

1 SJR117
2 220009-3
3 By Senator Orr
4 RFD:
5 First Read: 07-APR-22

1 SJR117

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4 ENROLLED, SJR117,

5 CREATING THE JOINT LEGISLATIVE STUDY COMMISSION ON
6 RENEWING ECONOMIC DEVELOPMENT INCENTIVES.

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8 WHEREAS, Alabama has led the country in its efforts
9 to attract and retain businesses; and

10 WHEREAS, the successes that Alabama has had in
11 attracting new and expanding businesses are due to the efforts
12 and teamwork of the Governor, the Legislature, and the
13 Department of Commerce; and

14 WHEREAS, Alabama is known worldwide as a state that
15 seeks to attract businesses that create high-paying,
16 high-quality jobs for its residents; and

17 WHEREAS, many businesses have relied upon economic
18 development incentives when deciding to locate or expand their
19 operations in Alabama; and

20 WHEREAS, with an increasingly competitive business
21 climate and evolving economic dynamics, it is important for
22 Alabama periodically to reevaluate its economic development
23 incentives and objectives in order to build strategically on
24 its past successes; and

1 WHEREAS, such a reevaluation will allow Alabama to
2 continue to be an active and dynamic leader in worldwide
3 competition for jobs and investment; and

4 WHEREAS, the economic development incentives found
5 in the Alabama Jobs Act and the Growing Alabama Act will
6 expire in 2023 unless renewed by the Legislature; and

7 WHEREAS, various other economic development
8 incentives exist in Alabama law; and

9 WHEREAS, there exists a compelling interest in
10 seeking to renew effective economic development incentives and
11 to repeal, amend, or consolidate ineffective economic
12 development incentives to ensure that such incentives are
13 efficient, effective, and transparent; now therefore,

14 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
15 HOUSES THEREOF CONCURRING, That there is created the Joint
16 Legislative Study Commission on Renewing Economic Development
17 Incentives.

18 (a) The membership of the commission shall consist
19 of the following:

20 (1) The Lieutenant Governor, who shall serve as
21 chair of the commission.

22 (2) The Finance Director.

23 (3) The Secretary of Commerce.

24 (4) The Commissioner of Revenue.

(5) The Chair of the House Ways and Means Education Committee.

(6) The ranking minority member of the House Ways and Means Education Committee.

(7) The Chair of the Senate Finance and Taxation Education Committee.

(8) The ranking minority member of the Senate Finance and Taxation Education Committee.

(9) A member of the House Minority Caucus, appointed by the House Minority Leader.

(10) A member of the Senate Minority Caucus, appointed by the Senate Minority Leader.

(11) The Legislative Services Agency Deputy Director for the Fiscal Division.

(12) An appointee of the Business Council of Alabama.

(13) An appointee of Manufacture Alabama.

(14) An appointee of the Alabama State Director of the National Federation of Independent Businesses.

(15) An appointee of the Economic Development Association of Alabama.

(16) An appointee of the Alabama Education Association.

(17) An appointee of the Governor.

(b) The appointing authorities shall coordinate their appointments to assure the study commission membership is inclusive and reflects the racial, gender, geographic, urban, rural, and economic diversity of the state.

(c) Appointments to the commission shall be made within 30 days after the adoption of this resolution.

(d) Each member of the commission may appoint an individual to serve in his or her place at any meeting of the commission, or may designate a person to serve in his or her place at all meetings of the commission, and the appointee or designee shall be counted for purposes of a quorum and voting.

(e) The Legislative Services Agency shall provide support to the commission as requested by the commission.

(f) The commission shall have all of the following duties and responsibilities:

(1) To study the economic impact of all the following economic development incentives:

a. The economic development incentives found in Article 16 of Chapter 18 of Title 40 of the Code of Alabama of 1975.

b. The economic development incentives found in Article 19A of Chapter 18 of Title 40 of the Code of Alabama of 1975.

c. Other economic development incentives that are not actively being used, are ineffective in their current use, or are otherwise identified by the commission.

d. A cost-benefit analysis of the impact on the Education Trust Fund.

(2) To provide, prior to January 31, 2023, written recommendations to the Governor and the Legislature on whether to reauthorize the economic development incentives studied pursuant to paragraphs (f)(1)a. and b. of this resolution. If the commission should find that the economic development incentives should be reauthorized, the written recommendations may also include proposed legislation to align economic development incentives with current state economic priorities, prospects, and trends.

(3) To provide, prior to January 31, 2023, written recommendations to the Governor and the Legislature, including, but not be limited to, whether to repeal, amend, or consolidate any of the economic development incentives studied pursuant to paragraph (f) (1)c. of this resolution. If the commission should find that such economic development incentives should be amended or consolidated, the written recommendations may also include proposed legislation to align the economic development incentives with current state economic priorities and prospects. Following its submissions to the Governor and the Legislature, but in no event later

1 than February 1, 2023, the commission shall stand dissolved
2 and discharged of any further duties.

3 (4) In conducting its studies, to collaborate with
4 the Department of Commerce, the Department of Revenue, other
5 parts of state government, any county, any municipality, any
6 political subdivision, and any incentivized businesses to
7 collect relevant data on the economic impacts of the economic
8 development incentives studied pursuant to subdivision (f)(1)
9 of this resolution.

10 (5) In conducting its studies and making its written
11 recommendations, to collaborate with and consider the concerns
12 of private businesses located in Alabama.

13 (6) To consider feedback from the Alabama Innovation
14 Corporation and other sources, including organizations
15 involved in workforce development, in conducting its studies
16 and providing its written recommendations required hereunder.

17 (7) To complete its studies and provide its written
18 recommendations required hereunder by January 31, 2023.

19 (g) The term "economic development incentives" as
20 used in this resolution means any tax credits, deductions,
21 exemptions, abatements, preferential rates, or rebates
22 provided by state or local governments in Alabama as a promise
23 to forgo tax revenues to which it is otherwise entitled, or to
24 provide some other benefit to incentivize economic activity.

(h) The commission may request that the Department of Commerce and the Department of Revenue serve as resources to the commission for researching and compiling information and data to provide the recommendations described in subdivisions (f) (2) and (3) of this resolution.

(i) The commission may request any information it deems relevant under this resolution, including, but not limited to, any information required to be disclosed by any state agency under Section 40-1-50, Code of Alabama 1975, or similar information held by any county, municipality, or political subdivision.

(j) The commission shall hold its first meeting no later than May 6, 2022, with the date, time, and location of the meeting designated by the chair of the commission. At the first meeting, the commission shall elect a vice chair and other officers as determined by the commission, and shall set preliminary dates, times, and locations of subsequent meetings.

(k) Each nonlegislative member of the commission may be reimbursed for reasonable travel expenses related to attending meetings consistent with the policies of the various appointing authorities.

(1) The legislative members of the commission shall be entitled to their legislative compensation, per diem, and travel expenses for each day they attend a meeting of the

1 commission in accordance with Amendment 871 of the
2 Constitution of Alabama of 1901.

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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

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I hereby certify that the within Senate Joint Resolution originated in and was adopted by the Senate, as amended.

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Patrick Harris,
Secretary.

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House of Representatives

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Adopted: 07-APR-22

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By: Senator Orr