



**House Economic Development and Tourism Reported  
Substitute for HB417**

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A BILL  
TO BE ENTITLED  
AN ACT

Relating to agriculture; to authorize the creation of the Agriculture Exhibition Center Corporation to operate the Alabama Farm Center; to create and provide for the operation of a board to govern the corporation; to provide specific powers and privileges to the corporation; to permit certain counties and municipalities to sell property and appropriate public funds to the corporation; to exempt the corporation from municipal ordinances; to exempt the corporation from certain taxes; and to deem the Agriculture Exhibition Center Corporation an economic development organization for the purposes of the Growing Alabama Act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) The Agriculture Exhibition Center Corporation may be established and created by any number of individuals associated with an agricultural membership advocacy organization filing articles of incorporation in the office of the judge of probate of the county in which the Alabama Farm Center will be located.

(b) The Agriculture Exhibition Center Corporation shall operate the Alabama Farm Center for the purposes of promoting,



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29 showcasing, and facilitating education regarding all facets of  
30 the agricultural industry and advancing agricultural business  
31 and workforce development in this state.

32 (c) The Agriculture Exhibition Center Corporation shall  
33 be governed by, and all powers of the corporation shall be  
34 exercised by, pursuant to the corporation's authorization, a  
35 board of directors that shall have five members appointed as  
36 follows, subject to confirmation by the Senate:

37 (1) One member appointed by the Governor.

38 (2) One member appointed by the Commissioner of  
39 Agriculture and Industries.

40 (3) One member appointed by the county commission of  
41 the county in which the Alabama Farm Center will be located  
42 who shall be a farmer and resident of that county.

43 (4) Two members appointed by the Alabama Farmers  
44 Federation who shall each be a farmer. One appointee shall  
45 reside in any county north of or in Pickens, Tuscaloosa, Bibb,  
46 Shelby, Coosa, Tallapoosa, or Chambers County; and the other  
47 appointee shall reside in any county south of or in Sumter,  
48 Greene, Hale, Perry, Chilton, Elmore, Macon, or Lee County.

49 (d) The appointing authorities shall coordinate their  
50 appointments to assure that the membership of the board is  
51 inclusive and reflects the racial, gender, geographic, urban,  
52 rural, and economic diversity of this state.

53 (e) Each member shall serve a term of five years,  
54 except the initial members shall serve terms as follows:

55 (1) The member appointed by the Governor shall serve a  
56 term of one year.



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57 (2) The member appointed by the Commissioner of  
58 Agriculture and Industries shall serve a term of two years.

59 (3) The member appointed by the county commission of  
60 the county in which the Alabama Farm Center will be located  
61 shall serve a term of three years.

62 (4) One member appointed by the Alabama Farmers  
63 Federation shall serve a term of four years and the other  
64 member appointed by the federation shall serve a term of five  
65 years, as determined by the federation at the time of the  
66 members' appointments.

67 (f) The board shall elect a chair, who shall be a  
68 farmer, and a secretary from among its membership.

69 (g) Any vacancy on the board shall be filled by the  
70 appointing authority who appointed the vacating member. Any  
71 member may be removed for cause upon a majority vote by all  
72 other members.

73 (h) No member may have an interest, directly or  
74 indirectly, in any contract for work, materials, or services,  
75 or profits therefrom, to be performed under the authority  
76 conferred by this act if the member, directly or indirectly,  
77 has more than a 10 percent interest in any business, firm,  
78 corporation, or profits thereof, furnishing or providing the  
79 work, materials, or services.

80 (i) The board may appoint an advisory council  
81 consisting of not more than 10 members to advise the board.  
82 Advisory-council members shall serve two-year terms and may be  
83 appointed to additional terms by the board.

84 Section 2. (a) The Agriculture Exhibition Center



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85 Corporation shall have the following powers:

86 (1) To adopt bylaws necessary for the implementation  
87 and administration of this act.

