

1 HB554
2 168555-4
3 By Representatives Baker, Harper, Collins, Shiver, Hill (M),
4 McCutcheon, Weaver, Gaston, Sessions, Moore (B), Johnson (K),
5 Nordgren, McMillan, Ingram and Davis
6 RFD: State Government
7 First Read: 23-APR-15

1 Session, as Division 4, Article 3, Chapter 29 of Title 41 of;
2 to add Division 5 to Article 3, Chapter 29 of Title 41 of; and
3 to repeal Section 41-9-4, of the Code of Alabama 1975.

4 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

5 Section 1. A heading for Chapter 29 (commencing with
6 Section 41-29-1) is added to Title 41 of the Code of Alabama
7 1975, to read as follows:

8 Chapter 29. Department of Commerce

9 Section 2. A heading for Article 1 (commencing with
10 Section 41-29-1) is added to Chapter 29 of Title 41 of the
11 Code of Alabama 1975, to read as follows:

12 Article 1. General Provisions.

13 Section 3. Sections, 41-9-201, 41-9-202, 41-9-202.1,
14 and 41-9-203 of the Code of Alabama 1975, are amended and
15 renumbered to read as follows:

16 "~~§41-9-201.~~ §41-29-1.

17 "(a) (1) There is hereby created the Department of
18 Commerce within the office of the Governor and directly under
19 his or her supervision and control. The Department of Commerce
20 shall be headed by the Secretary of Commerce, who shall be a
21 person possessed with extensive responsible experience in
22 development of economic, human, and physical resources and
23 promotion of industrial and commercial development. The
24 secretary shall be appointed by the Governor and serve at his
25 or her pleasure at a salary of any reasonable amount not to
26 exceed by forty thousand dollars (\$40,000) the highest
27 authorized salary for employees of the Department of Commerce

1 who are subject to the Merit System law. In fixing such
2 salary, the Governor shall give due consideration of the
3 salaries of comparable positions in other states and in
4 private industry. All other employees necessary to carry out
5 the duties and functions of the Department of Commerce shall
6 be employed subject to the Merit System law. In addition to
7 any other employees, there may be employed a total of eight
8 assistant secretaries for the office, who shall not be subject
9 to the Merit System law and whose compensation shall be
10 determined by the secretary.

11 "(2) The eight additional assistant secretaries
12 shall be persons experienced in industrial and commercial
13 development for at least the two years prior to their
14 employment. Compensation for the eight additional assistant
15 secretaries shall not exceed the amount of compensation paid
16 for the highest classification of Merit System employees
17 employed by the Department of Commerce.

18 "(3) The makeup of the assistant secretaries shall
19 be inclusive and should reflect the racial, gender,
20 geographic, urban/rural, and economic diversity of the state.

21 "(b) On the effective date of the act adding this
22 amendatory language, the Department of Commerce shall be
23 comprised of the following divisions: The Business Development
24 Division and the Workforce Development Division. Each division
25 shall be headed by a deputy secretary who shall be appointed
26 by the Secretary of Commerce outside of the classified service
27 and who shall serve at the pleasure of the secretary at a

1 salary of any reasonable amount not to exceed by ten thousand
2 dollars (\$10,000) the highest authorized salary for employees
3 of the Department of Commerce who are subject to the Merit
4 System law. The deputy secretary of each division shall report
5 to the Secretary of Commerce.

6 "(b)(c) The Governor, through the Department of
7 Commerce, shall encourage comprehensive and coordinated
8 planning and programming of the affairs of state government.

9 "(c)(d) The Governor may direct any state department
10 or other agency of state government directly under his or her
11 control and supervision to furnish the Department of Commerce
12 with such personnel, equipment, and services as are necessary
13 to enable it to carry out its responsibilities and duties and
14 prescribe the terms thereof, including reimbursement of costs
15 thereof.

16 "(e)(1) The Legislature finds and declares that the
17 Alabama Community College System consists of comprehensive
18 community and technical colleges and the Alabama Technology
19 Network, an effective workforce development initiative. The
20 Alabama Community College System provides a unified system of
21 institutions delivering excellence in academic education,
22 adult education, and workforce development initiatives that
23 are responsive to industry needs from highly specialized
24 training programs that help prepare entry level employees to
25 meet growing demands.

