

1 HB317
2 189387-4
3 By Representative Johnson (K)
4 RFD: Economic Development and Tourism
5 First Read: 25-JAN-18

1 "(a) (1) The Secretary of Commerce shall be notified,
2 ~~either orally or~~ in writing,~~7~~ about the general parameters of a
3 project if an entity is considering locating or expanding a
4 facility at a site within this state and intends to claim any
5 of the incentives provided by the State of Alabama that are
6 described in subdivision (2). The required notification should
7 be made as soon as the project's parameters are generally
8 known or when a site or sites have been identified by ~~an~~
9 ~~investing a project~~ entity or entities or a visit is made to
10 the State of Alabama by the project entity or its
11 representative. The initial required notification may be made
12 on an anonymous basis (i.e., "Project Alpha") in order to
13 protect the confidentiality of a proposed project. Upon timely
14 notifying the secretary within the time frame specified in
15 this subdivision, the secretary shall transmit a letter to the
16 ~~company~~ project entity or its representative acknowledging
17 receipt of the required notification (the "notification
18 acknowledgment letter").

19 "(2) The required notification set forth in
20 subdivision (1) applies to ~~(i) capital investment credits~~
21 ~~pursuant to Act 95-187, as amended; (ii) site preparation~~
22 ~~grants pursuant to Act 91-635, as amended; (iii) funding for~~
23 ~~access roads and bridges through the Alabama Industrial Access~~
24 ~~Road and Bridge Corporation pursuant to Act 85-549, as~~
25 ~~amended; (iv) training or other assistance from the Alabama~~
26 ~~Industrial Development Training Program where the annual~~

1 ~~expenditures of cash is estimated to be in excess of one~~
2 ~~million dollars (\$1,000,000); and any of the following:~~

3 "a. The jobs credit provided for by Section
4 40-18-375.

5 "b. The investment credit provided for by Section
6 40-18-376.

7 "c. Any action by a local government body pursuant
8 to Amendment 772 of the Constitution of Alabama of 1901, or
9 local amendment of similar effect.

10 "d. Any abatement of taxes pursuant to Chapters 9B
11 or 9G of Title 40.

12 "e. The port credit provided for by Section
13 40-18-403.

14 "f. The growing Alabama credit provided for by
15 Section 40-18-413.

16 "g. Site preparation grants pursuant to Article 5 of
17 Chapter 29 of Title 41.

18 "h. Funding for access roads and bridges through the
19 Alabama Industrial Access Road and Bridge Corporation pursuant
20 to Chapter 6 of Title 23.

21 "i. Training or other assistance from the Alabama
22 Industrial Development Training Program.

23 "j. Any grant of federal funds administered or
24 otherwise involving any state or local government, agency,
25 department, body, or other entity, related to the location or
26 expansion of a facility at a site within this state.

1 ~~"(v) any~~ k. Any direct or indirect cash payment for
2 a project from the State of Alabama, whether in the form of an
3 in-kind contribution of a site, building, or equipment, or
4 otherwise.

5 "(3)a. Unless the secretary should specially
6 determine to the contrary, the notification set forth in
7 subdivision (1) shall be available for public inspection two
8 years after a project entity publicly commits to a site for
9 development, whether the publicly-committed site is in this
10 state or elsewhere.

11 ~~"b. Notwithstanding any other provision of law,~~
12 ~~including, but not limited to, Chapter 25 of Title 36, the~~
13 ~~terms "lobby" and "lobbying" do not include promoting, or in~~
14 ~~any manner influencing or attempting to influence, the award,~~
15 ~~approval, or action related to any of the incentives listed in~~
16 ~~subdivision (2) or any other economic development incentive by~~
17 ~~any state or local government, agency, department, body, or~~
18 ~~other entity, regardless of whether the award, approval, or~~
19 ~~action is by grant or contract or otherwise.~~

20 ~~"c. For purposes of this section, "economic~~
21 ~~development incentive" means any incentive sought by or~~
22 ~~offered to a project by a state or local government, agency,~~
23 ~~department, body, or other entity that is authorized by the~~
24 ~~laws of the state, including, but not limited to, those~~
25 ~~incentives listed in subdivision (2). The term does not mean~~
26 ~~legislation before the Legislature.~~

1 "b. Notwithstanding any provision of law, including,
2 but not limited to, Chapter 25 of Title 36, a person acting as
3 an economic development professional is not a lobbyist.