88 (2) To institute and defend legal proceedings in any  
89 court of competent jurisdiction and proper venue; provided,  
90 however, that the corporation may not be sued in any trial  
91 court other than the courts of the county of incorporation;  
92 provided, further, that the officers, directors, agents, and  
93 employees of the corporation may not be sued for their actions  
94 on behalf of the corporation except for actions that are  
95 unreasonable or known by the individual to be unlawful or are  
96 performed with reckless disregard for the lawfulness of such  
97 actions.

98 (3) To plan for construction and development of the  
99 Alabama Farm Center on property owned by the corporation.  
100 Construction and development may include, without limitation,  
101 any of the following:

102 a. Buildings to hold offices for use by, and to house  
103 or accommodate public facilities of, any governmental entity.

104 b. Streets, boulevards, walkways, parkways, parks, or  
105 other places of recreation.

106 c. Monuments, statues, or other structures beautifying  
107 the Alabama Farm Center.

108 d. Community houses, meeting houses, or auditoriums.

109 e. Arenas, convention halls, sports facilities,  
110 stadiums, hotels or other facilities for use as a transient  
111 guest housing facility, multifamily housing, dormitory  
112 housing, food courts or other food venue facilities, any



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113 facilities that provide for or support any public or private  
114 educational institution, and any other facilities related to  
115 or incidental to the foregoing.

116 f. Music halls, art museums, art exhibits, or other  
117 exhibits for the advancement of the humanities and cultural  
118 development.

119 g. Any other buildings, structures, facilities, and  
120 other improvements that the corporation determines are  
121 appropriate, useful, or expedient to the center's purposes.  
122 The determination of the corporation shall be conclusive.

123 (4) To acquire property, both real and personal, and  
124 rights and interests in such property, by gift, grant, lease,  
125 or purchase.

126 (5) To accept or receive gifts, bequests, and devises.

127 (6) To have and use a corporate seal and alter the seal  
128 at its pleasure.

129 (7) To appoint officers, agents, employees, and  
130 attorneys and to fix their compensation.

131 (8) To hire professionals and enter into contracts for  
132 their services in designing and supervising the construction  
133 of any building, agriculture center, auditorium, arena, barn,  
134 convention hall, music hall, art museum, place of recreation,  
135 art exhibit, office building, or other structure that it  
136 desires to construct.

137 (9) To make and enter into contracts and to execute all  
138 instruments necessary or convenient to lease or purchase and  
139 own real or personal property to be used for the furtherance  
140 of the purposes for which the center is created.



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141 (10) To plan for programs and exhibits in the center  
142 for the advancement of the agricultural, cultural, and  
143 workforce development interests of the residents of this  
144 state.

145 (11) To accept pledges of revenues or grants of money  
146 from any person or governmental entity.

147 (12) To sell and lease its property to any person or  
148 governmental entity.

149 (13) To enter into financing agreements with federal or  
150 state agencies that may require the authority to mortgage its  
151 property.

152 (14) To plan for programs and exhibits in the center  
153 for the advancement of agricultural and workforce development  
154 interests in this state.

155 (15) To enter into long-term contracts or agreements  
156 for utility services.

157 (16) To accept lease payments, loan repayments, or  
158 other compensation to or for the center or other public  
159 person.

160 (17) To invest in bank deposits, U.S. Treasury bills,  
161 projects, instruments, real, personal, or mixed property, or  
162 any other investments as the corporation may from time to time  
163 determine to be appropriate and convenient to accomplish any  
164 purpose for which the center is organized, including works of  
165 internal improvement, interests in private or other corporate  
166 enterprises, loans of money or credit to individuals,  
167 associations, or other corporations; and to lend the  
168 corporation's credit, grant public money or things of value in



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169 aid of or to any individual, association, or other corporation  
170 whatsoever, or become a stockholder in any other corporation,  
171 association, or company by issuing bonds or otherwise, even  
172 though they may be in violation of Section 93 or Section 94 of  
173 the Constitution of Alabama of 2022, if done by the state or a  
174 subdivision thereof, notwithstanding the fact that any  
175 investment or action may involve the expenditure or  
176 appropriation of funds received from a public person. In  
177 particular, but not by way of limitation, the corporation may  
178 invest its funds, from whatever source, in the stock, bonds,  
179 debentures, notes, or other securities issued by any person  
180 locating a project in this state and may enter into contracts  
181 or options, including contracts or options for the conveyance,  
182 sale, or lease of property, to any such person and make direct  
183 grants of money, property, or services for the purpose of  
184 inducing the person to locate a project in this state.

