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SYNOPSIS:

This bill would authorize municipalities to authorize the incorporation of a research and development corridor within the corporate limits as a public corporation for the purpose of undertaking activities or acquiring property by the corridor, and using its revenues for the establishment, benefit, or support of qualified enterprises.

This bill would provide procedures for the creation and dissolution of a research and development corridor.

This bill would provide for the powers of a research and development corridor, and provide for the powers of the board of directors of a research and development corridor.

This bill would exempt corridors from fees and charges imposed by a judge of probate and from certain taxation.

This bill would exempt corridors and their projects from competitive bid laws and from other specified state oversight.

A BILL
TO BE ENTITLED



29 AN ACT

30

31 Relating to research and development; to provide for
32 the establishment of research and development corridors to
33 support economic development activities using state, federal,
34 and other public support; to provide for the creation and
35 dissolution of research and development corridors; to provide
36 the powers of research and development corridors and the
37 powers and duties of their boards of directors; to exempt
38 research and development corridors from certain laws and
39 requirements, including taxation and competitive bid laws.

40 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

41 Section 1. Definitions.

42 When used in this act, the following terms have the
43 following meanings unless the context clearly indicates
44 otherwise:

45 (1) APPLICANT. Each natural person who is an elector of
46 the authorizing subdivision and who has executed and filed a
47 written application with the governing body of any subdivision
48 for the incorporation of a research and development corridor.

49 (2) AUTHORIZING RESOLUTION. A resolution adopted by the
50 governing body of a subdivision to authorize the incorporation
51 of a research and development corridor with powers to operate
52 within the corporate limits of the subdivision.

53 (3) AUTHORIZING SUBDIVISION. Any municipality the
54 governing body of which has adopted an authorizing resolution.

55 (4) BOARD. The board of directors of a research and
56 development corridor.



57 (5) CORPORATE PERSON. Any corporation, partnership,
58 association, or organization which may be incorporated or
59 organized under any chapter of Title 10 of the Code of Alabama
60 1975, or under the laws of any state of the United States.

61 (6) CORRIDOR. A research and development corridor
62 incorporated pursuant to this act as a public corporation.

63 (7) DIRECTOR. A natural person who is member of the
64 board of directors of a corridor.

65 (8) ELIGIBLE FUNDS. Any of the following:

66 1. Any federal funds received by the corridor, by grant
67 or otherwise, for use in support of the corridor or its
68 operations.

69 2. Any state appropriations, grants, or other public
70 and private sources of funds made available for the public
71 purposes of the corridor.

72 (9) ELIGIBLE TAXES. Any tax, fee, or charge levied or
73 imposed by an authorizing subdivision within the geographical
74 boundaries of a corridor, other than:

75 1. Taxes levied for public school purposes; or

76 2. Incremental ad valorem taxes levied within a tax
77 increment district and required by state law to be paid to the
78 tax increment district.

79 (10) FINANCIAL OBLIGATION. Any contractual obligation
80 of any person, whether direct, indirect, or contingent, to pay
81 or provide money to, or for the benefit of, any person or
82 persons, as evidenced by any agreement or instrument,
83 including, but not limited to, any bond, certificate, economic
84 incentive grant agreement, funding or guaranty agreement,



85 installment sale agreement, lease agreement, negotiable
86 instrument, note, or warrant.

87 (11) GOVERNING BODY. The elected group of natural
88 persons which is organized for the purposes of exercising the
89 legislative functions and powers of a public entity.

90 (12) NATURAL PERSON. A natural person who is 21 years
91 of age or older.

92 (13) PERSON. Collectively, corporate persons, natural
93 persons, and public entities.

94 (14) PRINCIPAL OFFICE. The principal office of a
95 research and development corridor, which shall be located
96 within the corporate limits of an authorizing subdivision, as
97 stated in the certificate of incorporation.

98 (15) PROJECT. Any activity undertaken, or property
99 acquired or provided in whole or in part, by a research and
100 development corridor for the establishment, benefit, or
101 support of a qualified enterprise.

102 (16) PROPERTY. Any tangible or intangible property and
103 interests therein, including all property characterized under
104 state law as real, personal, or mixed.

105 (17) PUBLIC CORPORATION. Any public corporation or
106 public body corporate organized under the laws of the state
107 other than a municipal corporation.

108 (18) PUBLIC ENTITY. Any county or municipality, any
109 political subdivision or other instrumentality of the state,
110 and any public corporation.

111 (19) PUBLIC NOTICE REQUIREMENT. Notice and the holding
112 of a public meeting by a research and development corridor or



113 an authorizing subdivision at which time the corridor or
114 authorizing subdivision proposes to take an action, as
115 authorized pursuant to this act. Notice shall be by
116 publication at least seven days prior to the public meeting in
117 a newspaper of general circulation in the authorizing
118 subdivision or by electronic posting on the primary public
119 website of the authorizing subdivision, which describes in
120 reasonable detail the applicable action proposed to be taken
121 by the corridor and the authorizing subdivision, the public
122 benefits expected to be achieved by the applicable action, and
123 the person or persons expected to benefit by the applicable
124 action

125 (20) QUALIFIED ENTERPRISE. Any activity, business, or
126 trade that is described in one of the following categories:

127 a. Advanced Manufacturing: (i) aerospace/aviation; (ii)
128 automotive; (iii) agriculture products/food production; (iv)
129 metal and advanced metals; (v) chemicals; (vi) forestry
130 products; (vii) alternative energy, battery/fuel cell, and
131 similar facilities.

132 b. Bioscience: (i) medical equipment and supplies; (ii)
133 pharmaceuticals; (iii) biotechnology.

134 c. Foundational Targets: (i) cybersecurity; (ii) data
135 centers; (iii) distribution/logistics; (iv) information
136 technology; (v) research and development.

137 d. Education: Educational research, development, or
138 other areas of higher education.

139 e. Corporate operations for any of the foregoing.

140 (21) SUBDIVISION. Any municipality.