4 "c. For purposes of this section, an economic
5 development professional is a person employed full-time to
6 advance specific, good faith economic development or trade
7 promotion projects or related objectives for his or her
8 employer, a professional services entity, or a chamber of
9 commerce or similar nonprofit economic development
10 organization in the State of Alabama. The term also includes a
11 person who works less than full-time for any of these entities
12 and is pre-certified by the Executive Director of the Ethics
13 Commission or obtains an advisory opinion from the Ethics
14 Commission that the person qualifies as an economic
15 development professional. The term does not include public
16 officials, public employees, employees of lobbyists, or
17 persons who are otherwise lobbyists.

18 "(b) ~~All~~ Except as provided in Chapter 25A of Title
19 36, ~~all~~ information concerning a proposed project which is
20 provided to ~~the secretary and the Department of Commerce~~ any
21 state or local government, agency, department, or other entity
22 shall be confidential. Any state or local government, agency,
23 department, or other entity, or the secretary on their behalf
24 ~~The secretary~~ is authorized to enter into a confidentiality
25 agreement with a ~~prospective~~ project entity which prohibits
26 the disclosure of the identity of the prospective entity and
27 any information obtained, whether orally or in writing, about

1 the entity's proposed project. Unless the secretary should
2 especially determine to the contrary, such confidentiality
3 agreements shall terminate five years after a project entity
4 publicly commits to a site for development, whether the
5 publicly-committed site is in this state or elsewhere.

6 Provided, however, such confidentiality agreements
7 shall not supersede or conflict with statutory provisions
8 requiring either of the following:

9 "(1) Notice to the entities for which a governmental
10 body or board intends to abate taxes.

11 "(2) Public disclosure of information for
12 applications for governmental approvals such as permits.

13 "(c) The secretary may adopt rules to implement this
14 section.

15 ~~"(c) All written statements of intent to claim the~~
16 ~~capital credit which may be filed with the Department of~~
17 ~~Revenue at anytime prior to the date on which a qualifying~~
18 ~~project is placed in service pursuant to Section 40-18-191,~~
19 ~~shall include the notification acknowledgment letter from the~~
20 ~~secretary.~~

21 ~~"(d) All applications to the State Industrial~~
22 ~~Development Authority for site preparation grants pursuant to~~
23 ~~Act 91-635, 1991 Regular Session, as last amended by Act~~
24 ~~97-645, 1997 Regular Session, shall include the notification~~
25 ~~acknowledgment letter from the secretary.~~

26 ~~"(e) All applications to the Industrial Access Road~~
27 ~~and Bridge Corporation for funding for access roads and~~

1 ~~bridges shall include the notification acknowledgment letter~~
2 ~~from the secretary.~~

3 ~~"(f) All companies seeking training or other~~
4 ~~assistance from the Alabama Industrial Development Training~~
5 ~~Program shall file an application with the Secretary of~~
6 ~~Commerce if the annual expenditure of cash is estimated to be~~
7 ~~in excess of one million dollars (\$1,000,000). The application~~
8 ~~shall include the notification acknowledgment letter from the~~
9 ~~secretary. The secretary shall be responsible for reviewing,~~
10 ~~coordinating, and processing each application. The secretary~~
11 ~~shall have 30 days to process each application.~~

12 ~~"(g) An application must be filed with the secretary~~
13 ~~before any direct or indirect cash payments are expended for a~~
14 ~~project from the State of Alabama, whether the payment is in~~
15 ~~the form of an in-kind contribution of a site, building,~~
16 ~~equipment, or otherwise. The application shall include the~~
17 ~~notification acknowledgment letter from the secretary. The~~
18 ~~secretary shall be responsible for reviewing, coordinating,~~
19 ~~processing, and approving each application for direct or~~
20 ~~indirect cash payments and shall have 30 days to approve or~~
21 ~~deny each application."~~

