

SB219 ENROLLED



1 SB219
2 IKYUZZ6-2
3 By Senators Shelnutt, Smitherman, Roberts, Waggoner
4 RFD: Agriculture, Conservation, and Forestry
5 First Read: 19-Mar-24



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1 Enrolled, An Act,

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3 Relating to agriculture; to authorize the creation of
4 the Agriculture Exhibition Center Corporation to operate the
5 Alabama Farm Center; to create and provide for the operation
6 of a board to govern the corporation; to provide specific
7 powers and privileges to the corporation; to permit certain
8 counties and municipalities to sell property and appropriate
9 public funds to the corporation; to exempt the corporation
10 from municipal ordinances; to exempt the corporation from
11 certain taxes; and to deem the Agriculture Exhibition Center
12 Corporation an economic development organization for the
13 purposes of the Growing Alabama Act.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. (a) A singular Agriculture Exhibition Center
16 Corporation may be established and created by any number of
17 individuals associated with an agricultural membership
18 advocacy organization filing articles of incorporation in the
19 office of the judge of probate of the county in which the
20 Alabama Farm Center will be located. Upon filing articles of
21 incorporation pursuant to this subsection in the office of the
22 judge of probate of the county in which the singular Alabama
23 Farm Center will be located, no other corporation may be
24 incorporated pursuant to this subsection. After the initial
25 filing of articles of incorporation pursuant to this
26 subsection, any subsequent filing of articles of incorporation
27 pursuant to this subsection in any other location shall be
28 considered null and void.



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29 (b) The Agriculture Exhibition Center Corporation shall
30 operate the Alabama Farm Center for the purposes of promoting,
31 showcasing, and facilitating education regarding all facets of
32 the agricultural industry and advancing agricultural business
33 and workforce development in this state.

34 (c) The Agriculture Exhibition Center Corporation shall
35 be governed by, and all powers of the corporation shall be
36 exercised by, pursuant to the corporation's authorization, a
37 board of directors composed of the following members, subject
38 to confirmation by the Senate:

39 (1) One member appointed by the Governor, who shall
40 serve an initial term of four years.

41 (2) One member appointed by the Governor who shall be
42 nominated jointly by the House Minority Leader and the Senate
43 Minority Leader, who shall serve an initial term of three
44 years.

45 (3) One member appointed by the Lieutenant Governor,
46 who shall serve an initial term of three years.

47 (4) One member appointed by the Speaker of the House of
48 Representatives who shall have livestock experience, who shall
49 serve an initial term of two years.

50 (5) One member appointed by the Commissioner of
51 Agriculture and Industries from a list of nominees submitted
52 by the Alabama Cattlemen's Association, the Alabama Farmers
53 Federation, or the Southeastern Livestock Exhibition, who
54 shall serve an initial term of one year. These nominating
55 organizations may coordinate their nomination list or may
56 submit nomination lists individually.



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57 (6) One member appointed by the Commissioner of
58 Agriculture and Industries from a list of not less than four
59 nominees submitted by the Dean of Agriculture of either
60 Tuskegee University or Alabama A&M University, who shall serve
61 an initial term of two years.

62 (7) One member appointed by the county commission of
63 the county in which the Alabama Farm Center will be located
64 who shall be a farmer and resident of that county, who shall
65 serve an initial term of four years.

66 (d) The appointing authorities shall coordinate their
67 appointments to assure that the membership of the board is
68 inclusive and reflects the racial, gender, geographic, urban,
69 rural, and economic diversity of the state.

70 (e) After the initial terms, each member shall serve a
71 term of four years.

72 (f) The board shall elect a chair, who shall be a
73 farmer or an individual with livestock experience, and a
74 secretary from among its membership.

75 (g) Any vacancy on the board shall be filled by the
76 appointing authority who appointed the vacating member. Any
77 member may be removed for cause upon a majority vote by all
78 other members.

79 (h) No member may have an interest, directly or
80 indirectly, in any contract for work, materials, or services,
81 or profits therefrom, to be performed under the authority
82 conferred by this act if the member, directly or indirectly,
83 has more than a 10 percent interest in any business, firm,
84 corporation, or profits thereof, furnishing or providing the



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85 work, materials, or services.