185 (18) To issue its bonds for the purpose of carrying out  
186 any of its powers and to apply proceeds from the sale of its  
187 bonds, whether heretofore or hereafter issued, not only for  
188 payment of interest thereon prior to and during the  
189 construction and equipment of any buildings, structures,  
190 facilities, or other improvements being financed thereby, but  
191 also for payment of interest thereon.

192 (19) To mortgage and pledge any or all of its  
193 properties, both real and personal, or any part or parts  
194 thereof, as security for the payment of the principal of and  
195 the interest on any bonds so issued and any agreements made in  
196 connection therewith, whether then owned or thereafter



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197 acquired, and to pledge the revenues and receipts therefrom or  
198 from any thereof.

199 (b) Contracts of the corporation shall be executed in  
200 the name of the corporation by the chair of the board and  
201 attested by the secretary of the board. The board may provide  
202 by resolution for a different form for the execution of a  
203 contract by an officer or agent other than the chair and  
204 secretary. A contract, irrespective of its form and of the  
205 persons executing the contract, shall not be binding unless  
206 the contract is authorized or ratified by the board.

207 (c) The corporation may deposit its funds not needed to  
208 meet expenses or obligations in any bank or building and loan  
209 association, provided the deposit is fully insured by a  
210 federal corporation or agency of the federal government  
211 insuring deposits in financial institutions.

212 (d) In addition to all other powers at any time  
213 conferred on it by this section or otherwise by law, the  
214 corporation shall have the following powers together with all  
215 powers incidental thereto or necessary to the discharge  
216 thereof in corporate form:

217 (1) To participate: As a shareholder in any other  
218 corporation; as a joint venturer in a joint venture, whether  
219 the joint venture is to be memorialized contractually or  
220 through the formation of one or more separate business  
221 entities; as a general or limited partner in a limited  
222 partnership or a general partnership; as a member in a  
223 nonprofit corporation or limited liability company; or as a  
224 member of any other lawful form of business organization, that





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225 may be involved in the development or operational activities  
226 of any buildings, structures, facilities, and other  
227 improvements that the corporation determines are appropriate,  
228 useful, or expedient to the center's purposes. In connection  
229 with the foregoing, the corporation may elect or appoint an  
230 individual to a governing body and enter into contracts or  
231 other agreements with other parties for the development,  
232 operation, design, marketing, maintenance, and use of any  
233 facilities upon the terms as the corporation determines are  
234 appropriate, useful, or expedient to the center.

235           (2) To make or arrange for loans, contributions to  
236 capital, and other debt and equity financing for the  
237 activities of any other corporation of which the corporation  
238 is a shareholder; any joint venture in which the corporation  
239 is a joint venture; any limited partnership or general  
240 partnership of which the corporation is a general or limited  
241 partnership; any nonprofit corporation in which the  
242 corporation is a member; or any other lawful form of business  
243 organization of which the corporation is a member; and to  
244 guarantee loans, issue bonds, or incur other forms of  
245 indebtedness on behalf of the corporation, joint venture,  
246 partnership, nonprofit corporation, or other business entity  
247 for such purposes.

248           (3) To create, establish, acquire, operate, or support  
249 subsidiaries and affiliates, either for profit or nonprofit,  
250 to assist the center in fulfilling its purposes.

251           (4) To create, establish, or support nonaffiliated for  
252 profit or nonprofit corporations or other lawful business



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253 organizations that operate and have as their purpose the  
254 furtherance of the center's purposes.

255 (5) Without limiting the generality of the preceding  
256 subdivisions, to accomplish and facilitate the creation,  
257 establishment, acquisition, development, operation, or support  
258 of any subsidiary, affiliate, nonaffiliated corporation, or  
259 other lawful business organization by means of loans of funds,  
260 leases of real or personal property, gifts and grants of  
261 funds, or guarantees of indebtedness of the subsidiaries,  
262 affiliates, and non-affiliated corporations.