22 Section 3. A new Article 5 is added to Chapter 29 of
23 Title 41, Code of Alabama 1975, to read as follows:

24 Article 5.

25 Section 41-29-501.

26 (a) For the purposes of this article, the following
27 words and phrases shall have the following meanings:

1 (1) AUTHORITY. The public corporation organized
2 pursuant to the provisions of Sections 41-10-20 through
3 41-10-32, Code of Alabama 1975.

4 (2) AUTHORIZED PURPOSE. Any one or more of the
5 purposes for which grants are herein authorized to be made as
6 specified in Section 41-29-503(a).

7 (3) BOARD OF DIRECTORS. The board of directors of
8 the authority.

9 (4) BOND. The bonds issued under the provisions of
10 this article.

11 (5) CAPITAL COSTS. All costs and expenses incurred
12 by one or more investing companies in connection with the
13 acquisition, construction, installation and equipping of a
14 qualifying project during the period commencing with the date
15 on which such acquisition, construction, installation and
16 equipping commences and ending on the date on which the
17 qualifying project is placed in service, including, without
18 limitation of all of the following:

19 a. The costs of acquiring, constructing, installing,
20 equipping and financing a qualifying project, including all
21 obligations incurred for labor and to contractors,
22 subcontractors, builders, and materialmen.

23 b. The costs of acquiring land or rights in land and
24 any cost incidental thereto, including recording fees.

25 c. The costs of contract bonds and of insurance of
26 all kinds that may be required or necessary during the

1 acquisition, construction or installation of a qualifying
2 project.

3 d. The costs of architectural and engineering
4 services, including test borings, surveys, estimates, plans
5 and specifications, preliminary investigations, environmental
6 mitigation and supervision of construction, as well as for the
7 performance of all the duties required by or consequent upon
8 the acquisition, construction and installation of a qualifying
9 project.

10 e. The costs associated with installation of
11 fixtures and equipment; surveys, including archaeological and
12 environmental surveys; site tests and inspections; subsurface
13 site work; excavation; removal of structures, roadways,
14 cemeteries, and other surface obstructions; filling, grading,
15 paving and provisions for drainage, storm water retention,
16 installation of utilities, including water, sewer, sewage
17 treatment, gas, electricity, communications, and similar
18 facilities; off-site construction of utility extensions to the
19 boundaries of the property.

20 f. All other costs of a nature comparable to those
21 described, including, without limitation, all project costs
22 which are required to be capitalized for federal income tax
23 purposes pursuant to 26 U.S.C. § 263A.

24 g. Costs otherwise defined as capital costs that are
25 incurred by the investing company where the investing company
26 is the lessee under a lease that: (i) has a term of not less
27 than five years, and (ii) is characterized as a capital lease

1 for federal income tax purposes. Capital costs shall not
2 include property owned or leased by the investing company or a
3 related party before the commencement of the acquisition,
4 construction, installation or equipping of the qualifying
5 project unless such property was physically located outside
6 the state for a period of at least one year prior to the date
7 on which the qualifying project was placed in service.

8 h. Costs either paid or incurred by (i) a public
9 industrial development board or authority (including, without
10 limitation, the State Industrial Development Authority), city,
11 county, or other public corporation or political subdivision
12 (a "public entity") for the benefit of a qualifying project
13 where such costs are treated as costs paid by an investing
14 company with respect to the qualifying project for federal
15 income tax purposes (such costs shall not include amounts
16 contributed by a public entity to a qualifying project as a
17 capital contribution, grant, or gift except to the extent that
18 an investing company has cost basis in the contribution,
19 grant, or gift for federal income tax purposes); or (ii) a
20 related party to an investing company to the extent such costs
21 are included in or taken into account in determining the
22 investing company's federal income tax basis in the qualifying
23 project, whether or not incurred by an investing company.

