

**SB289 ENROLLED**



1 SB289  
2 BYBRGQ4-2  
3 By Senator Singleton  
4 RFD: Finance and Taxation Education  
5 First Read: 10-Feb-26



## SB289 Enrolled

1 Enrolled, An Act,

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4           Regarding the Growing Alabama Act; to amend Sections  
5 40-18-417.1, 40-18-417.2, and 40-18-417.3, Code of Alabama  
6 1975, to allow sites owned by one or more entities to qualify  
7 for Growing Alabama tax credits if all parties listed on the  
8 deed are eligible applicants; and to make nonsubstantive,  
9 technical revisions to update existing code language to  
10 current style.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12           Section 1. Sections 40-18-417.1, 40-18-417.2, and  
13 40-18-417.3, Code of Alabama 1975, are amended to read as  
14 follows:

15           "§40-18-417.1

16           For the purposes of the Growing Alabama Act pursuant to  
17 this article, the following words and phrases ~~shall~~ have the  
18 following meanings:

19           (1) CAPITAL IMPROVEMENTS. Construction and  
20 rehabilitation expenses of a capital nature at an inland port  
21 or intermodal facility, the dredging of waterways in the  
22 immediate vicinity of an inland port, and the expansion of  
23 onsite storage facilities at an inland port or intermodal  
24 facility.

25           (2) ECONOMIC DEVELOPMENT ACTIVITIES. Activities and  
26 initiatives that enhance the use of, and flow of goods  
27 through, an inland port or intermodal facility.

28           (3) ECONOMIC DEVELOPMENT ORGANIZATION. A local economic



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29 development organization or a state economic development  
30 organization.

31 (4) GROWING ALABAMA CREDIT. The credit provided for in  
32 ~~subsection (a) of Section 40-18-417.4~~ (a).

33 (5) INDUSTRY or BUSINESS. An entity that would conduct  
34 at a site an activity that is primarily described in Section  
35 40-18-372(1).

36 (6) INLAND PORT. Any port on a navigable river away  
37 from traditional land, air, and coastal borders.

38 (7) INTERMODAL FACILITY. Any facility that  
39 interconnects two or more different modes of air, rail, or  
40 road traffic serving multiple customers, and which involves  
41 storage facilities.

42 (8) LOCAL ECONOMIC DEVELOPMENT ORGANIZATION.

43 Organizations which are determined by the Department of  
44 Commerce to meet both of the following criteria:

45 a. The organization is an Alabama entity not operating  
46 for profit, including, but not limited to, a municipality or  
47 county, an industrial board or authority, a chamber of  
48 commerce, or some other foundation or Alabama nonprofit  
49 corporation charged with improving a community or region of  
50 the state.

51 b. The organization has a record of supporting or  
52 otherwise participating in economic development in some part  
53 of this state.

54 (9) RENEWAL OF ALABAMA COMMISSION. The Renewal of  
55 Alabama Commission created by Section 40-18-402.

56 (10) SITE. Real property owned by ~~a~~ one or more local



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57 economic development ~~organization~~organizations and intended  
58 for use by an industry or business.

59 (11) STATE ECONOMIC DEVELOPMENT ORGANIZATION. An  
60 organization that is determined by the Department of Commerce  
61 to be an Alabama entity not operating for profit which is  
62 charged with improving the state or a region of the state and  
63 has a record of supporting or otherwise participating in  
64 economic development in the state."

65 "§40-18-417.2

66 (a) (1) A local economic development organization that  
67 owns a site, either solely or jointly with other local  
68 economic development organizations, may apply to the  
69 Department of Commerce for funding to solve an inadequacy  
70 involving the site. For sites with multiple owners, all owners  
71 shall submit a joint application as co-applicants. The  
72 application ~~by the local economic development organization~~  
73 shall include at least one of the following:

74 a. If there is a pending expression of interest about  
75 the site from an industry or business, a list of the site  
76 preparation or public infrastructure work needed to make the  
77 site acceptable to the industry or business.

78 b. If the site has been offered to one or more  
79 industries or businesses but the offer did not result in the  
80 industry or business locating on the site, a list of the site  
81 preparation or public infrastructure work that, if it had been  
82 completed, would have made the site acceptable to the  
83 industries or businesses.

84 c. If the site is an industrial or research park that



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85 needs connections to interstates, highways, roadways, rail  
86 systems, or sewer, fiber, electrical, gas, or water  
87 infrastructure, a list of the site preparation or public  
88 infrastructure work needed.

89 d. Capital improvements or economic development  
90 activities at an inland port or intermodal facility, as  
91 described in Section 40-18-417.17, provided that the  
92 application is accompanied by an economic impact report on  
93 such improvements or activities.

94 e. Any site improvement or public infrastructure work  
95 in census tracts that meets the definition of low-income  
96 communities pursuant to 26 U.S.C. § 45D(e) as those  
97 communities were identified as of January 1, 2015, or in such  
98 a community identified thereafter.

