

HB510 ENGROSSED



1 HB510
2 DGEJCNT-2
3 By Representative Pringle (N & P)
4 RFD: Mobile County Legislation
5 First Read: 25-Feb-26



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A BILL
TO BE ENTITLED
AN ACT

Relating to Class 2 municipalities; to further provide for the powers of certain industrial development boards.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) For the purposes of this section, the following terms have the following meanings:

- (1) AUTHORIZING MUNICIPALITY. A Class 2 municipality.
- (2) DEVELOPMENT PROJECTS. Any interests in land, buildings, structures, facilities, or other improvements and any fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, all for the essential public purpose of the development of trade, commerce, industry, and employment opportunities in the corporate limits of the authorizing municipality for any industrial, commercial, business, office, parking, utility, residential, including without limitation homes, apartments, town houses, condominiums, hotels, and motels, or other use, provided that a majority of the members of the board determine, by a resolution duly adopted, that the development



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29 project and the use thereof would further the public purpose
30 of this section. Any such resolution shall include findings
31 that the primary purpose of the development project is to
32 advance one or more public purposes of this section,
33 including, without limitation: (i) the creation or retention
34 of employment opportunities through the promotion of industry
35 and development of trade; (ii) the expansion or
36 diversification of the tax base; (iii) the elimination of
37 blight or underutilized property; (iv) the provision of
38 facilities that support industrial or economic development; or
39 (v) the support of housing reasonably related to workforce
40 needs or economic growth within the municipality.

41 (3) INDUSTRIAL BOARD DEVELOPMENT ACT. Both of the
42 following:

43 a. Division 1 of Article 4 of Chapter 54 of Title 11,
44 Code of Alabama 1975.

45 b. This section.

46 (4) INDUSTRIAL DEVELOPMENT BOARD. Any public
47 corporation now in existence or hereafter organized pursuant
48 to the provisions of the Industrial Development Board Act in a
49 Class 2 municipality.

50 (b) The purpose of this section is to grant industrial
51 development boards organized in a Class 2 municipality,
52 whether existing or formed after June 1, 2026, in addition to
53 those powers conferred on them, the power to issue and sell
54 bonds and to acquire, construct, expand, improve, replace,
55 equip, maintain, operate, lease, and dispose of development
56 projects. This section shall be liberally construed to carry



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57 out its powers.

58 (c) In addition to any powers that are conferred on
59 industrial development boards by the Industrial Development
60 Board Act, each industrial development board within a Class 2
61 municipality shall have the following powers with respect to
62 any development project:

63 (1) Any power that is conferred on industrial
64 development boards by the Industrial Development Board Act.

65 (2) To finance, by loan, grant, lease, or otherwise,
66 construct, erect, assemble, purchase, acquire, own, repair,
67 remodel, renovate, rehabilitate, modify, maintain, extend,
68 improve, install, sell, equip, expand, add to, operate, or
69 manage development projects.

70 (3) To pay the cost of any development project from the
71 proceeds of bonds, or any other funds of the board, or from
72 any contributions or loans by the state or any municipality,
73 county, or public agency, persons, or other entities, all of
74 which the board is hereby authorized to receive and accept and
75 use.

76 (4) To loan the proceeds of any bonds issued by it or
77 other funds available to it to pay all or part of the cost of
78 any development project and otherwise to further or carry out
79 the public purpose of the board.

80 Section 2. This act shall become effective on October
81 1, 2026.



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House of Representatives

Read for the first time and referred25-Feb-26
to the House of Representatives
committee on Mobile County
Legislation
Read for the second time and placed11-Mar-26
on the calendar:
1 amendment
Read for the third time and passed17-Mar-26
as amended
Yeas 12
Nays 0
Abstains 90

John Treadwell
Clerk