263 (6)a. In addition to any other authority to enter into  
264 contracts, to enter into contracts, agreements, or  
265 understandings with any other public and private parties  
266 including, but not limited to, the following:

267 1. Design-build, design-build-operate,  
268 design-build-own-operate, design-build-own-operate-maintain,  
269 design-build-finance-operate-maintain, or other similar  
270 arrangements or agreements pursuant to which the design,  
271 right-of-way acquisition, relocation of structures or  
272 utilities, construction, financing, ownership, management,  
273 maintenance, and operation, or any combination thereof of a  
274 project is accomplished by or on behalf of the corporation.

275 2. Leases, licenses, franchises, concessions, or other  
276 agreements for the development, operation, management, or  
277 undertaking of all or any part of a project of or on behalf of  
278 the corporation.

279 b. Notwithstanding any provision of law to the  
280 contrary, proposals under paragraph a. may be evaluated and



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281 awarded by the corporation based on qualifications of  
282 participants or best value, or both, as evaluated by  
283 procedures of the corporation and taking into consideration  
284 the best interests of the corporation. Evaluation criteria for  
285 a contract procured pursuant to the preceding sentence shall  
286 be set forth in the request for proposal for the contract. The  
287 contract may also be awarded through any existing procurement  
288 authority, proposals, or other means of procurement otherwise  
289 available to the corporation.

290           Section 3. (a) Subject to the conditions,  
291 qualifications, and restrictions set forth in subsection (b),  
292 the Agriculture Exhibition Center Corporation may borrow money  
293 from any person or governmental entity. As security for any  
294 money borrowed, together with interest thereon, and any  
295 obligations incurred or assumed, the corporation may mortgage,  
296 pledge, or otherwise transfer and convey its real, personal,  
297 and mixed property, or any part or parts thereof, whether then  
298 owned or thereafter acquired, including any franchises then  
299 owned or thereafter adopted and all or any part of any funds  
300 of the corporation. In a resolution authorizing the mortgage  
301 given to secure the payment thereof, the corporation, in  
302 addition to its other powers, shall have the power to agree  
303 with the several holders of the mortgage to make, enter, and  
304 perform covenants and agreements as to all of the following:

305           (1) The conduct, management, and maintenance of the  
306 properties held by the corporation or of the activities,  
307 operations, and enterprises then or thereafter conducted by  
308 the corporation.



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309 (2) Insurance of the properties of the corporation.

310 (3) Restrictions on the exercise of the powers of the  
311 corporation to dispose or to limit or regulate the use of all  
312 or any part of the properties of the corporation.

313 (4) The use and disposition of any monies of the  
314 corporation, including taxes payable to the corporation under  
315 any act of the Legislature and revenues derived or to be  
316 derived from the activities, operations, and enterprises of  
317 the properties of the corporation, including any part or parts  
318 theretofore constructed or acquired and any parts, extensions,  
319 replacements, or improvements thereafter constructed or  
320 acquired.

321 (5) The setting aside of the taxes payable to the  
322 corporation under any act of the Legislature or use of the  
323 revenues or the monies of the corporation or reserves and  
324 sinking funds, and the source, custody, security, regulation,  
325 application, and disposition thereof.

326 (6) The assumption or payment or discharge of any  
327 indebtedness, liens, or other claims relating to any part of  
328 the properties of the corporation or any obligations  
329 constituting, or which may constitute, a lien on the  
330 properties or any part thereof.

331 (7) Limitations or other evidences of indebtedness or  
332 upon the incurrence of indebtedness of the corporation.

333 (b) The power vested in the corporation to pledge taxes  
334 to be paid to the corporation or to pledge revenue of the  
335 corporation shall not be construed as undertaking or  
336 purporting to empower the corporation to pledge any tax or any



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337 revenue if the pledge is prohibited by the Constitution of  
338 Alabama of 2022. It is expressly provided that the corporation  
339 shall have the power to pledge any tax paid to the corporation  
340 or revenue of the corporation, the pledge of which is  
341 authorized by the Constitution of Alabama of 2022.