26 "(2) Notwithstanding any other provision of the act
27 adding this subsection, the Alabama Community College System

1 shall continue to provide a wide range of career-technical
2 courses and short-term training for job-specific
3 certifications.

4 "~~§41-9-202.~~ §41-29-2.

5 "(a) The Department of Commerce shall be the
6 principal staff agency of the executive branch to plan with
7 the other departments of state government and with other
8 governmental units for the comprehensive development of the
9 state's human, economic and physical resources and their
10 relevance for programs administered by the state and the
11 governmental structure required to put such programs into
12 effect. It shall provide information, assistance and staff
13 support by all appropriate means. The Department of Commerce
14 shall perform all the duties and exercise all the powers and
15 authority relative to state regional and local planning and
16 industrial development heretofore vested in the Alabama
17 Development Office. All books, records, supplies, funds,
18 equipment and personnel of the Alabama Development Office are
19 also hereby transferred to the Department of Commerce.

20 "(b) All of the powers and authority heretofore
21 vested in the Alabama Development Office and the Director of
22 Development shall be vested in the Department of Commerce
23 created by this ~~article~~ chapter and the Secretary of Commerce,
24 respectively. A reference in any provision of law to the
25 Alabama Development Office or the Director of Development
26 shall be deemed a reference to the Department of Commerce and
27 Secretary of Commerce, respectively.

1 "(c) Without in any way limiting the foregoing
2 general powers and duties, the Department of Commerce shall
3 have the following additional powers and duties:

4 "(1) To formulate a long-range state comprehensive
5 plan, to be submitted by the Governor to the Legislature for
6 its consideration.

7 "(2) To formulate, for approval by the Governor and
8 the Legislature, long-range plans and policies for the orderly
9 and coordinated growth of the state, including, but not
10 limited to, functional plans.

11 "(3) To prepare special reports and make available
12 the results of the agency's research, studies and other
13 activities through publications, memoranda, briefings, and
14 expert testimony.

15 "(4) To analyze the quality and quantity of services
16 required for the continued orderly and long-range growth of
17 the state, taking into consideration the relationship of
18 activities, capabilities, and future plans of local units of
19 government, area commissions, development districts, private
20 enterprise, and the state and federal governments.

21 "(5) To encourage the coordination of the planning
22 and programming activities of all state departments, agencies,
23 and institutions, local levels of government, and other public
24 and private bodies within the state.

25 "(6) To advise and consult with regional, county,
26 and local planning and development agencies.

1 "(7) To work with the state budget agency and other
2 state departments, agencies, and institutions to study and
3 review plans, programs and federal aid applications filed with
4 the federal government.

5 "(8) To survey, review, and appraise the
6 accomplishments of state government in achieving its goals and
7 objectives at the direction of the Governor and in cooperation
8 with the state budget agency.

9 "(9) To apply for and accept advances, loans,
10 grants, contributions, and any other form of assistance from
11 the federal government, the state or other public body, or
12 from any sources, public or private, for the purposes of this
13 article and to enter into and carry out contracts or
14 agreements in connection therewith and to include in any
15 contract for financial assistance with the federal government
16 such conditions imposed pursuant to federal laws as it may
17 deem reasonable and appropriate and which are not inconsistent
18 with the purposes of this ~~article~~ chapter.

19 "(10) To review and comment on all local and
20 areawide applications for federal planning assistance or to
21 delegate such authority to a regional planning and development
22 commission.

23 "(11) To exercise all other powers necessary and
24 proper for the discharge of its duties, including the
25 promulgation of reasonable rules and regulations.

26 "(d) The Department of Commerce is hereby authorized
27 to make grants from appropriations to regional planning and

1 development commissions which are certified to receive such
2 grants by the Governor under the provisions of Sections
3 11-85-50 through 11-85-55.

4 ~~"§41-9-202.1~~ §41-29-3.

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

22 "(2) The required notification set forth in
23 subdivision (1) applies to (i) capital investment credits
24 pursuant to Act 95-187, as amended; (ii) site preparation
25 grants pursuant to Act 91-635, as amended; (iii) funding for
26 access roads and bridges through the Alabama Industrial Access
27 Road and Bridge Corporation pursuant to Act 85-549, as

1 amended; (iv) training or other assistance from the Alabama
2 Industrial Development Training Program where the annual
3 expenditures of cash is estimated to be in excess of one
4 million dollars (\$1,000,000); and (v) any direct or indirect
5 cash payment for a project from the State of Alabama, whether
6 in the form of an in-kind contribution of a site, building, or
7 equipment, or otherwise.