86 (i) The board may appoint an advisory council
87 consisting of not more than 10 members to advise the board.
88 Advisory-council members shall serve two-year terms and may be
89 appointed to additional terms by the board.

90 (j) No public official or candidate for public office
91 shall be eligible for appointment to or service on the board.

92 Section 2. (a) The Agriculture Exhibition Center
93 Corporation shall have the following powers:

94 (1) To adopt bylaws necessary for the implementation
95 and administration of this act.

96 (2) To institute and defend legal proceedings in any
97 court of competent jurisdiction and proper venue; provided,
98 however, that the corporation may not be sued in any trial
99 court other than the courts of the county of incorporation;
100 provided, further, that the officers, directors, agents, and
101 employees of the corporation may not be sued for their actions
102 on behalf of the corporation except for actions that are
103 unreasonable or known by the individual to be unlawful or are
104 performed with reckless disregard for the lawfulness of such
105 actions.

106 (3) To plan for construction and development of the
107 Alabama Farm Center on property owned by the corporation.
108 Construction and development may include, without limitation,
109 any of the following:

110 a. Buildings to hold offices for use by, and to house
111 or accommodate public facilities of, any governmental entity.

112 b. Streets, boulevards, walkways, parkways, parks, or



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113 other places of recreation.

114 c. Monuments, statues, or other structures beautifying
115 the Alabama Farm Center.

116 d. Community houses, meeting houses, or auditoriums.

117 e. Arenas, convention halls, sports facilities,
118 stadiums, hotels, or other facilities for use as a transient
119 guest housing facility, multifamily housing, dormitory
120 housing, food courts or other food venue facilities, any
121 facilities that provide for or support any public or private
122 educational institution, and any other facilities related to
123 or incidental to the foregoing.

124 f. Music halls, art museums, art exhibits, or other
125 exhibits for the advancement of the humanities and cultural
126 development.

127 g. Any other buildings, structures, facilities, and
128 other improvements that the corporation determines are
129 appropriate, useful, or expedient to the center's purposes.
130 The determination of the corporation shall be conclusive.

131 (4) To acquire property, both real and personal, and
132 rights and interests in such property, by gift, grant, lease,
133 or purchase.

134 (5) To accept or receive gifts, bequests, and devises.

135 (6) To have and use a corporate seal and alter the seal
136 at its pleasure.

137 (7) To appoint officers, agents, employees, and
138 attorneys and to fix their compensation.

139 (8) To hire professionals and enter into contracts for
140 their services in designing and supervising the construction



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141 of any building, agriculture center, auditorium, arena, barn,
142 convention hall, music hall, art museum, place of recreation,
143 art exhibit, office building, or other structure that it
144 desires to construct.

145 (9) To make and enter into contracts and to execute all
146 instruments necessary or convenient to lease or purchase and
147 own real or personal property to be used for the furtherance
148 of the purposes for which the center is created.

149 (10) To plan for programs and exhibits in the center
150 for the advancement of the agricultural, cultural, and
151 workforce development interests of the residents of this
152 state.

153 (11) To accept pledges of revenues or grants of money
154 from any person or governmental entity.

155 (12) To sell and lease its property to any person or
156 governmental entity.

157 (13) To enter into financing agreements with federal or
158 state agencies that may require the authority to mortgage its
159 property.

160 (14) To plan for programs and exhibits in the center
161 for the advancement of agricultural and workforce development
162 interests in this state.

163 (15) To enter into long-term contracts or agreements
164 for utility services.

165 (16) To accept lease payments, loan repayments, or
166 other compensation to or for the center or other public
167 person.