24 (6) GRANTEE. A county, municipality, local
25 industrial development board or authority or economic
26 development council or authority, airport authority, port
27 authority or public corporation or political subdivision,

1 department, or agency of this state authorized to own or
2 possess by lease a project site, to which a grant of money is
3 made as provided in Section 41-29-503 hereof.

4 (7) HEADQUARTERS FACILITY. A facility described by
5 Section 40-18-372(1)d. or f.

6 (8) INDUSTRIAL, WAREHOUSING, OR RESEARCH ACTIVITY.
7 Any trade or business predominantly conducting an activity
8 described in Section 40-18-372(1).

9 (9) INVESTING COMPANY. Any corporation, partnership,
10 limited liability company, proprietorship, trust or other
11 business' entity, regardless of form, making a qualified
12 investment.

13 (10) PERSON. Unless limited to a natural person by
14 the context in which it is used, includes a private firm, a
15 private association, a public or private corporation or
16 partnership (whether limited liability company, limited
17 liability partnership or other form of business organization),
18 a municipality, a county, or an agency, department or
19 instrumentality of the state or of a county or municipality.

20 (11) PREPARATION OF PROJECT SITES. The preparation
21 of project sites including, without limitation, (i)
22 preparation of a means of access to the site, (ii) provision
23 for adequate drainage of the site to prevent the accumulation
24 of excess natural waters thereon, (iii) boundary and
25 topographical surveying, clearing and grubbing, and
26 excavating, (iv) the reasonable rehabilitation of buildings

1 and other structures, and (v) other work relative to site
2 preparation deemed necessary or appropriate.

3 (12) PROJECT. Any land, building or other
4 improvement, whether or not previously in existence, located
5 or to be located in the state.

6 (13) PROJECT SITES. Land and structures located
7 thereon owned by a grantee or potential grantee on which a
8 qualifying project has been or will be located and which is
9 held for sale or lease to a person for use as a qualifying
10 project.

11 (14) QUALIFYING INVESTMENTS. The undertaking by one
12 or more investing companies of a qualifying project.

13 (15) QUALIFYING PROJECT. A project to be sponsored
14 or undertaken by one or more investing companies (i) at which
15 the predominant trade or business activity conducted will
16 constitute industrial, warehousing or research activity, or
17 (ii) which qualifies as a headquarters facility.

18 (16) STATE. The State of Alabama.

19 (b) The definitions set forth above shall be deemed
20 applicable whether the words defined are used in the singular
21 or plural. Whenever used herein, any pronoun or pronouns shall
22 be deemed to include both singular and plural and to cover all
23 genders.

24 Section 41-29-502.

25 (a) In addition to all powers heretofore conferred
26 on it by acts heretofore enacted by the Legislature of
27 Alabama, and in addition to all other powers conferred on it

1 in this article, the authority is hereby authorized to sell
2 and issue its bonds, not exceeding one hundred million dollars
3 (\$100,000,000) in aggregate principal amount, for the purposes
4 of making the grants of money authorized in Section 41-29-503
5 hereof and to anticipate by the issuance of its bonds the
6 receipt of the revenues herein appropriated and pledged;
7 provided the authority shall not issue more than ten million
8 dollars (\$10,000,000) in aggregate principal amount of such
9 bonds in any two-year period; and provided there shall not be
10 more than forty million dollars (\$40,000,000) in aggregate
11 principal amount of such bonds, in addition to bonds
12 heretofore issued by the authority, outstanding at any one
13 time, but excluding for this purpose refunding bonds, which
14 shall not be considered in determining such limit. The bonds
15 authorized hereby may be sold in one or more series.

16 (b) It is further provided that the authority shall
17 be exempt from the laws of the state governing usury or
18 prescribing or limiting interest rates, including, without
19 limitation, the provisions of Chapter 8 of Title 8 of the Code
20 of Alabama 1975.