141 Section 2. Legislative Findings and Intent.

142 (a) The Legislature finds and determines the public
143 good and welfare and the economy of the state are best served
144 by the exercise of the police power of the Legislature to
145 provide for the development, growth, improvement, and support
146 of new and creative economic opportunities for existing and
147 future qualified enterprises to establish and continue
148 projects in this state for innovative processes and products,
149 specifically including those business sectors expressly
150 identified in Accelerate Alabama 2.0, the economic development
151 strategic plan developed by the Department of Commerce.

152 (b) In furtherance of subsection (a) the legislative
153 intent and public purpose of this act is:

154 (1) To provide authority to municipalities for the
155 creation of research and development corridors with corporate
156 authority and power to provide, in the discretion of the
157 corridors, its resources; and

158 (2) To provide authority to public entities to provide
159 public resources to, or for the benefit of, corridors.

160 Section 3. Incorporation and Organization of a Research
161 and Development Corridor; Certificate of Incorporation.

162 (a) The governing body of any subdivision, or the
163 governing bodies of any two or more subdivisions, may
164 authorize the incorporation and organization of a research and
165 development corridor as a public corporation of the state,
166 with powers set forth in this act, for the purpose of
167 establishing or undertaking any project.

168 (b) In order to incorporate and organize a research and



169 development corridor, not less than three natural persons who
170 are duly qualified electors of a proposed authorizing
171 subdivision shall file a written application with the
172 governing body of each proposed authorizing subdivision. The
173 application shall:

174 (1) State that the applicants propose to incorporate
175 research and development corridor pursuant to this act;

176 (2) State the name of each subdivision with which the
177 application is filed;

178 (3) State that each of the applicants is a duly
179 qualified elector of a proposed subdivision;

180 (4) Attach the proposed certificate of incorporation of
181 the proposed corridor and state that the proposed certificate
182 of incorporation is attached to the application and made a
183 part thereof;

184 (5) Attach an affidavit of publication from a newspaper
185 of circulation in each authorizing subdivision of the intent
186 to form a research and development corridor and the geographic
187 boundaries of the corridor; and

188 (6) Request the governing body of each proposed
189 authorizing subdivision to adopt a resolution that the
190 proposed corridor be formed, that the proposed certificate of
191 incorporation of the corridor be approved, and that the
192 applicants are authorized and directed to proceed to form the
193 proposed corridor by the filing for record of a certificate of
194 incorporation in accordance with the provisions of this act.

195 (c) The certificate of incorporation of corridor shall
196 state all of the following:



197 (1) The names of the individuals forming the corridor,
198 and that each of them is a duly qualified elector of an
199 authorizing subdivision for the corridor.

200 (2) The name of the corridor, which may be a name
201 indicating in a general way the area proposed to be included
202 within or served by the corridor and shall include the words
203 " _____ Research and Development Corridor," or "The
204 Research and Development Corridor of _____," the blank
205 spaces to be filled in with the name of the authorizing
206 subdivisions or other geographically descriptive word or
207 words, such descriptive word or words not, however, to
208 preclude the corridor from locating facilities or otherwise
209 exercising its powers in other consenting geographical areas.

210 (3) That the corridor is organized pursuant to the
211 provisions of this act.

212 (4) The name of each authorizing subdivision together
213 with the date on which the governing body thereof adopted an
214 authorizing resolution.

215 (5) The period for the duration of the corridor, which
216 may be perpetual subject to the provisions of this act.

217 (6) The location of the principal office of the
218 corridor, which must be within the boundaries of the corporate
219 limits of an authorizing subdivision.

220 (7) The number of members, which must be an odd number
221 not less than three, of the board of directors of the corridor
222 and the duration of the term of office, which shall not be in
223 excess of six years.

224 (8) A description of the geographic boundaries of the



225 corridor, which boundaries must be within the corporate limits
226 or jurisdiction of an authorizing subdivision that adopted an
227 authorizing resolution to create the corridor and which
228 description may be by reference to tax assessment tracts in
229 accordance with the tax assessor's system, by metes and
230 bounds, by subdivision lot, by reference to recorded deeds,
231 or by other reasonable reference method.

232 (9) The terms of any prohibition, limitation, or
233 condition with respect to the exercise of any authority or
234 power of the corridor or the duration of the corridor, if any.

235 (10) Any provision that provides for the vesting of
236 title to property of the corridor upon dissolution of the
237 corridor, which must not be in violation of this act or other
238 state law.

239 (11) That the corridor shall be a nonprofit corporation
240 and no part of its net earnings remaining after payment of its
241 expenses shall inure to the benefit of any individual, firm,
242 or corporation.

243 (d) (1) The governing body of a subdivision with which
244 an application is filed pursuant to this act, as promptly as
245 practicable, shall review the application and the attached
246 form of certificate of incorporation.

247 (2) The governing body of each subdivision that has
248 adopted an authorizing resolution shall cause the resolution
249 to be made a part of the minutes and record of the meeting of
250 the governing body during which the authorizing resolution was
251 adopted.

252 (3) An authorizing resolution shall operate and be



253 construed only as historical and evidential. An authorizing
254 resolution shall not operate or be construed as of general and
255 permanent nature or operation, may be adopted at the same
256 meeting at which it is introduced, and shall be effective
257 immediately upon adoption without posting or publication by
258 any electronic, printed, or other means.

259 (e) As soon as practicable after the adoption of an
260 authorizing resolution by each authorizing subdivision, the
261 applicants shall do all of the following:

262 (1) Execute and acknowledge the certificate of
263 incorporation as approved by each of the authorizing
264 subdivisions before an officer authorized by law to take
265 acknowledgments to deeds.

266 (2) Attach to the certificate of incorporation both of
267 the following:

268 a. A certified copy of each authorizing resolution.

269 b. A certificate by the Secretary of State stating that
270 the name proposed for the corridor is not identical to that of
271 any other corporation organized under state law or so nearly
272 similar as to lead to confusion and uncertainty.

273 (3) File the certificate of incorporation for record in
274 the office of the judge of probate of the county in which the
275 principal office of the corridor is to be located.

