

1 SB268  
2 197836-5  
3 By Senators Orr, Waggoner, Reed, Smitherman, Coleman-Madison,  
4 Roberts, Singleton, Melson, Stutts, Givhan, Livingston and  
5 Scofield  
6 RFD: Fiscal Responsibility and Economic Development  
7 First Read: 09-APR-19

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4 ENGROSSED

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7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

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11 To authorize the transfer of additional motor fuel  
12 excise taxes to the Alabama Department of Economic and  
13 Community Affairs; and to authorize the Alabama Department of  
14 Economic and Community Affairs to facilitate and coordinate  
15 the development, improvement, maintenance, and construction of  
16 inland ports and transfer facilities within the state.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. The Legislature finds and declares all of  
19 the following:

20 (a) That inland ports are physical sites located  
21 away from traditional coastal borders with the vision to  
22 facilitate and process domestic and international trade  
23 through strategic investment in multi-modal transportation  
24 assets and by promoting value-added services as goods move  
25 through the supply chains;

26 (b) That the development of inland ports and other  
27 transfer facilities has been a growing trend for the past 30

1 years, and the southeastern United States is an area of  
2 increased interest in entities wanting to create networks of  
3 strategically placed facilities throughout each state.

4 (c) That the support of inland ports or transfer  
5 facilities are an added benefit to the State of Alabama.

6 (d) That an inland port or intermodal transfer  
7 facility would have the added benefit of reducing truck  
8 traffic along the federal and state highways of Alabama,  
9 especially through metropolitan areas, and would reduce  
10 greenhouse emissions from heavy freight carriers.

11 (e) That a rail based inland port has three basic  
12 requirements enabling it to fulfill a relevant commercial  
13 role: the ability to serve as an intermodal terminal, host  
14 logistics activities, and be a corridor to a gateway.

15 (f) That the passing of Act 2019-2, 2019 First  
16 Special Session, provided eleven million seven hundred sixty  
17 thousand dollars (\$11,760,000) as a pledge for bonds issued to  
18 finance improvements to the Mobile Ship Channel providing  
19 access to the facilities of the Alabama State Docks, combined  
20 with the recent completion of the Panama Canal expansion,  
21 should lead to greater imports and exports for the State of  
22 Alabama and infrastructure enhancements are needed to handle  
23 the increased volume of freight traffic.

24 (g) It is the intention of the Legislature to  
25 authorize the transfer of funds to the Alabama Department of  
26 Economic and Community Affairs from the Public Road and Bridge

1 Fund to facilitate and improve the system of inland ports and  
2 intermodal transfer facilities in the state.

3 Section 2. When used in this act, the following  
4 words and phrases shall have the following respective meanings  
5 unless the context clearly indicates otherwise:

6 (1) INLAND PORTS. Inland ports are physical sites  
7 located away from traditional land, air and coastal borders  
8 with the vision to facilitate and process international and  
9 domestic trade through strategic investment in multi-modal  
10 transportation assets and by promoting value-added services as  
11 goods move through the supply chain.

12 (2) INTERMODAL FACILITY. A transportation element  
13 that accommodates and interconnects different modes of  
14 transportation and serves intrastate, interstate, and  
15 international movement of people and goods, and facilitates  
16 the movement of goods on two or more modes, involving either  
17 direct transfer or intermediate storage.

18 (3) PORT FACILITY. Any publicly owned inland port  
19 through which cargo is transported by way of waterborne ship,  
20 barge, or railroad, to or from destinations inside or outside  
21 this state and which handles cargo owned by third parties.

22 Section 3. (a) An annual appropriation of ten  
23 million dollars (\$10,000,000) shall be transferred from the  
24 Public Road and Bridge Fund to the Alabama Department of  
25 Economic and Community Affairs to establish a grant program to  
26 facilitate and coordinate inland port and transfer facility

1 development, improvement, maintenance, onsite storage,  
2 moorings, and construction.