342 (c) The powers and authority set forth in this section  
343 shall only be exercised if necessary in order for the  
344 corporation to receive federal funding or grants for any  
345 projects or activities of the corporation.

346 Section 4. The county in which the Alabama Farm Center  
347 is located and each municipality therein may lease, sell,  
348 donate, or otherwise convey to the Agriculture Exhibition  
349 Center Corporation real or personal property, including park  
350 properties, without authorization by election of the qualified  
351 voters of the county or of the municipality; and the county in  
352 which the center is located and each municipality therein are  
353 authorized, but not required, to appropriate public funds of  
354 the county or of the municipality to the corporation to be  
355 used by the corporation for purposes of this act. The county  
356 in which the center is located shall not lease, sell, donate,  
357 or convey any property to the corporation, or appropriate any  
358 money to the corporation, unless the county commission of that  
359 county has determined that the lease, sale, donation,  
360 conveyance, or appropriation will benefit the people of that  
361 county or municipality to such an extent as to fully warrant  
362 and justify the lease, sale, donation, conveyance, or  
363 appropriation.

364 Section 5. The Agriculture Exhibition Center



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365 Corporation may permit the consumption of alcoholic beverages  
366 any day of the week, purchased from licensees of the Alcoholic  
367 Beverage Control Board, to be consumed by purchasers within  
368 the boundaries of the Alabama Farm Center.

369           Section 6. The Agriculture Exhibition Center  
370 Corporation and all property in which it may have any  
371 ownership, leasehold, or other interest, direct or indirect,  
372 is exempt from all municipal ordinances and rules, including  
373 zoning ordinances, unless the corporation consents to the  
374 application of ordinance or rule.

375           Section 7. (a) The Agriculture Exhibition Center  
376 Corporation, as a governmental entity, is exempt from the  
377 payment of all state, county, and municipal sales and use  
378 taxes. The corporation and its contractors shall be granted a  
379 certificate of exemption from sales and use taxes by the  
380 Department of Revenue as provided in Sections 40-9-14.1 and  
381 40-9-60, Code of Alabama 1975, or other general law.

382           (b) (1) Any county or municipal sales and use tax  
383 proceeds that are collected by the corporation; a joint  
384 venture of the corporation, including a public or private  
385 venture of the corporation; or a lessee of the corporation or  
386 a joint venture of the corporation, and remitted to a local  
387 taxing authority shall be rebated by that local taxing  
388 authority to the corporation.

389           (2) The county commission of the county in which the  
390 Alabama Farm Center will be located, at the time of the  
391 formation of the corporation, may opt-out of the requirement  
392 to rebate sales taxes collected by a private entity, joint



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393 venture partner, or public-private partnership.

394 (3) The corporation may enter into revenue sharing  
395 agreements with the county commission of the county in which  
396 the center will be located and municipalities therein to share  
397 any tax revenue generated by the corporation outside of the  
398 operational area outlined in the corporation's articles of  
399 incorporation.

400 (c) The corporation is exempt from paying all state,  
401 county, and local ad valorem taxes.

402 (d) The corporation is exempt from paying any other  
403 taxes levied by a county, municipality, or other political  
404 subdivision of this state, including, but not limited to,  
405 license and excise taxes imposed relating to the privilege of  
406 engaging in any activities that the corporation may engage in.

407 Section 8. The Agriculture Exhibition Center  
408 Corporation shall be deemed an economic development  
409 organization, and the Alabama Farm Center shall be deemed a  
410 site, for the purposes of Article 19A, Chapter 18, Title 40 of  
411 the Code of Alabama 1975.

412 Section 9. The provisions of this act are severable. If  
413 any part of this act is declared invalid or unconstitutional,  
414 that declaration shall not affect the part which remains.

415 **Section 10. The Agriculture Exhibition Center**  
416 **Corporation shall be subject to audit and examination every**  
417 **two years by the Department of Examiners of Public Accounts**  
418 **for compliance with this act.**

419 **Section 11.** This act shall become effective  
420 immediately.