8 "(b) All information concerning a proposed project
9 which is provided to the secretary and the Department of
10 Commerce shall be confidential. The secretary is authorized to
11 enter into a confidentiality agreement with a prospective
12 entity which prohibits the disclosure of the identity of the
13 prospective entity and any information obtained, whether
14 orally or in writing, about the entity's proposed project.

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 "~~§41-29-203.~~ §41-29-4.

23 "The Governor, in carrying out his or her
24 responsibilities under this ~~article~~ chapter, may establish
25 advisory committees or councils and appoint the members
26 thereof, who shall serve at his or her pleasure. Members shall
27 serve without compensation. The Governor shall designate the

1 chairmen and such other officers as he or she may deem
2 necessary for each advisory committee or council. Advisory
3 committees or councils established pursuant to this section
4 shall meet at the call of their chairmen or of the Secretary
5 of Commerce."

6 Section 4. Section 41-29-5 is added to Article 1,
7 Chapter 29, of Title 41 of the Code of Alabama 1975, to read
8 as follows:

9 §41-29-5.

10 On the effective date of the act adding this
11 section, the Department of Commerce shall be reorganized into
12 two divisions that shall have the functions prescribed as
13 follows:

14 (1) The Business Development Division shall be
15 responsible for all of the functions of the Department of
16 Commerce as it existed before the effective date of the act
17 adding this section, including, but not limited to, small
18 business advocacy; the functions performed by the Alabama
19 Small Business Commission, created and functioning pursuant to
20 Section 41-29-240 and international trade.

21 (2) The Workforce Development Division shall be
22 comprised of the following entities which shall report to the
23 ~~chief~~ Deputy Secretary of the division: The Workforce
24 Development Division and Workforce Investment Division of the
25 Department of Economic and Community Affairs, formerly Chapter
26 23 of Title 41, the Alabama Industrial Development and
27 Training Institute, formerly functioning pursuant to Sections

1 41-9-1080 to 41-9-1086, inclusive, and the Alabama Workforce
2 Council and the regional workforce councils of the Department
3 of Postsecondary Education, formerly functioning pursuant to
4 Sections 16-66-1 to 16-66-8, inclusive.

5 Section 5. Sections 41-9-760 to 41-9-767, inclusive,
6 are amended and renumbered as Part 1 of Division 1 of Article
7 2 of Chapter 29 of Title 41 of the Code of Alabama 1975, to
8 read as follows:

9 "Article 2. Business Development Division.

10 "Division 1. Office of Small Business Advocacy.

11 "Part 1. Creation and General Operation.

12 "~~§41-9-760.~~ §41-29-220.

13 "There is hereby created, within the Business
14 Development Division of the Alabama ~~Development Office~~
15 Department of Commerce, the Alabama Small Business Office of
16 Advocacy for the purpose of aiding, counselling, assisting,
17 and protecting, insofar as possible, the interests of small
18 business concerns in order to preserve free competitive
19 enterprise and maintain a healthy state economy; and to
20 provide information and assistance to citizens interested in
21 entering into commercial activity.

22 "~~§41-9-761.~~ §41-9-221.

23 "For purposes of this ~~article~~, division, unless the
24 context otherwise requires, the following words and phrases
25 shall have the following meanings:

1 "~~(4)~~ A.D.O. The Alabama Development Office (1)
2 DIVISION. The Business Development Division of the Department
3 of Commerce.

4 "~~(3)~~ (2) DIRECTOR. The Director of the Alabama Small
5 Business Office of Advocacy.

6 "~~(2)~~ (3) OFFICE. The Alabama Small Business Office of
7 Advocacy.

8 "~~(1)~~ (4) SMALL BUSINESS. A small business, as defined
9 in Section 25-10-3.

10 "~~§41-9-762.~~ 41-29-222.

11 "(a) The management of the office created by this
12 ~~article~~ division shall be vested in a director, who shall be
13 designated by the ~~director~~ deputy secretary of the ~~A.D.O~~
14 division.

15 "(b) The ~~A.D.O. director~~ Secretary of Commerce may
16 assign other ~~A.D.O.~~ Department of Commerce employees or other
17 employees in the state Merit System and exempt positions in
18 the various executive branch departments to assist the
19 director for such periods of time as are necessary to enable
20 the director to carry out his or her responsibilities.