21 Section 41-29-503.

22 (a) The authority is hereby authorized to make
23 grants of money derived from the sale of its bonds, to
24 grantees for use by the grantees for any one or more of the
25 following purposes:

26 (1) The making of surveys to determine the location
27 of suitable project sites in the locality of the grantee;

1 (2) The making of surveys to determine the
2 availability of labor in the locality of the grantee and to
3 classify such labor in terms of skills and educational level;

4 (3) The preparation of project sites; or

5 (4) Any combination of any of the foregoing which
6 the grantees consider appropriate and necessary for the
7 promotion of industrial development in their respective
8 localities.

9 (b) Provided, however, that 20 percent of the grant
10 funds shall be expended specifically in rural areas of the
11 state and/or areas with high unemployment and low personal
12 income levels. The Director of the State Industrial
13 Development Authority shall report annually to the Chairs of
14 the House Government Finance and Appropriations Committee and
15 the Senate Finance and Taxation-General Fund Committee and the
16 Legislative Fiscal Officer the status of all grants allotted
17 and specifically those grants allotted in rural areas of the
18 state and/or areas with high unemployment and low personal
19 income levels.

20 (c) Every grant of money made by the authority, any
21 part of which is made from the proceeds of the authority's
22 bonds, shall be made subject to the terms and conditions set
23 forth herein, which are here by declared to be legally
24 enforceable, and may be enforced by the authority, in any
25 court of competent jurisdiction.

26 (d) Each application to the authority shall set
27 forth the following:

- 1 (1) A description of the qualifying project;
- 2 (2) The estimated capital costs of the qualifying
- 3 project; and
- 4 (3) Such other information, certification, and
- 5 agreements as may be required by the authority to be contained
- 6 in any application.

7 (e) Subject to receipt of an application and other

8 required documentation and agreements in form and substance

9 satisfactory to the authority, the grantee, subject to

10 availability of funds, shall receive grants as follows:

11 (1) For qualifying projects having capital costs of

12 less than \$200,000, an amount equal to 5 percent of the

13 capital costs of the qualifying project;

14 (2) For qualifying projects having capital costs of

15 not less than \$200,000, but less than \$500,000, an amount

16 equal to 3.5 percent of the capital costs of the qualifying

17 project, with a minimum grant of \$10,000;

18 (3) For qualifying projects having capital costs of

19 not less than \$500,000, but less than \$1,000,000, an amount

20 equal to 2.5 percent of the capital costs of the qualifying

21 project, with a minimum grant of \$20,000;

22 (4) For qualifying projects having capital costs of

23 not less than \$1,000,000, but less than \$2,000,000, an amount

24 equal to 1.5 per cent of the capital costs of the qualifying

25 project, with a minimum grant of \$28,000;

26 (5) For qualifying projects having capital costs of

27 not less than \$2,000,000, but less than \$10,000,000, an amount

1 equal to 1 percent of the capital costs of the qualifying
2 project, with a minimum grant of \$32,000; and

3 (6) For qualifying projects having capital costs of
4 not less than \$10,000,000, an amount equal to .75 percent of
5 the capital costs of the qualifying project, with a minimum
6 grant of \$100,000 and a maximum grant of \$150,000.

7 (f) The authority shall have the power to audit the
8 disbursements by the grantees from such grant or grants.

9 (g) The authority may specify any appropriate terms
10 and conditions to facilitate the enforcement of the foregoing
11 provisions of this section.

12 (h) The Director of the State Industrial
13 Development Authority shall report annually to each member of
14 the Legislature on the number and amount and location of
15 grants distributed by the authority. The report for the
16 previous fiscal year shall be reported by the second
17 legislative day of each regular session.

18 (i) All grants made by the State Industrial
19 Development Authority prior to the effective date of this act
20 are hereby ratified, confirmed, and approved.

