

SB252 ENGROSSED



1 SB252

2 YUAPNNN-2

3 By Senators Reed, Singleton, Barfoot, Butler, Weaver,
4 Livingston, Figures, Chesteen, Allen, Jones, Price, Elliott,
5 Williams, Melson, Carnley, Sessions, Roberts, Shelnut,tt,
6 Waggoner, Smitherman, Coleman-Madison, Kelley, Givhan,
7 Kitchens, Hovey, Coleman

8 RFD: Fiscal Responsibility and Economic Development

9 First Read: 21-Mar-24



SB252 Engrossed

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

A BILL
TO BE ENTITLED
AN ACT

To add Article 24, commencing with Section 41-10-870, to Chapter 10, Title 41 of the Code of Alabama 1975; to create the Alabama Growth Alliance; to provide legislative findings; to provide for its incorporation; to provide for the creation of a board; to provide for the powers and duties of the corporation; to allow the corporation to enter into contracts; to provide for amendments to the governing documents of the corporation; and to provide for the dissolution of the corporation.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This Act shall be known and may be cited as the Alabama Growth Alliance Act.

Section 2. Article 24, commencing with Section 41-10-870, is added to Chapter 10, Title 41 of the Code of Alabama 1975, to read as follows:

41-10-870. LEGISLATIVE FINDINGS

The Legislature finds and declares all of the following:

(1) The State of Alabama has a great need to ensure the long-term viability of the state's economic development



SB252 Engrossed

29 successes.

30 (2) Other states have had significant success in
31 economic development by involving the private sector in
32 long-term planning to help identify and fill strategic gaps in
33 states efforts that are not currently addressed by existing
34 agencies, ensuring a comprehensive approach to economic growth
35 and development.

36 (3) It is believed that by taking advantage of private
37 sector expertise and support that exists within many chambers
38 of commerce and other organizations, the state will be able to
39 develop initiatives more rapidly and efficiently.

40 (4) By leveraging the strengths of both the public and
41 private sectors, the state can foster a more collaborative and
42 efficient approach to economic development, leading to more
43 innovative and effective solutions.

44 (5) A public-private partnership can supplement
45 existing state efforts to focus on the development of
46 specific, high-growth industries where Alabama has competitive
47 advantages, ensuring the state becomes a national or global
48 leader in these sectors.

49 (6) By focusing on long-range planning, the
50 public-private partnership can ensure that Alabama's economic
51 development efforts are sustainable and forward-thinking, thus
52 providing stability and predictability for businesses and
53 investors.

54 (7) States with proactive economic development
55 strategies, such as public-private partnerships, can be more
56 successful in attracting investment. Creation of a similar



SB252 Engrossed

57 model will help give Alabama a competitive edge in the
58 national and global market, helping to attract significant
59 business investments.

60 (8) It is desirable and in the public interest to
61 establish a public corporation governed by a board of public
62 and private leaders to be a part of the state's economic
63 development strategies designed to sustain and enhance
64 Alabama's long-term success, growth, and viability of its
65 economic development policies.

66 41-10-871. DEFINITIONS

67 For the purposes of this article, the following terms
68 have the following meanings:

69 (1) BOARD. The governing board of the corporation.

70 (2) CORPORATION. The Alabama Growth Alliance created by
71 this article as a public corporation having a legal existence
72 separate and apart from the state and any county,
73 municipality, or political subdivision.

74 (3) ECONOMIC DEVELOPMENT ENTITY.

75 a. A nonprofit corporation that possesses all of the
76 following characteristics:

77 1. Is organized as a nonprofit corporation exempt from
78 federal income tax under Section 501(c) of the Internal
79 Revenue Code of 1986, as amended.

80 2. Has a record of, or can demonstrate that it is
81 capable of, serving the entire state on matters involving
82 economic development.

83 3. Has a record of, or can demonstrate that it is
84 capable of, developing, fostering, and implementing economic



SB252 Engrossed

85 development policies and strategies across Alabama.

86 4. Has received, or is eligible to receive, grant
87 funding from the state or from federal or private sources.

88 b. In determining whether a nonprofit corporation
89 qualifies as an economic development entity, the board may
90 attribute to the nonprofit corporation the experiences of its
91 officers, staff, and directors with other nonprofit
92 corporations.

93 41-10-872. INCORPORATION OF GROWTH ALLIANCE

94 (a) The Governor, the Speaker of the House of
95 Representatives, and the President Pro Tempore of the Senate
96 shall present to the Secretary of State an application, signed
97 by each of them, for the formation of the Alabama Growth
98 Alliance, as a public corporation, having a legal existence
99 separate and apart from the state and any county,
100 municipality, or political subdivision, which shall set forth
101 all of the following:

102 (1) The name, office, and office location of each of
103 the applicants.

104 (2) The date on which each applicant was sworn into
105 office for his or her current term of office.

