

1 SJR117
2 220001-1
3 By Senator Orr
4 RFD:
5 First Read: 07-APR-22

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

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

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

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

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

WHEREAS, with an increasingly competitive business
climate and evolving economic dynamics, it is important for
Alabama periodically to reevaluate its economic development
incentives and objectives in order to build strategically on
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.

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

1 (6) The Chair of the Senate Finance and Taxation
2 Education Committee.

3 (7) A member of the House Minority Caucus, appointed
4 by the House Minority Leader.

5 (8) A member of the Senate Minority Caucus,
6 appointed by the Senate Minority Leader.

7 (9) The Legislative Services Agency Deputy Director
8 for the Fiscal Division.

9 (10) An appointee of the Business Council of
10 Alabama.

11 (11) An appointee of Manufacture Alabama.

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

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

16 (14) An appointee of the Alabama Education
17 Association.

18 (15) An appointee of the Governor.

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

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

25 (d) Each member of the commission may appoint an
26 individual to serve in his or her place at any meeting of the
27 commission, or may designate a person to serve in his or her

1 place at all meetings of the commission, and the appointee or
2 designee shall be counted for purposes of a quorum and voting.

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

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

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

9 a. The economic development incentives found in
10 Article 16 of Chapter 18 of Title 40 of the Code of Alabama of
11 1975.

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

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

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

20 (2) To provide, prior to January 31, 2023, written
21 recommendations to the Governor and the Legislature on whether
22 to reauthorize the economic development incentives studied
23 pursuant to paragraphs (f)(1)a. and b. of this resolution. If
24 the commission should find that the economic development
25 incentives should be reauthorized, the written recommendations
26 may also include proposed legislation to align economic

1 development incentives with current state economic priorities,
2 prospects, and trends.

3 (3) To provide, prior to January 31, 2023, written
4 recommendations to the Governor and the Legislature,
5 including, but not be limited to, whether to repeal, amend, or
6 consolidate any of the economic development incentives studied
7 pursuant to paragraph (f)(1)c. of this resolution. If the
8 commission should find that such economic development
9 incentives should be amended or consolidated, the written
10 recommendations may also include proposed legislation to align
11 the economic development incentives with current state
12 economic priorities and prospects. Following its submissions
13 to the Governor and the Legislature, but in no event later
14 than February 1, 2023, the commission shall stand dissolved
15 and discharged of any further duties.

16 (4) In conducting its studies, to collaborate with
17 the Department of Commerce, the Department of Revenue, other
18 parts of state government, any county, any municipality, any
19 political subdivision, and any incentivized businesses to
20 collect relevant data on the economic impacts of the economic
21 development incentives studied pursuant to subdivision (f)(1)
22 of this resolution.

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

26 (6) To consider feedback from the Alabama Innovation
27 Corporation and other sources, including organizations

1 involved in workforce development, in conducting its studies
2 and providing its written recommendations required hereunder.

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

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

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

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

22 (j) The commission shall hold its first meeting no
23 later than May 6, 2022, with the date, time, and location of
24 the meeting designated by the chair of the commission. At the
25 first meeting, the commission shall elect a vice chair and
26 other officers as determined by the commission, and shall set

1 preliminary dates, times, and locations of subsequent
2 meetings.

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

7 (l) The legislative members of the commission shall
8 be entitled to their legislative compensation, per diem, and
9 travel expenses for each day they attend a meeting of the
10 commission in accordance with Amendment 871 of the
11 Constitution of Alabama of 1901.