3 (b) Upon transfer the monies shall be kept in a  
4 separate fund and shall be subject to audit by the Examiners  
5 of Public Accounts in the same manner as all other department  
6 funds. Any unexpended monies remaining in the fund at the end  
7 of the fiscal year shall remain in the fund and shall not  
8 revert to the Public Road and Bridge Fund. The amount of the  
9 transfer for the upcoming fiscal year appropriation shall be  
10 reduced by the amount carried forward such that the department  
11 will have no more than ten million dollars (\$10,000,000) in  
12 any single fiscal year to administer the grant program. Any  
13 monies which remain unexpended at the end of the fifteenth  
14 fiscal year shall revert to the Public Road and Bridge Fund.  
15 Any unencumbered funds remaining pursuant to this act after  
16 fifteen years shall revert to the Rebuild Alabama Fund.

17 Section 4. (a) The Inland Ports and Intermodal  
18 Development Fund is created within the Alabama Department of  
19 Economic and Community Affairs to receive transfers from the  
20 Public Road and Bridge Fund for the purpose of financing  
21 improvements to existing publicly-owned inland ports and  
22 intermodal facility infrastructure. Funding for the grant  
23 program shall be awarded on a competitive basis for inland  
24 port and intermodal facility projects that will have a  
25 significant local or regional impact. Priority of funding  
26 shall be given to inland ports and intermodal facilities that  
27 have proven performance in reducing congestion on public

1 highways, proven performance to increase tonnage at port  
2 facilities, and that will enhance regional competitiveness for  
3 port operators and users. The minimum participation for local  
4 funds is 20 percent of the project amount.

5 (b) To receive funds under this article, an inland  
6 port or intermodal facility shall file an application with the  
7 Department describing how the funds will be used and any other  
8 information the Department may require. No application shall  
9 be approved, or funds distributed unless the expenditure of  
10 funds are:

11 (1) Directly related to capital improvements,  
12 dredging for project development in the immediate vicinity of  
13 an existing inland port, economic development of an inland  
14 port facility, or the rebuilding or rehabilitation of basic  
15 waterway and port infrastructure; or

16 (2) For a project or use directly related to  
17 intermodal infrastructure development; or

18 (3) For a purpose outside the normal operating  
19 budget of an inland port or intermodal infrastructure facility  
20 or a river-related community.

21 (c) Funding shall not be approved for routine  
22 maintenance, administrative and operational expenses, or for  
23 the dredging of waterways within the state that are not in the  
24 immediate vicinity of an inland port facility. Additionally,  
25 the use of funding to establish or construct new inland ports,  
26 or to acquire land shall not be eligible for funding unless a

1 feasibility study and competitive analysis has been performed  
2 and submitted for review to the Department.

3 Section 5. (a) This article shall not apply nor have  
4 any effect on any state agency currently having control over  
5 local port or infrastructure commissions or authorities.

6 (b) This article shall not change any existing laws  
7 that apply to any existing port or infrastructure commission  
8 or authority, or to powers presently provided for conducting  
9 and developing the water transportation industry, and all such  
10 existing laws are hereby expressly preserved and shall not be  
11 preempted by this article.

12 (c) No provision of this article shall be construed  
13 to authorize any diversion from local port or infrastructure  
14 commissions or authorities of fees, funds, donations, grants,  
15 or monies to which the commission or authorities are otherwise  
16 entitled.

17 (d) The Alabama State Port Authority, including its  
18 inland ports, is expressly exempt from the purview of this  
19 article.

20 Section 6. The Department shall promulgate rules,  
21 regulations, restrictions, and eligibility requirements as are  
22 necessary to implement and administer the provisions of this  
23 bill.

24 Section 7. This act shall become effective on the  
25 first day of the third month following its passage and  
26 approval by the Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate  
committee on Fiscal Responsibility and Economic  
Development..... 09-APR-19

Read for the second time and placed on the calen-  
dar..... 18-APR-19

Read for the third time and passed as amended .... 08-MAY-19

Yeas 30  
Nays 0

Patrick Harris,  
Secretary.