106 (3) The name of the proposed public corporation, which
107 shall be the Alabama Growth Alliance.

108 (4) The location of the principal office of the
109 proposed corporation.

110 (5) Provisions requiring the board to support the
111 Department of Commerce in the development of a recommended
112 annual strategic economic development plan for the state and



SB252 Engrossed

113 standards of measure to be used in measuring the corporation's
114 achievements in executing the plan.

115 (6) Provisions requiring the board to review the
116 state's primary economic development incentives on a biennial
117 basis and reviewing the effectiveness of the incentives to
118 create jobs, attract new business, encourage existing business
119 expansions, and achieve other goals as may be determined by
120 the board, in cooperation with the Joint Legislative Advisory
121 Committee on Economic Incentives or any third party contracted
122 with by that committee.

123 (7) Any other matter relating to the corporation that
124 the applicants may choose to insert and that is not
125 inconsistent with this article or state law.

126 (b) The application shall be subscribed and sworn to by
127 each applicant before a notary public. The Secretary of State
128 shall examine the application, and, if he or she finds that
129 the application substantially complies with the requirements
130 of this section, the application shall be filed and recorded
131 in an appropriate book of records in the office of the
132 Secretary of State.

133 (c) When the application has been made, filed, and
134 recorded as provided in subsection (b), the applicants shall
135 constitute a public corporation under the name stated in the
136 application, and the Secretary of State shall make and issue
137 to the applicants a certificate of incorporation pursuant to
138 this article, under the Great Seal of the State, and shall
139 record the certificate with the application. There shall be no
140 fees paid to the Secretary of State for any filing made by the



SB252 Engrossed

141 corporation pursuant to this article.

142 (d) Notwithstanding any provision of law to the
143 contrary, any corporation incorporated pursuant to this
144 section shall not be deemed to be a part of the state for any
145 purpose but shall be treated as a public corporation separate
146 and apart from the state.

147 41-10-873. BOARD OF GROWTH ALLIANCE

148 (a) The corporation shall be under the management and
149 control of a board of directors, and all powers necessary or
150 appropriate for the management and control of the corporation
151 shall be vested solely in the board. The board shall be
152 comprised of both ex officio members and at-large members, all
153 of whom shall be voting members of the board and shall be
154 considered in determining whether a quorum is present.

155 (b) The board shall have the following members:

156 (1) Ex officio members, consisting of the Governor, who
157 shall be the chair, the Secretary of Commerce, who shall be
158 the co-chair, the Speaker of the House of Representatives, the
159 President Pro Tempore of the Senate, the Minority Leader of
160 the House of Representatives, the Minority Leader of the
161 Senate, and the chair of Innovate Alabama. The service of each
162 ex officio member shall run concurrently with his or her
163 tenure in office or position. Each ex officio member may
164 appoint a person to serve in his or her place at any meeting
165 of the board or may designate a person to serve in his or her
166 place at all meetings of the board until the term of the ex
167 officio member should end. The appointee or designee shall be
168 counted for purposes of a quorum and voting. Each ex officio



SB252 Engrossed

169 member may withdraw the appointment or designation of his or
170 her appointee or designee at any time.

171 (2) The Governor shall appoint five at-large members
172 and the Lieutenant Governor, President Pro Tempore of the
173 Senate, and Speaker of the House of Representatives shall each
174 appoint one at-large member. Each at-large member shall be an
175 individual in the private sector with experience relevant to
176 the purposes and activities of the corporation including, but
177 not limited to, experience with any of the following:

178 a. Participating on boards of, or being employed by,
179 nonprofit corporations which promote economic development
180 throughout the state.

181 b. Having other experience relevant to statewide,
182 long-term economic development strategies including, but not
183 limited to, any of the following:

184 1. Performing enhanced, coordinated research to
185 identify targeted growth sectors.

186 2. Identifying sites for economic development and
187 successfully marketing the sites for major business site
188 selection opportunities.

189 3. Developing assessments of key issues impacting the
190 growth of Alabama's existing business and industry, along with
191 strategies to address challenges and pursue opportunities.

192 (c) Board members shall be subject to the Alabama
193 Ethics Act.

194 (d) In making appointments of at-large members, the
195 Governor shall coordinate his or her appointments so that
196 diversity of gender, race, and geographical areas of the board



SB252 Engrossed

197 of directors is reflective of the makeup of the state.

198 (e) (1) The service of each at-large member shall begin
199 upon written acceptance of his or her appointment. Each member
200 shall serve a term of two years following such written
201 acceptance.

202 (2) Each at-large member shall continue to serve until
203 the member is reappointed, or a successor is appointed, to the
204 office.

205 (3) An at-large member may only serve a maximum of two
206 consecutive terms of office but may be reappointed after he or
207 she has spent at least two years without serving as an
208 at-large member.

