

# HB335 ENROLLED



1 HB335  
2 ZQQEFWW-3  
3 By Representatives Whitt, Shaw  
4 RFD: Economic Development and Tourism  
5 First Read: 25-Feb-25



## HB335 Enrolled

1 Enrolled, An Act,

2  
3  
4 Relating to building permits; to authorize a county or  
5 municipality to levy an additional residential building permit  
6 fee to be deposited into the Alabama Construction Trade  
7 Academy Fund; and to amend Section 34-14A-20, Code of Alabama  
8 1975, to provide further for awarding of grants from the  
9 fund.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. The Legislature finds that there is a  
12 critical shortage of skilled tradesmen in the residential  
13 construction industry in Alabama and that this shortage has a  
14 direct and negative effect on housing affordability.

15 Section 2. (a) (1) Any county or municipality that has a  
16 permitting and inspection program for residential  
17 construction, by resolution or ordinance adopted by a majority  
18 of the total membership of the local governing body, may levy  
19 an additional fee of up to twenty dollars (\$20), in addition  
20 to any other fees authorized by law, for the issuance of any  
21 permit connected to the construction of a residence or  
22 structure as defined in Section 34-14A-2, Code of Alabama  
23 1975.

24 (2) For the purposes of this section, the term permit  
25 includes, but is not limited to, building permits, mechanical  
26 permits, plumbing permits, electrical permits, or any  
27 combination of the foregoing, and any other permit required  
28 for the construction or remodeling of a new or existing



## HB335 Enrolled

residence or structure as defined in Section 34-14A-2, Code of Alabama 1975.

(b) All fees collected pursuant to this section shall be deposited in the Alabama Construction Trade Academy Fund established in Section 34-14A-20, Code of Alabama 1975.

Section 3. Section 34-14A-20, Code of Alabama 1975, is amended to read as follows:

"§34-14A-20

(a) (1) The Alabama Construction Trade Academy Fund is established in the State Treasury. The fund ~~shall be comprised of~~ may receive federal, state, and private funding ~~through direct budgetary funding~~ and grants for the expansion of construction trade education. To the extent practicable, monies in the fund shall be used to leverage other forms of funding from private sources. ~~A percentage of matching funds, as established by the Alabama Construction Trade Advisory Council, must come from private, non-governmental sources. The board may not use more than 15 percent of the~~ any monies in the fund for administrative and operational costs ~~incurred in the implementation and administration of this section. The board's statutory~~ Any obligations of the board provided pursuant to this chapter section shall be contingent upon the appropriation of funding. Amounts deposited in the fund shall be budgeted and allotted in accordance with Sections 41-4-80 through 41-4-96, inclusive, and Sections 41-19-1 through 41-19-12, inclusive. Monies in the fund at the end of a fiscal year shall not revert to any source but shall remain in the fund.



## HB335 Enrolled

57           (2) The board shall itemize monies deposited into the  
58    fund as provided in Section 1 by the county or municipality  
59    from which it originated.

60           (b) (1) The board, in cooperation with public and  
61    private sector partners, shall establish a grant program to  
62    provide funding mechanisms for tool grants, program  
63    incentives, supplies, mobile facilities, and other programs to  
64    support the development and continuation of construction trade  
65    education programs in the state.

66           (2) The board may award grants to programs recognized  
67    by the Alabama Home Builders Foundation as a part of the  
68    Alabama Homebuilding Academy Network.

69           (c) The board shall administer the program and may  
70    apply for funds from federal grant programs and other  
71    applicable funding sources authorized by law.

72           (d) (1) The Alabama Construction Trade Advisory Council  
73    is established. The advisory council shall consist of the  
74    following members:

75           a. One member appointed by and currently serving on the  
76    Home Builders Licensure Board.

77           b. One member appointed by and currently serving on the  
78    State of Alabama Plumbers and Gas Fitters Examining Board.

79           ~~c. One member appointed by and currently serving on the~~  
80    ~~State Licensing Board for General Contractors.~~

81           ec. One member appointed by and currently serving on  
82    the State Board of Heating, Air Conditioning, and  
83    Refrigeration Contractors.

84           ed. One member appointed by and currently serving on



## HB335 Enrolled

the Alabama Board of Electrical Contractors.

~~f. One appointee of the State Department of Education who specializes in technical trade education.~~

ge. One appointee of the Alabama Community College System who specializes in technical trade education.

(2) Members of the advisory council shall be appointed for a period of ~~one year~~three years. Membership on the advisory council shall be without compensation, except for reimbursement of necessary travel expenses as is paid to state employees for attending meetings and other necessary events of the advisory council. Any expenses paid to a member of the advisory council shall be paid by the member's appointing authority.