276 (f) Upon the filing for record of the certificate of
277 incorporation, the corridor shall come into existence and
278 shall constitute a public corporation under the name set forth
279 in the certificate of incorporation, whereupon the corridor
280 shall be vested with all authority, powers, and rights granted



281 by this act, and the judge of probate shall send a notice to
282 the Secretary of State that the certificate of incorporation
283 of the corridor has been filed for record.

284 (g) The certificate of incorporation of any corridor
285 may be amended in the following manner:

286 (1) The board shall first adopt a resolution proposing
287 an amendment to the certificate of incorporation which must be
288 set forth in full in the resolution. The amendment may include
289 any matters that may have been included in the original
290 certificate of incorporation.

291 (2) After the adoption by the board of a resolution
292 proposing an amendment to the certificate of incorporation of
293 the corridor, the chair of the board and the secretary of the
294 corridor shall sign and file a written application in the name
295 of and on behalf of the corridor with the governing body of
296 each authorizing subdivision, requesting the governing body to
297 adopt a resolution approving the proposed amendment, and
298 accompanied by a certified copy of the resolution adopted by
299 the board proposing the amendment to the certificate of
300 incorporation, together with documents in support of the
301 application as the chair considers appropriate.

302 (3) As promptly as practicable after the filing of the
303 application with the authorizing subdivision, the governing
304 body shall review the application. The governing body of each
305 subdivision that has adopted a resolution approving the
306 amendment shall cause the resolution to be made a part of the
307 minutes and record of the meeting of the governing body during
308 which the resolution was adopted. A resolution approving an



309 amendment shall operate and be construed only as historical
310 and evidential. An authorizing resolution shall not operate or
311 be construed as of general and permanent nature or operation,
312 may be adopted at the same meeting at which it is introduced,
313 and shall be effective immediately without posting or
314 publication by any electronic, printed, or other means.

315 (4) As soon as practicable after the adoption of a
316 resolution approving the amendment by each authorizing
317 subdivision, the chair of the board of the corridor and the
318 secretary of the corridor shall sign and file for record in
319 the office of the judge of probate with which the certificate
320 of incorporation of the corridor was originally filed a
321 certificate in the name of and on behalf of the corridor
322 reciting the adoption of the respective resolutions by the
323 board and by the governing body of each authorizing
324 subdivision, setting forth the proposed amendment. The judge
325 of probate for the county shall thereupon record the
326 certificate in an appropriate book in his or her office. When
327 the certificate has been so filed and recorded, the amendment
328 shall become effective and the certificate of incorporation
329 shall thereupon be amended to the extent provided in the
330 amendment. No certificate of incorporation of a research and
331 development corridor shall be amended except in the manner
332 provided in this section.

333 Section 4. Board of Directors of Corridor.

334 (a) Each corridor shall be governed by a board of
335 directors that shall exercise, or authorize the exercise of,
336 all powers of the corridor.



337 (b) The board of each corridor shall consist of the
338 number of directors provided in the certificate of
339 incorporation.

340 (c) Any natural person may serve on the board of a
341 corridor. All directors with voting powers shall be appointed
342 by the authorizing subdivision of the corridor unless there
343 are two or more authorizing subdivisions for a corridor, in
344 which case a majority of the directors must be appointed by a
345 single authorizing subdivision. A majority of the directors
346 must be natural persons who are residents of an authorizing
347 subdivision, and a minority of the directors may be natural
348 persons who are not residents of any of the authorizing
349 subdivisions; provided, however that any non-resident director
350 must also be approved by the governing body of each
351 authorizing subdivision. In addition, the Alabama Innovation
352 Corporation may appoint a single non-voting member who shall
353 not count towards the establishment of a quorum.

354 (d) Notwithstanding any other provision of this act,
355 board membership shall be inclusive and reflect the racial,
356 gender, geographic, and economic diversity of the authorizing
357 subdivisions of the corridor.

358 (e) Each director of the corridor shall hold a place on
359 the board and shall be appointed for the term of such place by
360 the authorizing subdivision appointing such director, all as
361 provided in the certificate of incorporation of the corridor.
362 Except as may be otherwise provided in the certificate of
363 incorporation of a corridor, an officer or employee of any
364 authorizing subdivision shall be eligible for appointment and



365 may serve as a member of the board for the first to expire of
366 the term for which such officer is appointed or the term
367 thereof as an officer of the authorizing subdivision.

368 (f) Each director may hold a place on the board for
369 successive terms without limit. If at the expiration of any
370 term of office of any director a successor has not been
371 appointed, the director whose term of office expired shall
372 continue to hold office until the successor is appointed by
373 the person or persons having the appointive power for the
374 place of that director. If at any time there is a vacancy on
375 the board, whether by death, resignation, incapacity,
376 disqualification, or otherwise, a successor director to serve
377 for the unexpired term applicable to the vacancy shall be
378 elected or appointed by the authorizing subdivision that
379 appointed the predecessor director, or, in the case of a
380 director appointed by the Alabama Innovation Corporation, by
381 the Alabama Innovation Corporation.

382 (g) Each director shall serve as such without
383 compensation but shall be reimbursed for expenses actually
384 incurred by the director while conducting his or her official
385 duties.

386 (h) The board may hold regular and special meetings as
387 the board determines or as provided in the bylaws of the
388 board. Any member of the board, any provision of law to the
389 contrary notwithstanding, may attend and participate in, and
390 constitute part of the quorum for, any regular or special
391 meeting of the board in person or by means of telephone
392 conference, video conference, or similar communications



393 equipment that allows all participants in the meeting to hear
394 each other at the same time; provided, every meeting shall
395 have one physical location available in an authorizing
396 subdivision for individuals wishing to be physically present,
397 and any vote taken at a meeting using the foregoing
398 communication equipment shall be taken by roll call vote that
399 allows each participant to vote individually in a manner
400 audible to all participants. The board may take any action at
401 any regular or special meeting. A majority of the directors
402 present, in person or by electronic or telephonic
403 communications, at a meeting shall constitute a quorum for the
404 exercise of any authority or power of the board. Any meeting
405 of the board may be adjourned from time to time by a majority
406 of the directors present or may be so adjourned by a single
407 director if the director is the only director present at the
408 meeting. No vacancy in the membership of the board or the
409 voluntary disqualification or abstention of any member of the
410 board shall impair the right of a quorum to exercise all the
411 powers and perform all the duties of the board at a regular or
412 special meeting. The secretary of the corridor shall reduce to
413 writing and maintain in a permanent record all proceedings and
414 resolutions of the board. Copies of the proceedings, when
415 certified by the secretary of the corridor, shall be received
416 in all courts as prima facie evidence of the matters and
417 things therein certified.