168 (17) To invest in bank deposits, U.S. Treasury bills,



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169 projects, instruments, real, personal, or mixed property, or
170 any other investments as the corporation may from time to time
171 determine to be appropriate and convenient to accomplish any
172 purpose for which the center is organized, including works of
173 internal improvement, interests in private or other corporate
174 enterprises, loans of money or credit to individuals,
175 associations, or other corporations; and to lend the
176 corporation's credit, grant public money or things of value in
177 aid of or to any individual, association, or other corporation
178 whatsoever, or become a stockholder in any other corporation,
179 association, or company by issuing bonds or otherwise, even
180 though they may be in violation of Section 93 or Section 94 of
181 the Constitution of Alabama of 2022, if done by the state or a
182 subdivision thereof, notwithstanding the fact that any
183 investment or action may involve the expenditure or
184 appropriation of funds received from a public person. In
185 particular, but not by way of limitation, the corporation may
186 invest its funds, from whatever source, in the stock, bonds,
187 debentures, notes, or other securities issued by any person
188 locating a project in this state and may enter into contracts
189 or options, including contracts or options for the conveyance,
190 sale, or lease of property, to any such person and make direct
191 grants of money, property, or services for the purpose of
192 inducing the person to locate a project in this state.

193 (18) To issue its bonds for the purpose of carrying out
194 any of its powers and to apply proceeds from the sale of its
195 bonds, whether heretofore or hereafter issued, not only for
196 payment of interest thereon prior to and during the



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197 construction and equipment of any buildings, structures,
198 facilities, or other improvements being financed thereby, but
199 also for payment of interest thereon.

200 (19) To mortgage and pledge any or all of its
201 properties, both real and personal, or any part or parts
202 thereof, as security for the payment of the principal of and
203 the interest on any bonds so issued and any agreements made in
204 connection therewith, whether then owned or thereafter
205 acquired, and to pledge the revenues and receipts therefrom or
206 from any thereof.

207 (b) Contracts of the corporation shall be executed in
208 the name of the corporation by the chair of the board and
209 attested by the secretary of the board. The board may provide
210 by resolution for a different form for the execution of a
211 contract by an officer or agent other than the chair and
212 secretary. A contract, irrespective of its form and of the
213 persons executing the contract, shall not be binding unless
214 the contract is authorized or ratified by the board.

215 (c) The corporation may deposit its funds not needed to
216 meet expenses or obligations in any bank or building and loan
217 association, provided the deposit is fully insured by a
218 federal corporation or agency of the federal government
219 insuring deposits in financial institutions.

220 (d) In addition to all other powers at any time
221 conferred on it by this section or otherwise by law, the
222 corporation shall have the following powers together with all
223 powers incidental thereto or necessary to the discharge
224 thereof in corporate form:



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225 (1) To participate: As a shareholder in any other
226 corporation; as a joint venturer in a joint venture, whether
227 the joint venture is to be memorialized contractually or
228 through the formation of one or more separate business
229 entities; as a general or limited partner in a limited
230 partnership or a general partnership; as a member in a
231 nonprofit corporation or limited liability company; or as a
232 member of any other lawful form of business organization that
233 may be involved in the development or operational activities
234 of any buildings, structures, facilities, and other
235 improvements that the corporation determines are appropriate,
236 useful, or expedient to the center's purposes. In connection
237 with the foregoing, the corporation may elect or appoint an
238 individual to a governing body and enter into contracts or
239 other agreements with other parties for the development,
240 operation, design, marketing, maintenance, and use of any
241 facilities upon the terms as the corporation determines are
242 appropriate, useful, or expedient to the center.

243 (2) To make or arrange for loans, contributions to
244 capital, and other debt and equity financing for the
245 activities of any other corporation of which the corporation
246 is a shareholder; any joint venture in which the corporation
247 is a joint venturer; any limited partnership or general
248 partnership of which the corporation is a general or limited
249 partner; any nonprofit corporation in which the corporation is
250 a member; or any other lawful form of business organization of
251 which the corporation is a member; and to guarantee loans,
252 issue bonds, or incur other forms of indebtedness on behalf of



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253 the corporation, joint venture, partnership, nonprofit
254 corporation, or other business entity for such purposes.

255 (3) To create, establish, acquire, operate, or support
256 subsidiaries and affiliates, either for profit or nonprofit,
257 to assist the center in fulfilling its purposes.

258 (4) To create, establish, or support nonaffiliated for
259 profit or nonprofit corporations or other lawful business
260 organizations that operate and have as their purpose the
261 furtherance of the center's purposes.

