

**SB289 INTRODUCED**



1 SB289  
2 BYBRGQ4-1  
3 By Senator Singleton  
4 RFD: Finance and Taxation Education  
5 First Read: 10-Feb-26



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4     SYNOPSIS:

5                 Under existing law, the Growing Alabama Act  
6     provides tax credits to taxpayers that agree to make  
7     cash contributions to an economic development  
8     organization approved by the Renewal of Alabama  
9     Commission to fund improvements to sites owned by local  
10    economic development organizations and intended to be  
11    used by an industry or business.

12                This bill would allow sites owned by one or more  
13    local economic development organizations to qualify for  
14    Growing Alabama tax credits funding if all parties  
15    listed on the deed are eligible applicants.

16                This bill would also make nonsubstantive,  
17    technical revisions to update existing code language to  
18    current style.

19  
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21                A BILL

22                TO BE ENTITLED

23                AN ACT

24

25                Regarding the Growing Alabama Act; to amend Sections  
26    40-18-417.1, 40-18-417.2, and 40-18-417.3, Code of Alabama  
27    1975, to allow sites owned by one or more entities to qualify  
28    for Growing Alabama tax credits if all parties listed on the

## SB289 INTRODUCED



29 deed are eligible applicants; and to make nonsubstantive,  
30 technical revisions to update existing code language to  
31 current style.

32 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

33           Section 1. Sections 40-18-417.1, 40-18-417.2, and  
34 40-18-417.3, Code of Alabama 1975, are amended to read as  
35 follows:

36           "§40-18-417.1

37           For the purposes of the Growing Alabama Act pursuant to  
38 this article, the following words and phrases ~~shall~~ have the  
39 following meanings:

40           (1) CAPITAL IMPROVEMENTS. Construction and  
41 rehabilitation expenses of a capital nature at an inland port  
42 or intermodal facility, the dredging of waterways in the  
43 immediate vicinity of an inland port, and the expansion of  
44 onsite storage facilities at an inland port or intermodal  
45 facility.

46           (2) ECONOMIC DEVELOPMENT ACTIVITIES. Activities and  
47 initiatives that enhance the use of, and flow of goods  
48 through, an inland port or intermodal facility.

49           (3) ECONOMIC DEVELOPMENT ORGANIZATION. A local economic  
50 development organization or a state economic development  
51 organization.

52           (4) GROWING ALABAMA CREDIT. The credit provided for in  
53 ~~subsection (a) of~~ Section 40-18-417.4 (a).

54           (5) INDUSTRY or BUSINESS. An entity that would conduct  
55 at a site an activity that is primarily described in Section  
56 40-18-372(1).



57 (6) INLAND PORT. Any port on a navigable river away  
58 from traditional land, air, and coastal borders.

59 (7) INTERMODAL FACILITY. Any facility that  
60 interconnects two or more different modes of air, rail, or  
61 road traffic serving multiple customers, and which involves  
62 storage facilities.

63 (8) LOCAL ECONOMIC DEVELOPMENT ORGANIZATION.

64 Organizations which are determined by the Department of  
65 Commerce to meet both of the following criteria:

66 a. The organization is an Alabama entity not operating  
67 for profit, including, but not limited to, a municipality or  
68 county, an industrial board or authority, a chamber of  
69 commerce, or some other foundation or Alabama nonprofit  
70 corporation charged with improving a community or region of  
71 the state.

72                   b. The organization has a record of supporting or  
73 otherwise participating in economic development in some part  
74 of this state.

75 (9) RENEWAL OF ALABAMA COMMISSION. The Renewal of  
76 Alabama Commission created by Section 40-18-402.

77 (10) SITE. Real property owned by one or more local  
78 economic development ~~organization~~organizations and intended  
79 for use by an industry or business.



85 economic development in the state."

86 "§40-18-417.2

87 (a) (1) A local economic development organization that  
88 owns a site, either solely or jointly with other local  
89 economic development organizations, may apply to the  
90 Department of Commerce for funding to solve an inadequacy  
91 involving the site. For sites with multiple owners, all owners  
92 shall submit a joint application as co-applicants. The  
93 application ~~by the local economic development organization~~  
94 shall include at least one of the following:

95 a. If there is a pending expression of interest about  
96 the site from an industry or business, a list of the site  
97 preparation or public infrastructure work needed to make the  
98 site acceptable to the industry or business.

99 b. If the site has been offered to one or more  
100 industries or businesses but the offer did not result in the  
101 industry or business locating on the site, a list of the site  
102 preparation or public infrastructure work that, if it had been  
103 completed, would have made the site acceptable to the  
104 industries or businesses.

105 c. If the site is an industrial or research park that  
106 needs connections to interstates, highways, roadways, rail  
107 systems, or sewer, fiber, electrical, gas, or water  
108 infrastructure, a list of the site preparation or public  
109 infrastructure work needed.

110 d. Capital improvements or economic development  
111 activities at an inland port or intermodal facility, as  
112 described in Section 40-18-417.1~~+~~ provided that the



113 application is accompanied by an economic impact report on  
114 such improvements or activities.

115 e. Any site improvement or public infrastructure work  
116 in census tracts that meets the definition of low-income  
117 communities pursuant to 26 U.S.C. § 45D(e) as those  
118 communities were identified as of January 1, 2015, or in such  
119 a community identified thereafter.