418 (i) The determinations set forth in a resolution of the
419 board, including the determination that an activity, facility,
420 or undertaking, or application of funds under control of the



421 board constitutes a "project" or are otherwise in furtherance
422 of the purposes of this chapter, shall be subject to judicial
423 review as provided and limited by law for judicial review of
424 legislative acts and determinations by a subdivision.

425 (j) If a matter comes before the board with respect to
426 which any director, any related party, including a sibling,
427 spouse, or lineal descendant, or any business enterprise with
428 which the director is associated, has any direct or indirect
429 pecuniary interest, the director shall immediately disclose
430 the interest to the board and remove himself or herself and
431 withdraw from the meeting prior to the consideration,
432 deliberation, and voting on the matter by the board.

433 (k) The corridor and the incorporators, directors,
434 officers, employees, and agents of the corridor shall have the
435 same limitations on liability as a municipality and its
436 officers, employees, and agents for negligent acts. These
437 limitations shall not apply to subcontractors or independent
438 contractors of the corridor.

439 (l) Any director may be removed from office in the same
440 manner and on the same grounds provided in the state
441 constitution and the general laws of the state for impeachment
442 and removal of officers.

443 Section 5. Officers of corridor.

444 The officers of a research and development corridor
445 shall consist of a chair, a vice chair, a secretary, a
446 treasurer, and such other officers as its board deems
447 necessary or desirable. The offices of secretary and treasurer
448 may be held by the same individual. The chair and vice chair



449 of a research and development corridor shall be elected by the
450 board from the board membership. The secretary, the treasurer,
451 and any other officers of the corridor may but need not be
452 members of the board and shall also be elected by the board.
453 The chair, vice chair, and secretary of the corridor shall
454 also be the chair, vice chair, and secretary of the board,
455 respectively.

456 Section 6. Powers of Corridor.

457 In furtherance of a project, each corridor shall have
458 all of the following stated powers together with all powers
459 incidental to these powers and necessary to effect the proper
460 exercise of the corridor:

461 (1) To have succession in its corporate name for the
462 duration of the corridor specified in the certificate of
463 incorporation.

464 (2) To sue and be sued in its own name in civil suits
465 and actions and to defend suit against the corridor.

466 (3) To adopt and make use of a corporate seal and to
467 alter the seal as necessary.

468 (4) To adopt, alter, and repeal bylaws, regulations,
469 and rules, not inconsistent with the provisions of this act,
470 for the regulation and conduct of its affairs and business.

471 (5) To acquire real property within the geographic
472 boundaries of the corridor, whether by gift, purchase,
473 transfer, foreclosure, lease, or devise, and to construct,
474 improve, operate, maintain, equip, and furnish the property
475 and interests in property as the board determines to be
476 necessary for the purposes of the corridor.



477 (6) To lease all or any part of any property upon such
478 terms and conditions as its board determines necessary or
479 desirable.

480 (7) To convey any property of the corridor with or
481 without valuable consideration as the board shall determine.

482 (8) To enter into a management contract or contracts
483 with any person or persons of all or any part of its property
484 as may in the judgment of such corridor be necessary or
485 desirable in order to perform more efficiently or economically
486 any function for which the corridor may become responsible in
487 the exercise of the powers conferred upon it by this act.

488 (9) To procure insurance against any loss in connection
489 with its property and other assets in such amounts and from
490 such insurers as its board determines to be necessary or
491 desirable.

492 (10) To fix and revise, and charge and collect, fees,
493 licenses, rates, rentals, and assessments and apply the
494 proceeds thereof for any lawful purpose of the corridor, to
495 any qualified enterprise or other business located within the
496 geographic boundaries of the corridor, but only, as to each
497 qualified enterprise or other business, for any tax year the
498 amount of eligible taxes abated for the qualified enterprise
499 or business under subdivision (22).

500 (11) To the extent authorized or permitted by the state
501 constitution, to grant, loan, or donate, or otherwise make
502 available any funds, money, revenues, or property of the
503 corridor upon such terms as the board shall determine to: (i)
504 any public entity or entities, and (ii) upon compliance with



505 the public notice requirements and approval by each
506 authorizing subdivision, any corporate person or corporate
507 persons and natural person or natural persons.

508 (12) To the extent authorized or permitted by the state
509 constitution, to assume, incur, or issue any financial
510 obligation or financial obligations for any lawful purpose, as
511 more particularly provided in this act.

512 (13) To pledge for the benefit of any financial
513 obligation of the corridor any revenues, including, but not
514 limited to, proceeds of any tax to which it is entitled, from
515 which the financial obligation is payable, and to mortgage or
516 pledge its property and revenues, or any portion thereof, as
517 further provided in this act.

518 (14) To assume obligations secured by a lien on, or
519 secured by and payable out of or secured by a pledge of, any
520 property or part thereof or the revenues derived from any
521 property that may be acquired by the corridor.

522 (15) To make, enter into, and execute contracts,
523 agreements, leases, and other instruments, and to take such
524 other actions as may be necessary or convenient to accomplish
525 any purpose for which the corridor was organized or to
526 exercise any power granted under this act.

527 (16) To enter into contracts with, to accept aid,
528 loans, and grants from, to cooperate with, and to take any
529 action not specifically prohibited by this act or other
530 applicable laws of the state that may be necessary in order to
531 obtain or secure the aid and cooperation of the United States,
532 the state, or any agency, department, instrumentality, or



533 political subdivision of either in furtherance of the purposes
534 of this act.