21 Section 41-29-504.

22 The bonds of the authority shall be signed by its
23 president and attested by its secretary, and the seal of the
24 authority shall be affixed thereto or a facsimile of such seal
25 shall be printed or otherwise reproduced thereon; provided,
26 that (a) a facsimile of the signature of one, but not both, of
27 said officers may be printed or otherwise reproduced on any

1 such bonds in lieu of being manually subscribed thereon, and
2 (b) a facsimile of the signatures of both of the said officers
3 may be printed or otherwise reproduced on such bonds in lieu
4 of being manually affixed thereof if the authority, in its
5 proceedings with respect to issuance of the bonds, provides
6 for manual authentication of such bonds and the secretary
7 designates a trustee or paying agent or named individuals who
8 are employees of the state and who are assigned to the finance
9 department or the state treasurer's office of the state to
10 authenticate the bonds. Any bonds of the authority may be
11 executed and delivered by it any time and from time to time
12 and shall be in such form or forms and such denomination or
13 denominations and of such tenor and maturity or maturities,
14 shall bear such rate or rates of interest, which may be
15 variable rates, shall be payable at such times and evidenced
16 in such manner, and may contain such other provisions not
17 inconsistent herewith, all as may be provided by the
18 resolution of the board of directors of the authority under
19 which such bonds are authorized to be issued; provided, that
20 no bond of the authority shall have a specified maturity date
21 later than twenty years after its date. Any bond of the
22 authority may be made subject to redemption at the option of
23 the authority at such times and after such notice and on such
24 conditions and at such redemption price or prices as may be
25 provided in the resolution under which it is authorized to be
26 issued; provided, that those bonds of the authority having
27 specified maturity dates more than ten years after their date

1 shall be made subject to redemption at the option of the
2 authority not later than the end of the tenth year after their
3 date, and on any interest payment date thereafter, under such
4 terms and conditions and at such redemption price or prices as
5 may be provided in the resolution under which such bonds are
6 authorized to be issued. Bonds of the authority may be sold at
7 such price or prices and at such time or times as the board of
8 directors of the authority may consider advantageous, either
9 at public or private sale and by negotiation or by competitive
10 bid. Bonds of the authority sold by competitive bid must be
11 sold, whether on sealed bids or at public auction, to the
12 bidder whose bid reflects the lowest true interest cost to the
13 authority for the bonds being sold, computed from their date
14 to their respective maturities; provided, that if no bid
15 acceptable to the authority is received, it may reject all
16 bids. The authority may fix the terms and conditions under
17 which each sale of bonds may be held; provided, that such
18 terms and conditions shall not conflict with any of the
19 requirements of this article. Subject to the provisions and
20 limitations contained in this article, the authority may from
21 time to time sell and issue refunding bonds for the purpose of
22 refunding any matured or unmatured bonds of the authority then
23 outstanding. Such refunding bonds shall be subrogated and
24 entitled to all priorities, rights and pledges to which the
25 bonds refunded thereby were entitled. The authority may pay
26 out of the proceeds of the sale of its bonds attorneys' fees
27 and the expenses of issuance which the board of directors may

1 deem necessary and advantageous in connection with the
2 issuance of such bonds. Bonds issued by the authority shall
3 not be general obligations of the authority but shall be
4 payable solely out of the funds appropriated and pledged
5 thereof in Section 41-29-506 hereof. As security for the
6 payment of the principal of and interest on the bonds issued
7 by it, the authority is hereby authorized and empowered to
8 pledge for payment of such principal and interest the funds
9 that are appropriated and pledged in Section 41-29-506 hereof
10 for payment of such principal and interest. All such pledges
11 made by the authority shall take precedence in the order of
12 the adoption of the resolutions containing such pledges;
13 provided, that each pledge for the benefit of refunding bonds
14 shall have the same priority as the pledge for the benefit of
15 the bonds refunded thereby. All contracts made and all bonds
16 issued by the authority pursuant to the provisions of this
17 article shall be solely and exclusively obligations of the
18 authority and shall not constitute or, create an obligation or
19 debt of the State of Alabama. All bonds issued by the
20 authority and the income therefrom shall be exempt from all
21 taxation in the state. Any bonds issued by the authority may
22 be used by the holder thereof as security for any funds
23 belonging to the state, or to any political subdivision,
24 instrumentality of agency of the state, in any instance where
25 security for such deposits may be required by law. Unless
26 otherwise directed by the court having jurisdiction thereof,
27 or the document that is the source of authority, a trustee,