21 "~~§41-9-763.~~ §41-29-223.

22 "The duties and functions of the office shall
23 include all of the following:

24 "(1) Serve as the principal advocate in the state on
25 behalf of small businesses, including, but not limited to,
26 advisory participation in the consideration of all legislation
27 and administrative regulations which affect small businesses.

1 "(2) Establish a central reference program and
2 general counseling service to assist small businesses.

3 "(3) Represent the views and interests of small
4 businesses before other state agencies whose policies and
5 activities may affect small businesses.

6 "(4) Enlist the cooperation and assistance of public
7 and private agencies, businesses, and other organizations in
8 disseminating information about the programs and services
9 provided by state government which are of benefit to small
10 businesses, and information on how small businesses can
11 participate in, or make use of, those programs and services.

12 "(5) Evaluate the efforts of state agencies,
13 businesses, and industry to assist minority small business
14 enterprises, and make such recommendations as may be
15 appropriate to assist the development and strengthening of
16 minority and other small business enterprises.

17 "(6) Consult with experts and authorities in the
18 fields of small business investment, venture capital
19 investment, and commercial banking and other comparable
20 financial institutions involved in the financing of business,
21 and with individuals with regulatory, legal, economic, or
22 financial expertise, including members of the academic
23 community, and individuals who generally represent the public
24 interest.

25 "(7) Determine the desirability of developing a set
26 of rational, objective criteria to be used to define small
27 business, and to develop such criteria, if appropriate.

1 "(8) To provide a center of information where a
2 person interested in establishing a commercial facility or
3 engaging in a commercial activity may be informed of any
4 registration, license, or other approval of a state regulatory
5 agency that is required for that facility or activity or of
6 the existence of standards, criteria, or requirements which
7 the laws of this state require that facility or activity to
8 meet.

9 "~~§41-9-764.~~ §41-29-224.

10 "Each state agency which requires a permit, license,
11 or other regulatory approval or maintains standards or
12 criteria with which an activity or facility must comply shall
13 inform the office of the following:

14 "(1) The activity or facility that is subject to
15 regulation.

16 "(2) The existence of any threshold levels which
17 would exempt the activity or facility from regulation.

18 "(3) The nature of the regulatory program.

19 "(4) The amount of any fees.

20 "(5) How to apply for any permits or regulatory
21 approvals.

22 "(6) A brief statement of the purpose of requiring
23 the permit or regulatory approval or requiring compliance with
24 the standards or criteria.

25 "~~§41-9-765.~~ §41-29-225.

26 "Each state agency shall promptly inform the office
27 of any changes in the information provided under this ~~article~~

1 division or the establishment of a new regulatory program. The
2 information provided to or disseminated by the office shall
3 not be binding upon the regulatory program of a state agency.

4 "~~§41-9-766.~~ §41-29-226.

5 "For the purpose of implementing the provisions of
6 this ~~article~~ division, the office shall establish a toll-free
7 telephone number.

8 "~~§41-9-767.~~ §41-29-227.

9 "Each agency of the state shall furnish to the
10 director such reports, documents, and information as the
11 director deems necessary to carry out his or her functions
12 under this ~~article~~ division. The office shall prepare and
13 submit a written annual report to the Governor and to the
14 Legislature, that describes the activities and recommendations
15 of the office.

16 Section 6. Part 2 (commencing with Section
17 41-29-240) is added to Division 1 of Article 2 of Chapter 29
18 of Title 41 of the Code of Alabama 1975, to read as follows:

19 Part 2. Alabama Small Business Commission and Small
20 Business Advisory Committee.

21 §41-29-240.

22 (a) The Alabama Small Business Commission is created
23 as part of the Office of Small Business Advocacy.

24 (b) The commission shall have the following duties:

25 (1) Formulate policies encouraging innovation of
26 small business in the state.

1 (2) Discuss issues critical to the economic growth
2 of small, independent businesses and their interests that will
3 encourage the formation of and foster the growth of small
4 businesses in the state.

5 (3) Advise the Department of Commerce in formulating
6 and promoting policies relating to small businesses.

7 (4) Act as an advocate for small businesses and the
8 entrepreneurs who work to create opportunities for new small
9 businesses and sustain those that are already in existence.