535 (17) To apply for, accept, receive, apply, disburse,
536 expend, and use to accomplish the purposes of this chapter any
537 money, property, labor, or other things of value, from any
538 source, including, without limitation, the state, any public
539 entity, and the United States, subject to any lawful condition
540 upon which the aid or contributions may be given or made.

541 (18) To appoint, employ, contract with, and provide for
542 compensation of the employees and agents of the corridor
543 including, but not limited to, architects, engineers,
544 attorneys, accountants, investment advisors and financial
545 experts, fiscal agents, and such other advisors, consultants,
546 and agents as the board determines to be necessary or
547 desirable.

548 (19) To invest its monies, including, but not limited
549 to, the monies held in any special fund created pursuant to
550 any trust indenture or agreement or resolution securing any of
551 its financial obligations and proceeds from the sale of any
552 financial obligations not required for immediate use, in such
553 investments as are authorized by the laws of the state for the
554 investment of funds and money of a municipality.

555 (20) To acquire, create, establish, operate, or
556 support, or to participate as a member of, any corporate
557 person that will assist the corridor in, or which otherwise
558 has as a purpose of accomplishing the purposes of this act,
559 including, but not limited to, the support of any corporate
560 person by means of grants or loans of property or the issuance



561 of financial obligations for the benefit the corporate person.

562 (21) To exercise any authority or power that is granted
563 by state law to any private corporation or public corporation
564 which is not in conflict with the purposes of this act.

565 (22) To abate any eligible tax or eligible taxes for
566 any project.

567 (23) To do any and all things necessary or convenient
568 to carry out its purposes and to exercise its powers pursuant
569 to this act to the extent permitted by law.

570 Section 7. Financial Obligations of a Research and
571 Development Corridor.

572 (a) Each corridor shall have, and may exercise as
573 provided in Section 6(12), the authority and power to assume,
574 incur, or issue, at any time and from time to time, any
575 financial obligation or financial obligations, without
576 limitation as to aggregate principal amount, as the board
577 determines to be necessary or desirable for any lawful purpose
578 of the corridor, including, but limited to:

579 (1) Payment of the costs of a project;

580 (2) Payment, in whole or in part, in advance or at
581 stated maturity, of any financial obligation of the corridor;

582 (3) Provision for such reserves as may be required in
583 connection with the financial obligations;

584 (4) Payment of any extraordinary, nonrecurring
585 obligations, including, but not limited to, casualty losses,
586 legal judgments, and contractual termination payments;

587 (5) Payment of administration and operation of
588 projects; and



589 (6) Provision of funds to accomplish or effect any
590 purpose of this act.

591 (b) Each financial obligation of a research and
592 development corridor may be in such form and denomination and
593 of such tenor and maturity or maturities, shall be payable in
594 lawful currency of the United States in such installments as
595 serial or term obligations or a combination thereof, and at
596 such time or times, not exceeding 45 years from the date
597 thereof, may be payable at such place or places whether within
598 or without the state, may bear interest at such rate or rates
599 payable at such time or times and at such place or places and
600 evidenced in such manner, may be subject to prepayment or
601 redemption in advance of maturity at such price or prices and
602 upon such notice, terms, and conditions, and may contain such
603 provisions which are not in violation of this act, all as
604 provided in the applicable agreement, indenture, or resolution
605 of the corridor that has authorized the incurrence or issuance
606 thereof.

607 (c) A research and development corridor may provide
608 that any financial obligation shall bear interest at a rate or
609 rates fixed to maturity at the time of issuance or at a rate
610 or rates which may be changed from time to time during the
611 term of the financial obligation in accordance with an
612 objective procedure determined by the board at the time of
613 issuance of the financial obligation or in connection with
614 published interest rates or indices that reflect an objective
615 response to market changes in interest rates by financial
616 institutions, governmental agencies, or other generally



617 recognized public or private sources of information concerning
618 interest rates.

619 (d) A research and development corridor shall have the
620 authority and power to deliver and perform all agreements and
621 contracts for the services of paying agents and trustees with
622 respect to financial obligations incurred or issued under this
623 act, for the purchase of any financial obligations issued
624 under this act, and for the guarantee or insurance, pursuant
625 to municipal bond insurance policies, letters of credit,
626 standby purchase agreements, and other credit or liquidity
627 facilities, of the payment, when due, of the principal of, and
628 premium and interest on, any financial obligations so assumed,
629 incurred, or issued by the corridor pursuant to this act.

630 (e) A research and development corridor shall cause all
631 financial obligations assumed, incurred, or issued by the
632 corridor to be executed by manual or electronic signature of
633 an officer or officers as authorized and provided in the
634 agreement, indenture, or resolution of the corridor which
635 authorized the financial obligation. A statement upon the
636 signature page of a financial obligation of a research and
637 development corridor that the financial obligation was issued
638 under the seal of the corridor shall be conclusive for all
639 purposes of state law. A financial obligation that has been
640 executed by an officer or officers in office on the date of
641 the execution shall be valid and enforceable, notwithstanding
642 that before delivery of the financial obligation, any such
643 officer whose signature appears thereon has ceased to hold
644 such office.



645 (f) All financial obligations incurred or issued
646 pursuant to this act by a research and development corridor
647 may be sold at private or public sale at such price or prices
648 and in such manner as the board shall determine.

649 (g) Each financial obligation of a research and
650 development corridor is hereby made a negotiable instrument
651 for all purposes; anything in state law, including, but not
652 limited to, the Alabama Uniform Commercial Code, to the
653 contrary notwithstanding and without regard to whether the
654 financial obligation is of such form and character as to be a
655 negotiable instrument under state law; provided, however, the
656 corridor, in its discretion, may provide that any particular
657 financial obligation shall not be negotiable or may be
658 negotiable only upon such terms as the corridor shall
659 proscribe.

