and intermodal facilities that have proven performance in reducing congestion on public highways and increasing tonnage at port facilities and that will enhance regional competitiveness for port operators and users.~~

79 (b) Any project funded from this program shall meet the
80 following requirements:

81 (1) The minimum amount of participation for local matching funds is 20 percent of the project amount.

83 (2) The amount awarded from the program may not exceed
84 50 percent of the total budgeted project costs.



85 (3) The award amount of an individual grant may not
86 exceed 20 percent of the total grant funds awarded in a single
87 fiscal year.

88 (4) The indirect costs and administrative costs of the
89 project may not exceed 10 percent of the amount awarded.

90 (c) The department shall develop application procedures
91 and eligibility criteria for the program and shall award
92 grants to facilitate the program. Grants shall be awarded
93 based on a competitive scoring system developed by the
94 department. The department may fund partial awards if funding
95 requested from the program exceeds the amount of available
96 funding.

97 (b)(d) To receive funds under this article, ~~an inland a~~
98 port or intermodal facility shall file an application with the
99 department describing how the funds will be used and any other
100 information the department may require. No application shall
101 be approved or funds distributed unless the expenditure of
102 funds are:

103 (1) Directly related to capital improvements, dredging
104 for project development in the immediate vicinity of an
105 existing ~~inland~~ port, economic development of ~~an inland a~~ port
106 facility, or the rebuilding or rehabilitation of basic
107 waterway and port infrastructure;

108 (2) For a project or use directly related to intermodal
109 infrastructure development;

110 (3) For a purpose outside the normal operating budget
111 of ~~an inland a~~ port, ~~or~~ intermodal infrastructure facility, or
112 a river-related community;~~or~~



113 (4) For purposes of making improvements to ports or
114 intermodal infrastructure facilities;

115 (4)(5) For purpose of assessment or planning or for

116 efforts to grow and expand ports or intermodal infrastructure

117 facilities; or

118 (6) For purposes of establishing or constructing new
119 ports, or to acquire land for new ports, if a feasibility
120 study and competitive analysis have been conducted and
121 submitted for review to the department.

122 (e) Funding shall not be ~~approved~~used for routine

123 maintenance, administrative, and operational expenses, or for

124 the dredging of waterways within the state that are not in the

125 immediate vicinity of ~~an inland~~ port facility. ~~Additionally,~~

126 ~~the use of funding to establish or construct new inland ports,~~

127 ~~or to acquire land for new inland ports, shall not be eligible~~

128 ~~for funding unless a feasibility study and competitive~~

129 ~~analysis have been conducted and submitted for review to the~~

130 ~~department.~~"

131 "§41-23-132

132 (a) The Alabama Port Infrastructure Fund is created in
133 the State Treasury to be administered by the department to
134 fund the program. The fund is subject to appropriations by the
135 Legislature. Monies in the fund shall only be expended for
136 purposes listed in this article. The fund shall be budgeted
137 and allotted in accordance with Article 4 of Chapter 4 of
138 Title 41 and Chapter 19 of Title 41.

139 (a)(b) Notwithstanding any other provision of law to
140 the contrary, the Legislature shall annually appropriate



141 ~~two~~five million dollars ~~(\$2,000,000)~~(\$5,000,000) from the
142 State General Fund to the Alabama Department of Economic and
143 Community Affairs to ~~establish a grant program to facilitate~~
~~and coordinate inland port and transfer facility development,~~
144 ~~improvement, maintenance, onsite storage, moorings, and~~
145 ~~construction~~fund the program. ~~The appropriation shall be~~
146 ~~effective beginning fiscal year 2026 and continue through the~~
147 ~~2028 fiscal year, unless continued by an act of the~~
148 ~~Legislature.~~

150 ~~(b)~~(c) Upon appropriations, the monies shall be kept in
151 the ~~Inland Ports and Intermodal Development Fund~~ fund created
152 in ~~this section~~Section 41-23-131 and shall be subject to audit
153 by the Department of Examiners of Public Accounts in the same
154 manner as all other department funds. Any unexpended monies
155 remaining in the fund at the end of the fiscal year shall
156 remain in the fund and shall not revert ~~to the State General~~
157 ~~Fund. The amount of the appropriation for the upcoming fiscal~~
158 ~~year appropriation shall be reduced by the amount carried~~
159 ~~forward such that the department will have no more than five~~
160 ~~million dollars (\$5,000,000) in any single fiscal year to~~
161 ~~administer the grant program. Any monies that remain~~
162 ~~unexpended at the end of the third fiscal year shall revert to~~
163 ~~the State General Fund. Any unencumbered funds remaining~~
164 ~~pursuant to this article after three years shall revert to the~~
165 ~~State General Fund~~

166 (d) No more than three percent of the total amount
167 appropriated for the program in any fiscal year may be
168 expended for administration of the program.



169 (e) For any fiscal year in which grants are awarded
170 under the program, by the first day of the next regular
171 session of the Legislature, the department shall publish an
172 annual report regarding the grants awarded under the program
173 during the prior fiscal year. The report shall include the
174 improvements made to ports and intermodal facilities supported
175 by grant funds."

176 "§41-23-133

177 (a) This article shall not apply nor have any effect on
178 any state agency ~~currently having~~with control over ~~local~~ port
179 or infrastructure commissions or authorities.

180 (b) This article shall not ~~change~~affect any ~~existing~~
181 other laws that apply to any ~~existing~~ port or infrastructure
182 commission or authority, or to powers ~~presently~~ provided for
183 conducting and developing the water transportation industry,
184 and all such ~~existing~~ laws are expressly preserved and shall
185 not be preempted by this article.

186 (c) No provision of this article shall be construed to
187 authorize any diversion from ~~local~~ port or infrastructure
188 commissions or authorities of fees, funds, donations, grants,
189 or monies to which the commission or authorities are otherwise
190 entitled.

191 (d) Nothing in this article shall be construed to limit
192 any port's ability to receive funding from other sources as
193 provided for by state or federal law."

194 "§41-23-134

195 The ~~Alabama Department of Economic and Community~~
196 Affairs department shall adopt rules, restrictions, and

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197 eligibility requirements as are necessary to implement and
198 administer this article."

199 Section 2. This act shall become effective on October
200 1, 2026.