10 (5) Promote policies to assist new business
11 start-ups and expansion of existing businesses.

12 (c) The commission shall be chaired by an appointee
13 of the Governor, who shall be a voting member. The Director of
14 the Business Development Division shall be responsible for the
15 administrative functions of the commission including, but not
16 limited to, the organization of meetings, preparing the annual
17 reports, and other items as needed by the commission. The
18 commission shall be composed of the following members who
19 shall serve a term of two years with the option of being
20 reappointed to one additional term by their appointing
21 authority:

22 (1) One member from each of the congressional
23 districts of the state appointed by the Governor.

24 (2) One member appointed by the Governor from a list
25 of three names submitted by the Alabama Homebuilders
26 Association.

1 (3) One member appointed by the Governor from a list
2 of three names submitted by the Alabama Retail Association.

3 (4) One member appointed by the Governor from a list
4 of three names submitted by the Alabama Bankers Association.

5 (5) One member appointed by the Governor from a list
6 of three names submitted by the Medical Association of
7 Alabama.

8 (6) One member appointed by the Governor from a list
9 of three names submitted by the Alabama Farmers Federation.

10 (7) One member appointed by the Governor from a list
11 of three names submitted by the Alabama Trucking Association.

12 (8) One member appointed by the Governor from a list
13 of three names submitted by the Alabama Association of General
14 Contractors.

15 (9) One member appointed by the Governor from a list
16 of three names submitted by the Alabama Automobile Dealers
17 Association.

18 (10) One member appointed by the Governor from the
19 manufacturing sector.

20 (11) One member appointed by the Lieutenant Governor
21 from a list of three names submitted by the Alabama Forestry
22 Association.

23 (12) One at-large member appointed by the Lieutenant
24 Governor.

25 (13) One member appointed by the Speaker of the
26 House of Representatives from the service, hospitality, and
27 tourism sector.

1 (14) One member of the House of Representatives
2 appointed by the Speaker of the House of Representatives.

3 (15) One member of the manufacturing sector
4 appointed by the President Pro Tempore of the Senate.

5 (16) One member of the Senate appointed by the
6 President Pro Tempore of the Senate.

7 (d) To the extent possible, the commission members
8 shall be small business owners representing businesses with 50
9 or fewer employees.

10 (e) The commission shall prepare and submit an
11 annual report to the Governor no later than December 31 of
12 each year.

13 §41-29-241.

14 (a) The Alabama Small Business Advisory Committee is
15 created and shall serve as a technical and informational
16 source to the Alabama Small Business Commission. The chair of
17 the commission shall also serve as chair of the committee.

18 (b) The advisory committee shall be comprised of the
19 following members:

20 (1) The Commissioner of the Department of Revenue,
21 or his or her designee.

22 (2) The Commissioner of the Department of Labor, or
23 his or her designee.

24 (3) The Secretary of Commerce, or his or her
25 designee.

26 (4) A member representing the Alabama Association of
27 Chambers of Commerce, appointed by the Governor.

1 (5) A member representing the Economic Development
2 Association of Alabama, appointed by the Governor.

3 (6) A member representing the Association of County
4 Commissions of Alabama, appointed by the Governor.

5 (7) A member representing the Alabama League of
6 Municipalities, appointed by the Governor.

7 (8) A member representing the utility industry,
8 appointed by the Governor.

9 (9) The Chancellor of the Alabama Community College
10 System, or his or her designee.

11 (10) Additional members as the Governor deems
12 necessary.

13 (c) The advisory committee shall meet at the call of
14 the chair.

15 Section 7. Division 3 (commencing with Section
16 41-29-250) is added to Article 2 of Chapter 29 of Title 41 of
17 the Code of Alabama 1975, to read as follows:

18 Division 3. International Trade.

19 §41-29-250.

20 On the effective date of the act adding this
21 section, all functions performed by the Department of Economic
22 and Community Affairs administering international trade
23 policies and programs are transferred to the Department of
24 Commerce and shall be administered by the division.

25 Section 8. Article 3 (commencing with Section
26 41-29-260) is added to Chapter 29 of Title 41 of the Code of
27 Alabama 1975, to read as follows:

1 Article 3. Workforce Development Division.

2 Division 1. Workforce Programs.

3 §41-29-260.