660 (h) (1) The corridor shall apply the proceeds of any
661 financial obligation solely for the purposes for which the
662 financial obligation has been incurred or issued, including,
663 but not limited to, payment of the costs of incurrence or
664 issuance of the financial obligations, including, but not
665 limited to: (i) fees and expenses of attorneys, accountants,
666 financial advisors, consultants, trustees and paying agents,
667 and underwriters; and (ii) the costs of municipal bond
668 insurance policies, letters of credit, and such other credit
669 or liquidity facilities which provide for payment when due of
670 all or part of the principal of, and premium and interest on,
671 the financial obligations.

672 (2) The corridor may deposit in trust the proceeds of



673 any financial obligation incurred or issued for payment of
674 another financial obligation of the corridor, on such terms as
675 the board approves, with a financial institution having trust
676 powers within or without the state. The proceeds, to the
677 extent required by the terms of and purpose of such trust, may
678 be invested as provided for public funds of a municipality.

679 (i) The financial obligations of any corridor shall be
680 legal investments in which the state and its agencies and
681 instrumentalities, all subdivisions and public corporations
682 organized under the laws of the state, all insurance companies
683 and associations and other persons carrying on an insurance
684 business, all banks, savings banks, savings and loan
685 associations, trust companies, credit unions, and investment
686 companies of any kind, all administrators, guardians,
687 executors, trustees, and other fiduciaries, and all other
688 persons whosoever are now or may hereafter be authorized to
689 invest in financial obligations or other obligations of the
690 state, may properly and legally invest funds in their control
691 or belonging to them.

692 (j) The validity of any financial obligation that
693 states therein that it is issued pursuant to this act, in any
694 action or proceeding involving the validity thereof, shall be
695 incontestable, and the financial obligation shall be
696 conclusively deemed to be the valid financial obligation of
697 the applicable corridor enforceable by all rights and remedies
698 available at law or in equity under state law.

699 Section 8. Sources of Payment of, and Security for,
700 Financial Obligations of a Research and Development Corridor.



701 (a) Each financial obligation or obligations of a
702 research and development corridor shall be a limited
703 obligation of the corridor payable solely from the sources of
704 payment specified therein, subject to such limitations and
705 provisions thereof, including, but not limited to, the
706 issuance of financial obligations payable from the same source
707 of funds on an equal and proportionate basis or on a
708 subordinate basis, as the corridor may determine.

709 (b) The corridor may assign, mortgage, or pledge any
710 property of the corridor to secure the payment and performance
711 of any financial obligation of the corridor; provided, the
712 corridor, in its discretion, may provide property as security
713 for any one or more financial obligations of the corridor
714 without, to the extent permitted by any applicable contractual
715 agreements, provision of the same or any other any property as
716 security for any other financial obligation or obligations of
717 the corridor. In furtherance of this subsection, the corridor
718 may deliver a contractual agreement to, or for the benefit of,
719 the owner or owners of any financial obligation of the
720 corridor, which agreement may contain such agreements,
721 conditions, covenants, provisions, and terms as the corridor
722 may determine to be necessary or desirable to provide for the
723 protection and security of the owners of the financial
724 obligations, including, but not limited to, restrictions on
725 the use of the property of the corridor and the incurrence of
726 additional financial obligations of the corridor, the terms
727 for amendment, with and without the consent of the owner or
728 owners, of the financial obligations and the documents



729 pursuant to which such financial obligations were incurred or
730 issued, providing for the rights, duties, and authority of a
731 trustee, and providing for the exercise of legal and equitable
732 rights and remedies by such owner or owners.

733 (c) Any assignment, mortgage, or pledge of property by
734 the corridor for the benefit of any financial obligation shall
735 be effective, valid, and binding from the time the assignment,
736 mortgage, or pledge is made, and the property subject thereto
737 shall immediately, or as soon thereafter as the corridor
738 obtains any right thereto or interest therein, be subject to
739 the assignment, mortgage, or pledge without physical delivery
740 of the subject property or any agreement, document, or
741 instrument providing therefor, or any further act, and the
742 encumbrance and lien of any such assignment, mortgage, or
743 pledge shall be effective, valid, and binding as against all
744 persons having claims of any kind in tort, contract, or
745 otherwise against the corridor, irrespective of whether such
746 persons have actual notice thereof, from the time notice of
747 the assignment, mortgage, or pledge is filed for record: (i)
748 in the office of the judge of probate in which the certificate
749 of incorporation of the corridor was filed for record; and
750 (ii) in the case of any assignment, mortgage, or pledge of any
751 tangible property, whether real, personal, or mixed, in the
752 office of the judge of probate of the county in which the
753 property is or is to be located pursuant to any agreement made
754 by the corridor with any person respecting the location and
755 use of the property. The notice shall contain a statement of
756 the existence of any such assignment, mortgage, or pledge, a



757 description of the subject property, and a description of the
758 financial obligations secured thereby, all in terms sufficient
759 to give notice to a reasonably prudent person of the existence
760 and effect of any such assignment, mortgage, or pledge;
761 provided, the notice may be in form of: (i) a summary
762 statement; or (ii) an executed counterpart of the agreement,
763 document, or instrument which contains the assignment,
764 mortgage, or pledge. The recording of the notice shall operate
765 as constructive notice of the contents thereof.

766 (d) All financial obligations assumed, incurred, or
767 issued by a research and development corridor shall be solely
768 and exclusively an obligation of the corridor and shall not
769 create a direct, indirect, or contingent obligation or
770 pecuniary liability, or general obligation, or charge against
771 the general assets, credit, funds, property, revenues, or
772 taxing power of the state or any subdivision, including, but
773 not limited to, any authorizing subdivision.

774 (e) The owner or owners of any financial obligation or
775 financial obligations of the corridor shall have no recourse
776 against any incorporator, or any past, present, or future
777 director, officer, employee, or agent of the corridor, or of
778 any successor thereof, for the payment of any amount which
779 shall have become due and payable under the financial
780 obligation or financial obligations or for the payment or
781 performance of any agreement, document, or instrument pursuant
782 to which the financial obligation or financial obligations
783 were assumed, incurred, or issued by which the financial
784 obligation or financial obligations shall be secured.