209 (4) An at-large member may be removed by the Governor
210 for any reason, at which time the Governor shall appoint a
211 different person to serve.

212 (5) A person appointed to fill a vacancy shall serve
213 the remainder of the unexpired term and may be reappointed to
214 serve an additional term.

215 (f) No member shall receive compensation because of his
216 or her service as a member. Each member may be reimbursed for
217 actual and reasonable travel expenses incurred in the
218 performance of his or her duties as a member.

219 (g) A majority of the members shall constitute a quorum
220 for the transaction of business by the board, and decisions
221 shall be made on the basis of a majority of the quorum then
222 present and voting. No vacancy in the membership of the board
223 or the voluntary disqualification or abstention of any member
224 shall impair the right of a quorum to exercise all of the



SB252 Engrossed

225 powers and duties of the board. Members of the board may
226 participate in meetings of the board in person, by means of
227 telephone conference, video conference, or other similar
228 communications equipment, so that all individuals
229 participating in the meeting may hear each other at the same
230 time. Participation by any such means shall constitute
231 presence in person at a meeting for all purposes, including
232 for purposes of establishing a quorum. The board shall be
233 subject to Chapter 25A of Title 36, provided that notice of
234 each meeting shall occur at least 14 days prior to the
235 meeting. In addition to the reasons set forth in Section
236 36-25A-7, the board may go into executive session to discuss
237 sensitive matters the disclosure of which would undermine or
238 jeopardize economic development, trade, or the objectives of
239 the corporation.

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

243 (i) In addition to regular meetings of the board, as
244 may be provided by law or by bylaws adopted by the board,
245 special meetings of the board may be called by the chair
246 acting alone or by any three other members acting in concert,
247 in each case upon notice to each member given in person, by
248 email, by registered letter, or by other means. Notice to each
249 member may be waived upon the unanimous written consent of all
250 members, either before or after the meeting with respect to
251 which the notice would otherwise be required.

252 (j) Minutes of all board meetings shall be kept and



SB252 Engrossed

253 maintained in the records of the corporation.

254 41-10-874. POWERS OF GROWTH ALLIANCE

255 (a) The board shall have all of the powers necessary to
256 carry out and effectuate the purposes of this article
257 including the following powers:

258 (1) Provide input and support on the development,
259 monitoring, and updating of the long-range economic
260 development vision and strategies of the state.

261 (2) Support the development and implementation of
262 objectives and key tactics to achieve the long-range economic
263 development vision and strategies of the state.

264 (3) Identify opportunities and make recommendations to
265 the Governor regarding the coordination of economic
266 development efforts between state agencies, private
267 organizations, and other economic development entities and
268 stakeholders.

269 (4) Provide input and support related to the
270 establishment of a communication plan to ensure key
271 stakeholders are periodically informed on economic development
272 progress and results.

273 (5) Provide input and support in regards to biennially
274 measuring the effectiveness of key economic development
275 incentives, which shall include, but not be limited to, the
276 Alabama Jobs Act, the Growing Alabama Act, the Innovating
277 Alabama Act, the Site Evaluation Economic Development
278 Strategy, and the Tax Incentive Reform Act of 1992, in
279 cooperation with the Joint Legislative Advisory Committee on
280 Economic Incentives or any third party contracted with by that



SB252 Engrossed

281 committee.

282 (6) Provide input on and support to implement the
283 following economic development objectives:

284 a. Increasing private investment in Alabama.

285 b. Advancing international and domestic trade
286 opportunities.

287 c. Marketing the state as a pro-economic growth
288 location for new investment.

289 d. Revitalizing, retaining, and expanding Alabama's
290 manufacturing industries, and promoting emerging complementary
291 industries.

292 e. Assisting, promoting, and enhancing economic
293 opportunities in the state's rural communities.

294 f. Promoting opportunities for minority-owned
295 businesses.

296 g. Identifying economic growth opportunities in
297 emerging sectors.

298 (7) Adopt, alter, and repeal bylaws for the regulation
299 and conduct of the corporation's affairs and business, and for
300 the implementation of this article.

301 (8) Make and enter into contracts, leases, and
302 agreements, and take other actions as may in its judgment be
303 necessary or desirable to accomplish the purposes of the
304 corporation and to exercise any power necessary for the
305 accomplishment of the purposes of the corporation or
306 incidental to the powers expressly set forth in this article.

307 (9) Appoint, employ, and contract with employees,
308 agents, advisors, consultants, and service providers



SB252 Engrossed

309 including, but not limited to, attorneys, accountants,
310 financial experts, and other advisors, consultants, and agents
311 as may in its judgment be necessary or desirable to accomplish
312 any purpose of the corporation or incidental to the powers
313 expressly set forth in this article, and to fix the
314 compensation of those persons.

315 (10) Manage, invest, and expend funds at its disposal.