4 All of the workforce programs administered by the
5 Department of Economic and Community Affairs before the
6 effective date of the act adding this section shall be
7 transferred to the Department of Commerce and administered by
8 the Workforce Development Division of the Department of
9 Commerce including, but not limited to, programs administered
10 through the federal Workforce Investment Act, Alabama Career
11 Centers, Incumbent Worker Training Program, On-the-Job
12 Training Program, Individual Training Account, Rapid Response
13 Team, youth programs, eligible training provider list, Mentor
14 Alabama, the Alabama Community Partnership for Recovery and
15 Reentry, National Emergency Grant-Occupational Skills Training
16 for Dislocated Workers, and the Alabama Disability Employment
17 Initiative.

18 Division 2. Workforce Investment.

19 §41-29-270.

20 The administration of Workforce Investment Board and
21 Local Workforce Investment Boards administered by the
22 Department of Economic and Community Affairs before the
23 effective date of the act adding this section is transferred
24 to the Workforce Development Division of the Department of
25 Commerce and, on the effective date of the act adding this
26 section, the boards shall be administered through the
27 Workforce Development Division of the department.

1 Section 9. Sections 41-9-1080 to 41-9-1086,
2 inclusive, Code of Alabama 1975, are amended and renumbered as
3 Division 3 of Article 3 of Chapter 29 of Title 41 of the Code
4 of Alabama 1975, to read as follows:

5 "Division 3. Alabama Industrial Development Training
6 Institute.

7 "~~§41-9-1080.~~ §41-29-280.

8 "The Legislature makes the following findings:

9 "(1) The Alabama Industrial Development and Training
10 Institute, hereinafter AIDT, was established in fiscal year
11 1970-1971 as a contract program reporting to the State Board
12 of Education through the Division of Vocational-Technical
13 Education. In 1976, the State Board of Education adopted a
14 resolution approving the establishment of AIDT as a mobile
15 training institute, appointed a director, established staff
16 positions and salary schedules, and mandated personnel
17 procedures for the staff identical to those with technical
18 colleges. AIDT continued operating under the Department of
19 Postsecondary Education when the Legislature established the
20 department and position of Chancellor. AIDT has been
21 continuously funded through an annual line item in the
22 Education Trust Fund budget.

23 "(2) AIDT provides quality workforce development for
24 the new and expanding businesses in the state and expands the
25 opportunities of its citizens through the jobs these
26 businesses create.

1 "(3) AIDT serves a unique role in the state by
2 providing its citizens the specific skills, knowledge, and
3 training needed to address the dynamic labor needs of new or
4 expanding businesses in a flexible manner that allows for
5 careful coordination with the time and location of the new or
6 expanding businesses and their labor needs.

7 "(4) AIDT's role in educating and training the
8 state's workforce is critical to the state's economic
9 development, job creation and retention, and AIDT's mission is
10 consistent with, and crucial to the success of, the projects,
11 and services of the Department of Commerce.

12 "~~§41-9-1081.~~ §41-29-281.

13 "As used in this ~~article~~ division, the following
14 words shall have the following meanings:

15 "(1) AIDT. The Alabama Industrial Development and
16 Training Institute.

17 "(2) DIRECTOR. The Director of the Alabama
18 Industrial Development and Training Institute.

19 "~~§41-9-1082.~~ §41-29-282.

20 "AIDT shall operate ~~under the supervision and~~
21 ~~oversight of the Secretary~~ as a part of the Workforce
22 Development Division of the Department of Commerce. All of the
23 powers, authority, duties, functions, policies, and funds of,
24 and appropriations to, AIDT previously conferred upon or
25 granted to AIDT reporting to the State Board of Education
26 through the Division of Vocational-Technical Education or by
27 Alabama Executive Order No. 2012-31 are confirmed, ratified,

1 continued, transferred to, and vested in AIDT. All contracts,
2 leases, grants, and agreements previously entered by AIDT
3 shall continue in full force and effect without modification
4 or interruption by this restructuring. All property currently
5 owned by AIDT shall continue to be the property of AIDT. AIDT
6 shall continue to be headed by the director, who shall be
7 appointed by the Secretary of Commerce and shall serve at his
8 or her pleasure. The powers, duties, and qualifications
9 required of the director shall be as set forth in the AIDT
10 Policy Manual, as amended from time to time and approved by
11 the Secretary of Commerce.