785 Section 9. Validation of Financial Obligations of a
786 Research and Development Corridor.

787 (a) A research and development corridor shall
788 constitute a "unit" for purposes of Article 17 of Chapter 6 of
789 Title 6 of the Code of Alabama 1975. A research and
790 development corridor, in the determination of the board, may
791 file a petition with respect to any financial obligation or
792 financial obligations thereof pursuant to Article 17 of
793 Chapter 6 of Title 6 of the Code of Alabama 1975.

794 (b) (1) A research and development corridor, in the
795 determination of the board and upon the adoption by the board
796 of a resolution providing for the issuance of financial
797 obligations, may cause a notice respecting the issuance of the
798 financial obligations to be published once a week for two
799 consecutive weeks in each county in which shall be located any
800 project financed or in any way assisted by the issuance of the
801 financial obligations. The publication in each such county
802 shall be in a newspaper having general circulation therein and
803 shall be in substantially the following form (the blanks being
804 properly filled in) at the end of which shall be printed the
805 name and title of either the chair or secretary of the
806 corridor: " _____, a public corporation
807 and instrumentality of the State of Alabama, on the _____
808 day of _____, authorized the issuance of \$ _____
809 principal amount of _____ (identification of the
810 obligation) of the said public corporation for purposes
811 authorized in the act of the Legislature of Alabama under
812 which the public corporation was organized. Any action or



813 proceeding questioning or contesting the validity of the said
814 financial obligations, or the instruments securing the same,
815 or the proceedings authorizing the same, must be commenced on
816 or before _____ (here insert date determined in
817 accordance with the provisions of the next paragraph of this
818 section."

819 (2) The date stated in the notice as the date on or
820 before which any action or proceeding questioning or
821 contesting the validity of the financial obligations referred
822 to in the notice must be commenced shall be a date at least 30
823 days after the date on which occurs the last publication of
824 the notice necessary for it to have been published at least
825 once in all counties in which it is required to be published.
826 Any action or proceeding in any court to set aside or question
827 the proceedings for the issuance of the financial obligations
828 referred to in the notice or to contest the validity of any
829 such financial obligations, or the validity of any instruments
830 securing the same, must be commenced on or before the date
831 determined in accordance with the preceding sentence and
832 stated in the notice as the date on or before which any such
833 action or proceeding must be commenced. After that date, no
834 right of action or defense shall be asserted questioning or
835 contesting the validity of the financial obligation or the
836 instruments securing the same, or the proceedings authorizing
837 the same, nor shall the validity of such financial obligations
838 or such instruments or proceedings be open to question in any
839 court on any ground whatsoever, except in an action or
840 proceeding commenced on or before that date.



841 Section 10. Special Authority of Public Persons to
842 Support Corridors.

843 (a) In furtherance of the public purposes of this
844 chapter, the state, and any public entity, upon such terms and
845 with or without consideration as it may determine and in
846 compliance with the state constitution and public notice
847 requirements, may undertake any of the following for the
848 benefit of any corridor project, without regard to whether any
849 public entity may be an authorizing subdivision with respect
850 to the corridor or may have a project located or undertaken
851 within the jurisdiction thereof:

852 (1) Donate, grant, loan, or pledge to, or for the
853 benefit of, any corridor any funds, revenues, or tax proceeds
854 of the public entity;

855 (2) Perform services for the benefit of any corridor;

856 (3) Pay, commit to pay, or guarantee, on a continuing
857 basis by contractual agreement, the payment when due of all or
858 any part of the principal of, and premium and interest on, any
859 financial obligation of a research and development corridor
860 for such period, including the period ending on the stated
861 maturity of the financial obligation, as the public entity may
862 determine;

863 (4) Donate, sell, convey, transfer, lease, or grant any
864 property to any corridor without the necessity of
865 authorization at any election of qualified voters of the
866 public entity;

867 (5) Do any and all things, whether or not specifically
868 authorized in this act, not otherwise prohibited by law, that



869 are necessary or desirable to aid and cooperate with any
870 corridor with respect to any project or in furtherance of the
871 public purposes of this act.

872 (b) The state and each public entity, upon compliance
873 with the public notice requirements, may assume, incur, or
874 issue, by private or public sale in compliance with applicable
875 state law and the state constitution, any financial
876 obligation, as a general, limited, or special obligation
877 thereof, to provide funds for any purpose of this section.

878 (c) The state and each public entity shall cause each
879 contractual agreement or instrument delivered for any purpose
880 in subsection (a) to provide for, or set forth, in the
881 agreement or instrument: (i) the purpose of the agreement; and
882 (ii) the authorization and direction of a specific officer or
883 officers, by title or office, of the public entity to pay any
884 pecuniary obligation of the public entity in lawful currency
885 of the United States and in liquidated amounts when due on a
886 date or dates certain, which amounts and dates of payment may
887 be set forth in the agreement or instrument, or schedule
888 thereto, or incorporated therein by specific reference.

889 (d) With specific regard to the state, the Governor or
890 his or her designee shall have the express authority to enter
891 into any contractual agreement or instrument, exercising the
892 state's authority hereunder.

893 (e) Any court in the state having competent
894 jurisdiction shall issue mandamus for the payment of any
895 pecuniary obligation of the state or a public entity in a
896 contractual agreement or instrument delivered pursuant to this



897 section upon proper proof of nonpayment thereof, or failure of
898 compliance with the provisions of law with respect thereto,
899 being furnished by, or on behalf of, the corridor or any
900 beneficiary of the pecuniary obligation of the state or the
901 public entity under the contractual agreement or instrument.

902 Section 11. Audited Financial Statements.

903 (a) A research and development corridor shall be
904 required to produce audited financial statements from a
905 certified public accountant, or a firm thereof, regularly
906 engaged in the auditing of financial records, or an auditor
907 who is regularly employed by the Department of Examiners of
908 Public Accounts, for each fiscal year and, when available,
909 deliver the audited financial statements to each public entity
910 that financially supports the corridor, if the corridor: (i)
911 receives any eligible funds; (ii) receives any funds,
912 proceeds, or revenues from any public entity; or (iii) issues
913 any financial obligation.