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

(e) ~~The~~In consultation with the advisory council~~shall make recommendations to the board, and,~~ the board shall establish program guidelines, promote the program statewide, evaluate applications for funds, distribute funds, and monitor and report the effect of the funding on the availability of construction trade education. The board may adopt rules to implement and administer this section.

(f) ~~The~~In consultation with the advisory council~~shall recommend and,~~ the board shall establish monitoring and accountability mechanisms for funded projects~~receiving funding~~. Not later than the fifth legislative day of each



## HB335 Enrolled

regular legislative session, the board shall file a report to the Legislature on the projects funded, the geographic distribution of projects funded, the private sector participation rates in funded projects, the administrative costs of the program, and the outcomes of the program, including the number of students and adult learners trained by each project funded through the program.

(g) ~~The~~ In consultation with the advisory council ~~shall recommend and,~~ the board shall create eligibility guidelines and provide project funding through an application process. Projects eligible for funding include the following:

(1) Mobile demonstration units that show the various systems of a structure and how they interconnect.

(2) Tool and supply grants for public and private educational providers that provide construction trade education.

(3) Incentives for newly established construction trade education courses, with priority given to carpentry courses.

(4) Adult education initiatives that provide continued learning opportunities through mobile training facilities or distance learning opportunities with priority focus on those serving underserved areas and widely offered trainings.

(5) Any other proposal that in the opinion of the board would address the need for construction trade education in the state.

(h) ~~An applicant may be a nonprofit organization, not-for-profit entity, public school system, two-year college, university, or other governmental entity.~~ An applicant for



## HB335 Enrolled

141 funding shall do all of the following:

142 (1) Demonstrate its capacity to successfully implement  
143 the proposal.

144 (2) Demonstrate how the proposal shall positively  
145 impact construction trade education in the state.

146 (3) Demonstrate private sector support through matching  
147 funding.

148 (4) Establish an advisory council consisting of at  
149 least three active trade representatives from the construction  
150 trade being funded.

151 (5) For a period of not less than five years, agree to  
152 comply with the following conditions:

153 a. Offer the courses funded through this section for a  
154 period of not less than five years.

155 b. Comply with all data collection and reporting  
156 requirements established by the board.

157 (i) In determining which qualified projects to fund,  
158 the board shall consider all of the following factors:

159 (1) The level of private sector support for the  
160 project.

161 (2) The level of need in the area in which the funding  
162 is directed.

163 (3) The projected number of students that will be  
164 served.

165 (4) The degree to which the project will have a  
166 positive impact on the availability of construction trade  
167 education in the area to be served.

168 (5) The degree to which the project will leverage



## HB335 Enrolled

public and private sector funds.

~~(j) The board shall establish program guidelines that require matching funds on all funded projects. A minimum of 10 percent of matching funds shall be provided by private, non-governmental sources. Total matching funds required may not be required to exceed 25 percent of awarded state funds, although additional consideration may be provided to projects that exceed this amount.~~

(j) The board shall not award funds to a recipient in an amount that is greater than the amount deposited into the fund from the county or municipalities where the participant is domiciled, as provided in Section 1 of this bill, unless the board has received authorization from the Alabama Home Builders Foundation.

(k) The board shall distribute monies to a recipient on no less than a quarterly basis.

(l) (1) The board may not distribute any monies from the fund to a recipient unless the board has received a proposed operating budget of the recipient. The annual operating budget shall include a breakdown of all anticipated operational costs and projected workforce programs to be provided.

~~(k) (2) In the event that~~If a recipient of funding provided by this section fails to provide the proposed project in accordance with the guidelines set ~~forth~~ by the board, any equipment, supplies, or materials acquired with the funding shall be transferred to the Alabama Home Builders Foundation for redistribution to public or private programs that provide construction trade education to high school, postsecondary, or





## HB335 Enrolled

197 adult learners supported by this section.

198 ~~(1) (m) Any and all~~All proceeds from the sale of  
199 equipment, supplies, or materials acquired ~~through academy~~  
200 ~~funding~~with monies from the fund shall ~~go~~be deposited into the  
201 fund.

202 (n) (1) No later than June 1 annually, any recipient of  
203 funds authorized by this section shall provide to the  
204 authority a report on the programs and activities of the  
205 academy and a full copy of all annual financial statements  
206 prepared by an independent certified public accountant  
207 licensed in this state, including any audits that may have  
208 been performed during the previous year.

209 (2) At its discretion and without cause, the authority  
210 may require any recipient of funds authorized by this section  
211 to an audit.

212 (o) Funds collected pursuant to this section may not be  
213 used to develop or provide continuing education required by  
214 any professional licensing board, commission, or agency within  
215 this state."

216 Section 4. This act shall become effective on October  
217 1, 2025.



## HB335 Enrolled

218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251

---

Speaker of the House of Representatives

---

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and  
was passed by the House 04-Mar-25.

John Treadwell  
Clerk

Senate

---

**06-May-25**

---

Passed