

HB335 ENROLLED



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



Enrolled, An Act,

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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.



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

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

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

36 "§34-14A-20

37 (a) (1) The Alabama Construction Trade Academy Fund is
38 established in the State Treasury. The fund ~~shall be comprised~~
39 ~~of~~may receive federal, state, and private funding ~~through~~
40 ~~direct budgetary funding~~ and grants for the expansion of
41 construction trade education. To the extent practicable,
42 monies in the fund shall be used to leverage other forms of
43 funding from private sources. ~~A percentage of matching funds,~~
44 ~~as established by the Alabama Construction Trade Advisory~~
45 ~~Council, must come from private, non-governmental sources.~~ The
46 board may not use ~~more than 15 percent of the~~any monies in the
47 fund for administrative and operational costs ~~incurred in the~~
48 ~~implementation and administration of this section. The board's~~
49 ~~statutory~~Any obligations ~~of the board provided~~ pursuant to
50 this ~~chapter~~section shall be contingent upon the
51 appropriation of funding. Amounts deposited in the fund shall
52 be budgeted and allotted in accordance with Sections 41-4-80
53 through 41-4-96, inclusive, and Sections 41-19-1 through
54 41-19-12, inclusive. Monies in the fund at the end of a fiscal
55 year shall not revert to any source but shall remain in the
56 fund.



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

84 e. One member appointed by and currently serving on



85 the Alabama Board of Electrical Contractors.

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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



169 public and private sector funds.

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

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

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

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

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



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 ~~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



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228 Speaker of the House of Representatives

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233 President and Presiding Officer of the Senate

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

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John Treadwell
Clerk

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248 Senate

06-May-25

Passed

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