914 (b) For purposes of this section, the person conducting
915 an audit pursuant to subsection (a) must be a person who: (i)
916 is in fact independent; (ii) does not have any direct
917 financial interest or any material indirect financial interest
918 in the corridor; and (iii) is not connected with the corridor
919 or any officer, employee, promoter, underwriter, trustee,
920 partner, director, or person performing similar functions.

921 Section 12. Exemption of Corridor from Taxation.

922 (a) Each corridor shall be exempt from all fees,
923 charges, and taxes levied by any judge of probate or by the
924 state.



925 (b) The authorizing subdivision may elect in its
926 authorizing resolution to exempt from taxation each corridor
927 and its real and tangible personal property from some or all
928 eligible taxes, and any municipality or county that is not an
929 authorizing subdivision may elect to exempt any or all taxes
930 levied by it within the geographical boundary of a corridor
931 other than taxes levied for public school purposes and
932 incremental ad valorem taxes levied within a tax increment
933 district and required by state law to be paid to the tax
934 increment district.

935 (c) The income of any corridor, all financial
936 obligations of a corridor, the income and interest from the
937 financial obligations, conveyances by or to a research and
938 development corridor, and leases, mortgages, and deeds of
939 trust or trust indentures by or to a corridor, shall be exempt
940 from all taxation in the state.

941 Section 13. Exemption of Corridor from Usury and
942 Interest Laws.

943 Each corridor and the contractual agreements and
944 financial obligations of the corridor shall be exempt from
945 state laws governing usury or prescribing or limiting interest
946 rates, including, but not limited to, Chapter 8 of Title 8 of
947 the Code of Alabama 1975.

948 Section 14. Exemption of Corridor from Competitive Bid
949 Laws.

950 Each corridor, all contractual agreements made by the
951 corridor, and any building or improvement of a project shall
952 be exempt from state laws requiring competitive bids for any



953 contract to be entered into by any public entity, including,
954 but not limited to, Chapter 2 of Title 39 and Article 3 of
955 Chapter 16 of Title 41, of the Code of Alabama 1975.

956 Section 15. Exemption of Corridor from State Oversight.

957 (a) Except as provided in this act and specifically in
958 subsection (b), a research and development corridor shall not
959 be required to obtain the approval or consent of, or make any
960 filing with, or provide notice to the state or any state
961 agency, department, or other instrumentality of the state,
962 with respect to the incorporation or the amendment of the
963 certificate of incorporation of the corridor, or the exercise
964 of any authority or power provided in this act or permitted
965 under state law.

966 (b) A research and development corridor shall be
967 subject to local codes and ordinances.

968 Section 16. Applicability of Certain State Laws.

969 (a) A research and development corridor shall be
970 subject to Chapter 25 of Title 36 of the Code of Alabama 1975,
971 but board members shall not be required to file a statement of
972 economic interests under Section 36-25-14 of the Code of
973 Alabama 1975, or any successor to that law.

974 (b) Except as otherwise provided in this act, a
975 research and development corridor shall be subject to the
976 Alabama Open Meetings Act, Chapter 25A of Title 36 of the Code
977 of Alabama 1975.

978 Section 17. Corridor shall be Nonprofit Corporation.

979 A research and development corridor shall be a
980 nonprofit corporation, and no part of a research and



981 development corridor's net earnings remaining after payment of
982 its expenses shall inure to the benefit of any individual,
983 firm, or corporation, except that in the event a board shall
984 determine that sufficient provision has been made for the full
985 payment of the expenses, financial obligations, and other
986 obligations of a research and development corridor, then any
987 portion, as determined by the board, of the net earnings of a
988 research and development corridor thereafter accruing, in the
989 discretion of the board, may be paid to one or more of the
990 corridor's authorizing subdivisions.

991 Section 18. Dissolution of Corridor; Vesting of Title
992 to Property of Corridor.

993 At any time when a research and development corridor
994 has no financial obligations or other executory agreements
995 outstanding, its board may adopt a resolution, which shall be
996 duly entered upon its minutes, declaring that the corridor
997 shall be dissolved. Upon filing for record of a certified copy
998 of the resolution in the office of the judge of probate with
999 which the corridor's certificate of incorporation is filed,
1000 the corridor shall thereupon stand dissolved, and in the event
1001 the corridor owned any property at the time of the
1002 dissolution, the title to all its properties, subject to the
1003 state constitution, thereupon shall vest in the corridor's
1004 authorizing subdivision, or if the corridor has more than one
1005 authorizing subdivision, in the corridor's authorizing
1006 subdivisions as tenants in common.

1007 Section 19. Incorporation of Multiple Corridors by Same
1008 Authorizing Subdivision.



1009 The existence of a research and development corridor
1010 incorporated under this act shall not prevent the subsequent
1011 incorporation under this act of another corridor pursuant to
1012 authority granted by the same authorizing subdivision.

1013 Section 20. Reporting.

1014 Not later than January 1, annually, each corridor shall
1015 submit a report detailing all activities, including the status
1016 of any qualified enterprise within the corridor and the
1017 audited financial statements submitted pursuant to Section 12,
1018 to the Governor, the Lieutenant Governor, the Speaker of the
1019 House of Representatives, the President of the Senate, and
1020 each authorizing subdivision.

1021 Section 21. Cumulative Effect of Chapter.

1022 The provisions of this act are cumulative and shall not
1023 be deemed to repeal existing laws; provided, however, this act
1024 shall supersede any other laws to the extent the laws are
1025 clearly inconsistent with the provisions of this act.

1026 Section 22. Anti-Poaching

1027 If a qualified enterprise exists in the state, then it,
1028 or any portion thereof, cannot relocate into a research and
1029 development corridor or otherwise be deemed or treated as a
1030 qualified enterprise unless the governing body of each
1031 municipality within whose corporate limits the qualified
1032 enterprise, or portion thereof, exists consents to the
1033 relocation.

1034 Section 23. Severability

1035 The provisions of this act are severable. If any part
1036 of this act is declared in valid or unconstitutional, that



1037 declaration shall not affect the part which remains.

1038 Section 24. This act shall become effective

1039 immediately.