262 (5) Without limiting the generality of the preceding
263 subdivisions, to accomplish and facilitate the creation,
264 establishment, acquisition, development, operation, or support
265 of any subsidiary, affiliate, nonaffiliated corporation, or
266 other lawful business organization by means of loans of funds,
267 leases of real or personal property, gifts and grants of
268 funds, or guarantees of indebtedness of the subsidiaries,
269 affiliates, and non-affiliated corporations.

270 (6)a. In addition to any other authority to enter into
271 contracts, to enter into contracts, agreements, or
272 understandings with any other public and private parties
273 including, but not limited to, the following:

274 1. Design-build, design-build-operate,
275 design-build-own-operate, design-build-own-operate-maintain,
276 design-build-finance-operate-maintain, or other similar
277 arrangements or agreements pursuant to which the design,
278 right-of-way acquisition, relocation of structures or
279 utilities, construction, financing, ownership, management,
280 maintenance, and operation, or any combination thereof of a



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281 project is accomplished by or on behalf of the corporation.

282 2. Leases, licenses, franchises, concessions, or other
283 agreements for the development, operation, management, or
284 undertaking of all or any part of a project of or on behalf of
285 the corporation.

286 b. Notwithstanding any provision of law to the
287 contrary, proposals under paragraph a. may be evaluated and
288 awarded by the corporation based on qualifications of
289 participants or best value, or both, as evaluated by
290 procedures of the corporation and taking into consideration
291 the best interests of the corporation. Evaluation criteria for
292 a contract procured pursuant to the preceding sentence shall
293 be set forth in the request for proposal for the contract. The
294 contract may also be awarded through any existing procurement
295 authority, proposals, or other means of procurement otherwise
296 available to the corporation.

297 Section 3. (a) Subject to the conditions,
298 qualifications, and restrictions set forth in subsection (b),
299 the Agriculture Exhibition Center Corporation may borrow money
300 from any person or governmental entity. As security for any
301 money borrowed, together with interest thereon, and any
302 obligations incurred or assumed, the corporation may mortgage,
303 pledge, or otherwise transfer and convey its real, personal,
304 and mixed property, or any part or parts thereof, whether then
305 owned or thereafter acquired, including any franchises then
306 owned or thereafter adopted and all or any part of any funds
307 of the corporation. In a resolution authorizing the mortgage
308 given to secure the payment thereof, the corporation, in



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309 addition to its other powers, shall have the power to agree
310 with the several holders of the mortgage to make, enter, and
311 perform covenants and agreements as to all of the following:

312 (1) The conduct, management, and maintenance of the
313 properties held by the corporation or of the activities,
314 operations, and enterprises then or thereafter conducted by
315 the corporation.

316 (2) Insurance of the properties of the corporation.

317 (3) Restrictions on the exercise of the powers of the
318 corporation to dispose, limit, or regulate the use of all or
319 any part of the properties of the corporation.

320 (4) The use and disposition of any monies of the
321 corporation, including taxes payable to the corporation under
322 any act of the Legislature and revenues derived or to be
323 derived from the activities, operations, and enterprises of
324 the properties of the corporation, including any part or parts
325 theretofore constructed or acquired and any parts, extensions,
326 replacements, or improvements thereafter constructed or
327 acquired.

328 (5) The setting aside of the taxes payable to the
329 corporation under any act of the Legislature or use of the
330 revenues or the monies of the corporation or reserves and
331 sinking funds, and the source, custody, security, regulation,
332 application, and disposition thereof.

333 (6) The assumption, payment, or discharge of any
334 indebtedness, liens, or other claims relating to any part of
335 the properties of the corporation or any obligations
336 constituting, or which may constitute, a lien on the



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337 properties or any part thereof.

338 (7) Limitations or other evidences of indebtedness or
339 upon the incurrence of indebtedness of the corporation.

340 (b) The power vested in the corporation to pledge taxes
341 to be paid to the corporation or to pledge revenue of the
342 corporation shall not be construed as undertaking or
343 purporting to empower the corporation to pledge any tax or any
344 revenue if the pledge is prohibited by the Constitution of
345 Alabama of 2022. It is expressly provided that the corporation
346 shall have the power to pledge any tax paid to the corporation
347 or revenue of the corporation, the pledge of which is
348 authorized by the Constitution of Alabama of 2022.

