

1 SB297  
2 174543-1  
3 By Senator Livingston (Constitutional Amendment)  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 24-FEB-16

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8 SYNOPSIS: Under Amendment 475 of the Constitution of  
9 Alabama of 1901, now appearing as Section 94.02 of  
10 the Official Recompilation of the Constitution of  
11 Alabama of 1901, as amended, the Legislature may  
12 enact legislation permitting municipalities and  
13 counties to form tax increment districts for, among  
14 other purposes, the redevelopment, rehabilitation,  
15 or conservation of property that may be disposed of  
16 to or for the benefit of private interest for  
17 compensation established by the governing body of  
18 the county or municipality and not less than the  
19 fair market value thereof determined by independent  
20 appraisal of the property.

21 This bill would propose an amendment to  
22 provide that, if a tax increment district is within  
23 a Major 21st Century Manufacturing Zone, rather  
24 than being a minimum of fair market value, the  
25 compensation may be determined in the sole  
26 discretion of the governing body of the county or  
27 municipality, as the case may be, that established

1 the tax increment district and, further, to do so  
2 without regard to Sections 93 and 94 of the  
3 Constitution of Alabama of 1901, as amended,  
4 prohibiting giving or lending the credit of the  
5 state or local entities. The amendment would  
6 validate and confirm the Major 21st Century  
7 Manufacturing Zone Act.

8  
9 A BILL  
10 TO BE ENTITLED  
11 AN ACT  
12

13 Proposing an amendment to the Constitution of  
14 Alabama of 1901, as amended, to give any municipality or  
15 county, or governing body thereof, that has established a tax  
16 increment district within a Major 21st Century Manufacturing  
17 Zone the sole discretion to determine the amount and type of  
18 consideration to be received by such municipality or county  
19 for the redevelopment, rehabilitation, or conservation of  
20 property disposed of to or for the benefit of private interest  
21 with funds collected from such tax increment district and  
22 without regard to Sections 93 and 94 of the Constitution of  
23 Alabama of 1901, as amended, and to validate and confirm the  
24 Major 21st Century Manufacturing Zone Act.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. The following amendment to the  
27 Constitution of Alabama of 1901, as amended, is proposed and

1 shall become valid as a part thereof when approved by a  
2 majority of the qualified electors of the State voting thereon  
3 at an election held in accordance with Sections 284, 285 and  
4 287 of the Constitution of Alabama of 1901, as amended:

5 PROPOSED AMENDMENT

6 Notwithstanding any other provision of the  
7 Constitution, public moneys, including ad valorem tax  
8 revenues, collected within a tax increment district located  
9 within a Major 21st Century Manufacturing Zone as defined by  
10 law, and proceeds of obligations issued by the municipality or  
11 county establishing the district for the purposes of  
12 redevelopment or revitalization of property located therein,  
13 may be expended for the acquisition of the property and the  
14 redevelopment, rehabilitation, or conservation thereof, and  
15 the moneys, property, and proceeds may be disposed of, whether  
16 to or for the benefit of private interests or otherwise, for  
17 such consideration as shall be determined in the discretion of  
18 the governing body of the county or municipality, as the case  
19 may be, that established the district and without regard to  
20 Sections 93 and 94 of this Constitution. Any obligations of a  
21 municipality or county issued for the purposes set forth above  
22 shall not be chargeable against the constitutional debt limit  
23 of the municipality or county. The exercise of any powers  
24 granted in the Major 21st Century Manufacturing Zone Act, Act  
25 2013-51, by any municipality or county, or the governing body  
26 thereof, shall not be subject to those limitations or  
27 restrictions that would otherwise have been applicable under

1 Section 93 or Section 94 of this Constitution. The Major 21st  
2 Century Manufacturing Zone Act, Act 2013-51, is hereby  
3 validated and confirmed.

4 Section 2. An election upon the proposed amendment  
5 shall be held in accordance with Sections 284 and 285 of the  
6 of the Constitution of Alabama of 1901, as amended, and the  
7 election laws of this state.

8 Section 3. Notice of the election on the proposed  
9 amendment shall be given by proclamation of the Governor  
10 published in every county in the state for four successive  
11 weeks next preceding the date appointed for the election, such  
12 publication to be made once a week for four consecutive weeks  
13 next preceding the day so appointed, in a newspaper published  
14 in each such county; provided, that in any county in which  
15 there may be no newspaper published, the proclamation shall be  
16 published by posting, for a period of not less than four  
17 consecutive weeks next preceding the day so appointed, a copy  
18 of the said proclamation at each courthouse in the said  
19 county. A newspaper shall be deemed to be published in a  
20 county, within the meaning of this section, if its principal  
21 editorial office is located in that county.

22 Section 4. The appropriate election official shall  
23 assign a ballot number for the proposed constitutional  
24 amendment and shall set forth the following description of the  
25 substance or subject matter of the proposed constitutional  
26 amendment:

1                   "Proposing an amendment to the Constitution of  
2 Alabama of 1901, as amended, to give the governing body of a  
3 municipality or county that has established a tax increment  
4 district within a Major 21st Century Manufacturing Zone the  
5 sole discretion to determine the amount and type of  
6 consideration to be received by the municipality or county for  
7 the redevelopment, rehabilitation, or conservation of property  
8 disposed of to or for the benefit of private interest with  
9 funds collected from such tax increment district and without  
10 regard to Sections 93 and 94 of the Constitution of Alabama of  
11 1901, and to ratify, affirm, and validate the Major 21st  
12 Century Manufacturing Zone Act.

13                   "Proposed by Act \_\_\_\_\_."

14                   This description shall be followed by the following  
15 language:

16                   "Yes ( ) No ( )."