1 executor, administrator, guardian, or one acting in any other
2 fiduciary capacity may, in addition to any other investment
3 powers conferred by law and with the exercise of reasonable
4 business prudence, invest trust funds in bonds of the
5 authority. Neither a public hearing nor consent of the
6 department of finance of the state or any other department or
7 agency shall be a prerequisite to the issuance of the bonds by
8 the authority. The bonds issued under the provisions of this
9 article shall be legal investments for funds of the Teachers'
10 Retirement System of Alabama, the Employees' Retirement System
11 of Alabama, and the State Insurance Fund.

12 Section 41-29-505.

13 (a) The proceeds of all bonds, other than refunding
14 bonds, issued by the authority remaining after paying expenses
15 of their issuance, shall be deposited in the state treasury
16 and shall be carried in the state treasury in a special or
17 separate account or accounts. Such funds shall be subject to
18 be drawn upon by the authority, but any funds so withdrawn
19 shall be used solely for the purposes for which the bonds were
20 issued as authorized in this article.

21 (b) The state treasurer, with the approval of the
22 secretary of the authority, shall invest funds not needed by
23 the authority within the ensuing thirty days for any purpose
24 for which they are held, which investments shall be made in
25 the manner authorized and provided for in Section 36-17-18.
26 The state treasurer and the authority may apply so much as may
27 be necessary from the earnings on said investments toward

1 satisfaction of the arbitrage rebate requirements under the
2 Internal Revenue Code of 1986, as amended.

3 (c) The proceeds from the sale of any refunding
4 bonds issued hereunder remaining after paying the expenses of
5 their issuance shall be used only for the purpose of refunding
6 the principal of outstanding bonds of the authority and of
7 paying any premium that may be necessary to be paid in order
8 to redeem or retire the bonds to be refunded.

9 Section 41-29-506.

10 For the purpose of providing funds to enable the
11 authority to pay at their respective maturities the principal
12 of and interest on any bonds issued by it under the provisions
13 of this article and to accomplish the objects of this article,
14 there are hereby irrevocably pledged to such purpose and there
15 are hereby appropriated so much as may be necessary for such
16 purpose of: (a) the residue of the receipts from the tax
17 levied by Sections 40-25-2 and 40-25-41 after there shall have
18 been taken therefrom the amount necessary for the purposes
19 specified in Section 40-25-23(1)b.1., as in existence prior to
20 the effective date of Act 91-635; and (b) any other revenues
21 or receipts dedicated to the payment of bonds of the
22 authority, issued by it under the provisions of Act 91-635 or
23 any subsequent authorizing legislation. All moneys hereby
24 appropriated and pledged shall constitute a sinking fund for
25 the purpose of paying the principal of and the interest on the
26 bonds herein authorized.

27 Section 41-29-507.

1 Out of the revenues appropriated and pledged in
2 Section 41-29-506 hereof, the state treasurer is hereby
3 authorized and directed to pay the principal of and interest
4 on the bonds issued by the authority under the provisions of
5 this article, as the said principal and interest shall
6 respectively mature, and the state treasurer is further
7 authorized and directed to set up and maintain appropriate
8 records pertaining thereto.

9 Section 4. The provisions of this act are severable.
10 If any part of this act is declared invalid or
11 unconstitutional, that declaration shall not affect the part
12 which remains.

13 Section 5. This act shall become effective
14 immediately following its passage and approval by the
15 Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Economic Devel-
opment and Tourism..... 25-JAN-18

Read for the second time and placed
on the calendar 1 amendment 01-FEB-18

Read for the third time and passed
as amended..... 06-MAR-18

Yeas 79, Nays 7, Abstains 8

Jeff Woodard
Clerk