120 (2) An economic development organization may apply to  
121 the Department of Commerce for funding to undertake the  
122 construction, maintenance, promotion, operation, management,  
123 leasing, and subleasing of an agricultural center that  
124 includes a multi-use facility and related commercial and  
125 noncommercial structures for livestock, equestrian, small  
126 animal shows and events, spectator events, trade shows,  
127 educational conferences, agricultural and agricultural related  
128 industries, educational, demonstrational or training purposes,  
129 educational and training conferences or events, recreational  
130 vehicle rallies, recreational vehicle multi-day parking,  
131 hosting of corporate and non-corporate organization meetings,  
132 use as fair grounds, operation of retail activities, and other  
133 events and facilities expected to draw participants and  
134 spectators from states located across the southeastern United  
135 States, with a projected total annual economic impact upon  
136 completion of all phases of the agricultural center of at  
137 least thirty-five million dollars (\$35,000,000) and with the  
138 related and supporting infrastructure and facilities having a  
139 projected capital expenditure upon completion of all phases of  
140 the agricultural center of at least one hundred million



141 dollars (\$100,000,000) ~~plus~~ provided that the application is  
142 accompanied by an economic impact report on the agricultural  
143 center.

144 (b) The application shall include quotes for the  
145 completion of the work, following compliance with the  
146 procedures set forth by the Department of Economic and  
147 Community Affairs, as if the organization were disbursing  
148 state funds received from the department.

149 (c) The application provided in paragraph (a) (1)~~a~~ or  
150 b. shall include an estimate of the number of jobs, wages, and  
151 capital investment that would have been undertaken by the  
152 industries or businesses referred to in paragraph (a) (1)~~a~~ or  
153 b.

154 (d) The application provided in subsection (a) shall  
155 include proof that ~~the economic development organization each~~  
156 applicant or co-applicant has in full force and effect a  
157 conflict of interest policy consistent with that found in the  
158 instructions to Form 1023 issued by the Internal Revenue  
159 Service.

160 (e) The application provided in subsection (a) shall  
161 include a notarized affirmation by an officer of the economic  
162 development organization that the submission of the  
163 application did not violate the conflict of interest policy  
164 referred to in subsection (d).

165 (f) If the site is owned by one or more economic  
166 development organizations, the application provided in  
167 subsection (a) must be jointly submitted by all economic  
168 development organizations. Each co-applicant must submit the



169 conflict of interest policy referred to in subsections (d) and  
170 (e)."

171 "§40-18-417.3

172 (a) Following a review, if the Department of Commerce  
173 approves the application provided in ~~subsection (a) of~~ Section  
174 40-18-417.2 (a), it shall forward the application to the  
175 Renewal of Alabama Commission.

176 (b) The Renewal of Alabama Commission shall consider  
177 the application and shall approve it if the commission deems  
178 it worthy of approval. As to improvements at industrial sites,  
179 the commission shall give preference to sites with at least  
180 1,000 acres of available space. As to applications for  
181 projects located in communities which have the potential to  
182 provide additional funding separate from the Growing Alabama  
183 Credits, the commission shall take into consideration whether  
184 the separate funding is to be provided to the project that is  
185 the subject of the application. Meetings of the commission are  
186 subject to Chapter 25A of Title 36. Notwithstanding the  
187 foregoing, the commission may meet by telephone or some other  
188 telecommunications device so long as members of the public are  
189 allowed the opportunity to listen to or otherwise observe the  
190 commission's deliberations.

191 (c) The approval of an application by the commission  
192 shall specify the amount of money which the economic  
193 development organization is allowed to receive so that it can  
194 complete the work specified in the application.

195 (d) Following approval by the commission, the  
196 Department of Commerce shall enter into an agreement with ~~the~~



## SB289 INTRODUCED

197 ~~economic development organization~~all applicants or  
198 co-applicants. The agreement shall require all co-applicants  
199 to be jointly and severally liable for the proper disposition  
200 of funds and for the submission of all required reports and  
201 financial reviews. The agreement shall further ~~which shall~~ do  
202 all of the following:

203 (1) Require the economic development organization to  
204 use funding received as a result of this law only for the  
205 purposes approved by the commission as expressed in the  
206 agreement.

207 (2) Require the economic development organization to  
208 make periodic reports, not more often than annually, to the  
209 Department of Commerce and the commission, as required by the  
210 commission, on the disposition of the funds. As to a project  
211 described in ~~subdivision (a) (1) of~~ Section 40-18-417.2 (a) (1),  
212 the report shall include information on the marketing of the  
213 site, and the ultimate use of the site until such time as it  
214 makes a final report. As to a project related to inland ports  
215 or intermodal facilities as described in ~~paragraph (a) (1) d.~~  
216 ~~ef~~ Section 40-18-417.2 (a) (1) d. or a project related to an  
217 agricultural center as described in ~~subdivision (a) (2) of~~  
218 Section 40-18-417.2 (a) (2), the report shall include an  
219 economic impact report.

220 (3) Require the economic development organization to  
221 provide a review of its financial accounts as directed by the  
222 Renewal of Alabama Commission.

223 (e) For any approved applications, the Department of  
224 Commerce shall notify the Department of Revenue of the

**SB289 INTRODUCED**



225 information specified in subsection (c).

226 (f) The Department of Commerce shall publish on its  
227 website a list of all approved applications and a list of the  
228 economic development organizations that made the approved  
229 applications."

230 Section 2. This act shall become effective on June 1,  
231 2026.