99 (2) An economic development organization may apply to  
100 the Department of Commerce for funding to undertake the  
101 construction, maintenance, promotion, operation, management,  
102 leasing, and subleasing of an agricultural center that  
103 includes a multi-use facility and related commercial and  
104 noncommercial structures for livestock, equestrian, small  
105 animal shows and events, spectator events, trade shows,  
106 educational conferences, agricultural and agricultural related  
107 industries, educational, demonstrational or training purposes,  
108 educational and training conferences or events, recreational  
109 vehicle rallies, recreational vehicle multi-day parking,  
110 hosting of corporate and non-corporate organization meetings,  
111 use as fair grounds, operation of retail activities, and other  
112 events and facilities expected to draw participants and



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113 spectators from states located across the southeastern United  
114 States, with a projected total annual economic impact upon  
115 completion of all phases of the agricultural center of at  
116 least thirty-five million dollars (\$35,000,000) and with the  
117 related and supporting infrastructure and facilities having a  
118 projected capital expenditure upon completion of all phases of  
119 the agricultural center of at least one hundred million  
120 dollars (\$100,000,000)~~7~~, provided that the application is  
121 accompanied by an economic impact report on the agricultural  
122 center.

123 (b) The application shall include quotes for the  
124 completion of the work, following compliance with the  
125 procedures set forth by the Department of Economic and  
126 Community Affairs, as if the organization were disbursing  
127 state funds received from the department.

128 (c) The application provided in paragraph (a)(1)-a. or  
129 b. shall include an estimate of the number of jobs, wages, and  
130 capital investment that would have been undertaken by the  
131 industries or businesses referred to in paragraph (a)(1)-a. or  
132 b.

133 (d) The application provided in subsection (a) shall  
134 include proof that ~~the economic development organization~~ each  
135 applicant or co-applicant has in full force and effect a  
136 conflict of interest policy consistent with that found in the  
137 instructions to Form 1023 issued by the Internal Revenue  
138 Service.

139 (e) The application provided in subsection (a) shall  
140 include a notarized affirmation by an officer of the economic



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141 development organization that the submission of the  
142 application did not violate the conflict of interest policy  
143 referred to in subsection (d).

144 (f) If the site is owned by one or more economic  
145 development organizations, the application provided in  
146 subsection (a) must be jointly submitted by all economic  
147 development organizations. Each co-applicant must submit the  
148 conflict of interest policy referred to in subsections (d) and  
149 (e)."

150 "§40-18-417.3

151 (a) Following a review, if the Department of Commerce  
152 approves the application provided in ~~subsection (a) of Section~~  
153 40-18-417.2(a), it shall forward the application to the  
154 Renewal of Alabama Commission.

155 (b) The Renewal of Alabama Commission shall consider  
156 the application and shall approve it if the commission deems  
157 it worthy of approval. As to improvements at industrial sites,  
158 the commission shall give preference to sites with at least  
159 1,000 acres of available space. As to applications for  
160 projects located in communities which have the potential to  
161 provide additional funding separate from the Growing Alabama  
162 Credits, the commission shall take into consideration whether  
163 the separate funding is to be provided to the project that is  
164 the subject of the application. Meetings of the commission are  
165 subject to Chapter 25A of Title 36. Notwithstanding the  
166 foregoing, the commission may meet by telephone or some other  
167 telecommunications device so long as members of the public are  
168 allowed the opportunity to listen to or otherwise observe the



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169 commission's deliberations.

170 (c) The approval of an application by the commission  
171 shall specify the amount of money which the economic  
172 development organization is allowed to receive so that it can  
173 complete the work specified in the application.

174 (d) Following approval by the commission, the  
175 Department of Commerce shall enter into an agreement with ~~the~~  
176 ~~economic development organization~~ all applicants or  
177 co-applicants. The agreement shall require all co-applicants  
178 to be jointly and severally liable for the proper disposition  
179 of funds and for the submission of all required reports and  
180 financial reviews. The agreement shall ~~further~~ ~~which shall~~ do  
181 all of the following:

182 (1) Require the economic development organization to  
183 use funding received as a result of this law only for the  
184 purposes approved by the commission as expressed in the  
185 agreement.

186 (2) Require the economic development organization to  
187 make periodic reports, not more often than annually, to the  
188 Department of Commerce and the commission, as required by the  
189 commission, on the disposition of the funds. As to a project  
190 described in ~~subdivision (a)(1) of~~ Section 40-18-417.2(a)(1),  
191 the report shall include information on the marketing of the  
192 site, and the ultimate use of the site until such time as it  
193 makes a final report. As to a project related to inland ports  
194 or intermodal facilities as described in ~~paragraph (a)(1) d.~~  
195 ~~of~~ Section 40-18-417.2(a)(1)d. or a project related to an  
196 agricultural center as described in ~~subdivision (a)(2) of~~



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197 Section 40-18-417.2(a)(2), the report shall include an  
198 economic impact report.

199 (3) Require the economic development organization to  
200 provide a review of its financial accounts as directed by the  
201 Renewal of Alabama Commission.

202 (e) For any approved applications, the Department of  
203 Commerce shall notify the Department of Revenue of the  
204 information specified in subsection (c).

205 (f) The Department of Commerce shall publish on its  
206 website a list of all approved applications and a list of the  
207 economic development organizations that made the approved  
208 applications."

209 Section 2. This act shall become effective on June 1,  
210 2026.



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB289

Senate 26-Feb-26

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,  
Secretary.

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House of Representatives

Passed: 08-Apr-26

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By: Senator Singleton