349 (c) The powers and authority set forth in this section
350 shall only be exercised if necessary in order for the
351 corporation to receive federal funding or grants for any
352 projects or activities of the corporation.

353 Section 4. The county in which the Alabama Farm Center
354 is located and each municipality therein may lease, sell,
355 donate, or otherwise convey to the Agriculture Exhibition
356 Center Corporation real or personal property, including park
357 properties, without authorization by election of the qualified
358 voters of the county or of the municipality; and the county in
359 which the center is located and each municipality therein are
360 authorized, but not required, to appropriate public funds of
361 the county or of the municipality to the corporation to be
362 used by the corporation for purposes of this act. The county
363 in which the center is located shall not lease, sell, donate,
364 or convey any property to the corporation, or appropriate any



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365 money to the corporation, unless the county commission of that
366 county has determined that the lease, sale, donation,
367 conveyance, or appropriation will benefit the people of that
368 county or municipality to such an extent as to fully warrant
369 and justify the lease, sale, donation, conveyance, or
370 appropriation.

371 Section 5. The Agriculture Exhibition Center
372 Corporation may permit the consumption of alcoholic beverages
373 any day of the week, purchased from licensees of the Alcoholic
374 Beverage Control Board, to be consumed by purchasers within
375 the boundaries of the Alabama Farm Center.

376 Section 6. The Agriculture Exhibition Center
377 Corporation and all property in which it may have any
378 ownership, leasehold, or other interest, direct or indirect,
379 is exempt from all municipal ordinances and rules, including
380 zoning ordinances, unless the corporation consents to the
381 application of ordinance or rule.

382 Section 7. (a) The Agriculture Exhibition Center
383 Corporation, as a governmental entity, is exempt from the
384 payment of all state, county, and municipal sales and use
385 taxes. The corporation and its contractors shall be granted a
386 certificate of exemption from sales and use taxes by the
387 Department of Revenue as provided by Sections 40-9-14.1 and
388 40-9-60, Code of Alabama 1975, or other general law.

389 (b) (1) Any county or municipal sales and use tax
390 proceeds that are collected by the corporation; a joint
391 venture of the corporation, including a public or private
392 venture of the corporation; or a lessee of the corporation or



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393 a joint venture of the corporation, and remitted to a local
394 taxing authority shall be rebated by that local taxing
395 authority to the corporation.

396 (2) The county commission of the county in which the
397 Alabama Farm Center will be located, at the time of the
398 formation of the corporation, may opt-out of the requirement
399 to rebate sales taxes collected by a private entity, joint
400 venture partner, or public-private partnership.

401 (3) The corporation may enter into revenue sharing
402 agreements with the county commission of the county in which
403 the center will be located and municipalities therein to share
404 any tax revenue generated by the corporation outside of the
405 operational area outlined in the corporation's articles of
406 incorporation.

407 (c) The corporation is exempt from paying all state,
408 county, and local ad valorem taxes.

409 (d) The corporation is exempt from paying any other
410 taxes levied by a county, municipality, or other political
411 subdivision of this state, including, but not limited to,
412 license and excise taxes imposed relating to the privilege of
413 engaging in any activities in which the corporation may
414 engage.

415 Section 8. The Agriculture Exhibition Center
416 Corporation shall be deemed an economic development
417 organization, and the Alabama Farm Center shall be deemed a
418 site, for the purposes of Article 19A, Chapter 18, Title 40 of
419 the Code of Alabama 1975.

420 Section 9. The Agriculture Exhibition Center



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421 Corporation shall be subject to audit and examination every
422 two years by the Department of Examiners of Public Accounts
423 for compliance with this act.

424 Section 10. The provisions of this act are severable.
425 If any part of this act is declared invalid or
426 unconstitutional, that declaration shall not affect the part
427 which remains.

428 Section 11. This act shall become effective
429 immediately.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

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Senate 16-Apr-24

I hereby certify that the within Act originated in and passed the Senate, as amended.

Senate 08-May-24

I hereby certify that the within Act originated in and passed the Senate, as amended by Conference Committee Report.

Patrick Harris,
Secretary.

House of Representatives
Passed: 30-Apr-24, as amended.

House of Representatives
Passed: 08-May-24, as amended by Conference Committee Report.

By: Senator Shelnutt