316 (11) Grant monies and things of value in aid of or to,
317 any individual, firm, corporation, or other business entity,
318 public or private, as may in its judgment be necessary or
319 desirable to accomplish any purpose of the corporation or
320 incidental to the powers expressly set forth in this article.

321 (12) Take any action necessary to exercise its rights
322 or fulfill its obligations relevant to the corporation under
323 state law.

324 (13) In addition to the foregoing, the board shall have
325 all of the powers necessary to carry out and effectuate the
326 purposes of this article; provided that nothing in this
327 article shall be construed to authorize the board to exercise
328 any power conferred by law on any agency, department, office,
329 or other instrumentality of state government.

330 (b) The board may enter into agreements with one or
331 more economic development entities to assist the corporation
332 with: (i) periodic evaluation of Alabama's competitiveness
333 with other states; and (ii) developing and analyzing global,
334 national, state, and sector economic trends and conditions to
335 support strategic planning. In undertaking any of the
336 foregoing, the agreement shall accomplish both of the



SB252 Engrossed

337 following:

338 (1) Requires regular reporting to the corporation by
339 the economic development entity.

340 (2) Allows for the reasonable costs of the economic
341 development entity to be reimbursed or otherwise paid only if
342 directly related to the fulfillment of the agreement, as
343 determined by the corporation.

344 (c) The board may make, enter into, and execute
345 contracts, agreements, and other instruments with, accept aid
346 and grants from, and cooperate with, any other person or
347 entity including, but not limited to, all of the following:

348 (1) The United States of America, the state, or any
349 agency, instrumentality, or political subdivision of either.

350 (2) For profit or nonprofit private entities.

351 (3) Public bodies, departments, or authorities
352 including, but not limited to, the executive departments of
353 the state, to act on behalf of the board in carrying out
354 functions which the board determines are consistent with the
355 corporation's powers.

356 (d) The corporation shall be, and shall operate as, a
357 public corporation and shall have a legal existence separate
358 and apart from the state and any county, municipality, or
359 political subdivision.

360 41-10-875. GROWTH ALLIANCE CONTRACTS

361 The board may enter into contracts, leases, agreements,
362 investments, and may otherwise expend monies without
363 compliance with Article 5, commencing with Section 41-4-110,
364 of Chapter 4 of Title 41, and Chapter 2 of Title 39. Solely as



SB252 Engrossed

365 a result of entering into contracts, leases, agreements,
366 investments, or otherwise, no for-profit or nonprofit private
367 entity, nor the officers, employees, agents, or directors of
368 any of the foregoing, shall become subject to Chapter 25 or
369 Chapter 25A of Title 36; Article 5, commencing with Section
370 41-4-110, of Chapter 4 of Title 41; Chapter 2 of Title 39; or
371 Article 3, commencing with Section 36-12-40, of Chapter 12 of
372 Title 36.

373 41-10-876. AMENDMENTS

374 At any time, the Governor, the Speaker of the House of
375 Representatives, and the President Pro Tempore of the Senate
376 may cause their application for formation to be amended by
377 filing an amendment with the Secretary of the State, which may
378 cause its application for formation to be amended by having
379 five of its members file an amendment with the Secretary of
380 State, which shall be sworn to by each signatory thereto
381 before a notary public.

382 41-10-877. DISSOLUTION

383 At any time, the board, by at least three-quarters
384 vote, may dissolve the corporation by having at least
385 three-quarters of its members file with the Secretary of State
386 an application for dissolution, which shall be sworn to by
387 each signatory thereto by a notary public. Upon the filing of
388 the application for dissolution, the corporation shall cease
389 to exist. The Secretary of State shall file and record the
390 application for dissolution, and shall make and issue, under
391 the Great Seal of the State, a certificate that the
392 corporation is dissolved, and shall record the certificate



SB252 Engrossed

393 with the application for dissolution. Title to all property
394 held in the name of the corporation shall be vested in the
395 state upon dissolution of the corporation.

396 41-10-878. REPORT TO LEGISLATURE

397 Prior to each legislative session beginning in 2026,
398 the corporation shall submit an annual report to the
399 Legislature detailing the corporation's efforts to accomplish
400 the goals pursuant to this article.

401 Section 3. This act shall become effective October 1,
402 2024, following its passage and approval by the Governor, or
403 its otherwise becoming law.

SB252 Engrossed



404
405
406 Senate

407 Read for the first time and referred21-Mar-24
408 to the Senate committee on Fiscal
409 Responsibility and Economic
410 Development
411
412 Read for the second time and placed04-Apr-24
413 on the calendar:
414 1 amendment
415
416 Read for the third time and passed09-Apr-24
417 as amended
418 Yeas 34
419 Nays 0
420 Abstains 0
421
422

Patrick Harris,
Secretary.

423
424
425