

1 HB37
2 133417-2
3 By Representative Hubbard (J)
4 RFD: Agriculture and Forestry
5 First Read: 07-FEB-12
6 PFD: 12/01/2011

ENGROSSED

A BILL
TO BE ENTITLED
AN ACT

To establish an Alabama Purchase of Local Agricultural Products Incentive Program Fund within the State Treasury; to establish, subject to funding, a monetary incentive program administered by the Department of Agriculture and Industries to promote the purchase of Alabama agricultural products; to provide a rebate to certain restaurants purchasing Alabama agricultural products under certain conditions; to provide rulemaking authority to the department; and to provide for termination of the incentive program.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. For the purposes of this act, the following terms shall have the following meanings:

(1) ALABAMA COASTAL WATERS. Those waters, adjacent to the Alabama shoreline, which contain a measurable quantity or percentage of sea water, including, but not limited to, sounds, bays, lagoons, bayous, ponds, and estuaries.

(2) ALABAMA COASTAL AREA. The coastal waters, including the lands therein and thereunder, and the adjacent shorelands, including the waters therein and thereunder,

1 strongly influenced by each and in proximity to the shoreline
2 of Alabama and including transitional and intertidal areas,
3 salt marshes, wetlands, and beaches. The area extends seaward
4 to the outer limit of the United States territorial sea and
5 extends inland from the shoreline only to the extent necessary
6 to control shorelands, the uses of which have a direct and
7 significant impact on the coastal waters.

8 (3) ALABAMA AGRICULTURAL PRODUCTS. The following
9 products produced in Alabama:

10 a. Agronomic, aquacultural, floricultural,
11 horticultural, silvicultural, and viticultural products,
12 including, but not limited to, the following:

13 1. Plants, fruits, and crops.

14 2. Livestock and dairy products.

15 3. Crawfish, catfish, other fish, shrimp, oysters,
16 crabs, and any other seafood and freshwater food.

17 b. All meat and meat products including beef, veal,
18 pork, mutton, poultry, and their byproducts.

19 (4) DEPARTMENT. Department of Agriculture and
20 Industries.

21 (5) PRODUCED IN ALABAMA. Planted, cultivated, grown,
22 caught, or harvested in Alabama, including in Alabama coastal
23 waters, the Alabama coastal area, and in the territorial
24 waters of the state. With regard to seafood, the term shall
25 include anything caught or harvested in waters seaward of the
26 territorial waters of the state by the holder of an Alabama
27 commercial fisherman's license who transports and sells his or

1 her catch to a licensed Alabama wholesale or retail seafood
2 dealer located within this state, as well as any seafood
3 product processed in this state.

4 (6) RESTAURANT. A reputable place licensed as a
5 restaurant that meets both of the following criteria:

6 a. Is principally used for the purpose of preparing
7 and serving meals for the public to consume on the premises.

8 b. Is not primarily devoted to serving alcoholic
9 beverages for consumption by patrons on the premises and in
10 which the serving of food is only incidental to the
11 consumption of beverages.

12 Section 2. There is hereby created the Alabama
13 Purchase of Local Agricultural Products Incentive Program
14 within the Department of Agriculture and Industries to grant
15 incentive payments to restaurants in this state for purchases
16 of Alabama agricultural products.

17 Section 3. (a) There is hereby established a fund in
18 the State Treasury to be known and designated as the Alabama
19 Purchase of Local Agricultural Products Incentive Program
20 Fund. Any public or private grants, gifts, and donations
21 received by the state or the department for the purposes of
22 this act shall be credited to the fund.

23 (b) Subject to an appropriation by the Legislature,
24 the fund shall be used solely to grant incentive payments
25 under the Alabama Purchase of Local Agricultural Products
26 Incentive Program as provided in this act to eligible
27 restaurants for purchases of Alabama agricultural products and

1 to pay all ordinary and necessary operating and administrative
2 costs and expenses associated with implementation of this act
3 not to exceed five percent of the monies appropriated from the
4 fund.

5 (c) The monies in the fund may be invested by the
6 State Treasurer and all monies and interest remaining
7 unexpended in the fund at the end of the fiscal year shall
8 remain in the State Treasury to be expended as provided by
9 this act.

10 Section 4. (a) The amount of the incentive payment
11 pursuant to this act shall not exceed four percent of the
12 total costs of the Alabama agricultural products purchased by
13 an eligible restaurant during a fiscal year.

14 (b) An application for an incentive payment pursuant
15 to this act shall be provided by the department and shall be
16 submitted by an interested restaurant establishment to the
17 department within the application period set forth by the
18 department based upon the restaurant's purchases of Alabama
19 agricultural products within that fiscal year.

20 (c) The department shall promulgate rules as are
21 necessary to implement the provisions of this act including,
22 but not limited to, rules regarding the period within which an
23 application for the incentive shall be submitted in order to
24 be eligible to receive an incentive payment and the
25 documentation required to be maintained and provided by a
26 restaurant applying for the incentive payment. The rules may
27 require a producer of Alabama agricultural products to obtain

1 a permit issued by the department evidencing that the Alabama
2 agricultural products produced are eligible for incentive
3 payments pursuant to this act.

4 (d) A restaurant applying for the incentive payment
5 shall be required to provide and maintain sufficient
6 documentation exhibiting the amount of purchases of Alabama
7 agricultural products and eligibility to claim the incentive
8 payment as determined by the department in rules adopted
9 pursuant to subsection (c).

10 (e) Payment of any incentives pursuant to this act
11 shall be contingent on funds being available in the Alabama
12 Purchase of Local Agricultural Products Incentive Program Fund
13 to pay the incentive payment. If there is insufficient money
14 in the Alabama Purchase of Local Agricultural Products
15 Incentive Program Fund to fully satisfy all timely filed
16 applications for incentive payments, incentive payments shall
17 be distributed to the applicants on a prorated basis based
18 upon the proportion of Alabama agricultural products purchased
19 by the applicant to the total amount of purchases by all
20 applicants.

21 Section 5. The program and fund created by this act
22 shall terminate on September 30, 2015. No rebate payments
23 authorized under this act shall be granted after September 30,
24 2015. Any unexpended and unencumbered monies in the fund at
25 the end of the program shall revert to the General Fund of the
26 state.

1 Section 6. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Agriculture and
Forestry..... 07-FEB-12

Read for the second time and placed
on the calendar 1 amendment 10-APR-12

Read for the third time and passed
as amended..... 03-MAY-12

Yeas 96, Nays 0, Abstains 0

Greg Pappas
Clerk