12 ~~"§41-9-1083. §41-29-283.~~

13 "(a) AIDT shall continue to be funded from the
14 Education Trust Fund and may receive any other funds
15 appropriated by the United States or the state. AIDT shall
16 maintain accounts in its own name and shall make all of its
17 disbursements and payments directly from accounts maintained
18 outside the State Treasury rather than through state warrants.
19 Funds that have been allocated by AIDT under a project
20 agreement for workforce development shall not be transferred
21 to any other expenditure or for any other purpose without the
22 express written approval of the Secretary of Commerce. All
23 disbursements and payments by AIDT shall be subject to the
24 approval of the director as prescribed in the AIDT Policy
25 Manual as it may be amended from time to time with the
26 approval of the Secretary of Commerce.

1 "(b) Before the third legislative day of each
2 regular session of the Legislature AIDT shall provide to the
3 Chair of the House Ways and Means Education Fund Committee and
4 the Chair of the Senate Finance and Taxation Education
5 Committee a reconciled financial statement of the project
6 commitments and the actual expenditures on project commitments
7 for the preceding fiscal year.

8 "~~§41-9-1084.~~ §41-29-284.

9 "All individuals serving as employees of AIDT
10 immediately prior to ~~April 24, 2013~~ the effective date of the
11 act adding this language, shall remain employees of AIDT. The
12 salary and benefits of such AIDT employees shall not be
13 changed solely as a result of this ~~article~~ division. All AIDT
14 employees shall receive compensation determined by the
15 director and approved by the Secretary of Commerce and shall
16 continue to be exempt from the provisions of the state Merit
17 System Law and tenure laws with respect to the method of
18 selection, classification, compensation, and termination of
19 state employees. All AIDT employees shall remain subject to
20 the AIDT policies and procedures existing immediately prior to
21 ~~April 24, 2013~~ the effective date of the act adding this
22 language, unless and until such policies are modified or
23 amended by written amendment approved by the Secretary of
24 Commerce.

25 "~~§41-9-1085.~~ §41-29-285.

26 "All information concerning a proposed project which
27 is provided to the director and AIDT shall be confidential.

1 AIDT, through the director, is authorized to enter into a
2 confidentiality agreement or other contract provision with a
3 prospective entity considering locating or expanding within
4 the state which prohibits the disclosure by AIDT or any of its
5 employees or contractors of the identity of the prospective
6 entity and any information obtained, whether orally or in
7 writing, by such persons about the entity's proposed project.
8 Further, AIDT, through the director as approved by the
9 Secretary of Commerce, is authorized to enter into a
10 confidentiality agreement or other contract provision with a
11 prospective entity who is considering locating or expanding or
12 has relocated or expanded within the state to reasonably
13 protect trade secrets or other confidential business
14 information of such entity. Such confidentiality agreement or
15 other contract provision shall not otherwise limit the
16 disclosure under applicable open records laws of public
17 documents which describe the nature, quantity, cost, or other
18 pertinent information related to the activities of, or
19 services performed by, AIDT.

20 ~~"§41-9-1086. §41-29-286.~~

21 "Any operations, processes, and matters of AIDT that
22 are not covered by this ~~article~~ division shall be governed by
23 the AIDT Policy Manual, as amended from time to time with the
24 written approval of the Secretary of Commerce."

25 Section 10. Sections 16-66-1 to 16-66-8, inclusive,
26 as amended by Act 2014-16, 2014 Regular Session, of the Code
27 of Alabama 1975, are amended and renumbered as Division 4 of

1 Article 3 of Chapter 29 of Title 41, of the Code of Alabama
2 1975, to read as follows:

3 "Division 4. Alabama Workforce Council.

4 ~~"§16-66-1.~~ §41-29-290.

5 "The Alabama Workforce Council is ~~hereby created as~~
6 ~~an appointed group of state business and industry senior~~
7 ~~managers~~ continued in existence as a part of the Workforce
8 Development Division of the Department of Commerce. The
9 council is responsible for advising and supporting the
10 Chancellor of the Alabama Community College System, ~~and the~~
11 Superintendent of the Alabama Department of Education, ~~and the~~
12 Council of College and University Presidents. The Alabama
13 Workforce Council will serve as an advisory body in
14 formulating policies, developing innovative educational
15 workforce programming, and discussing issues critical to the
16 workforce development needs in the State of Alabama.
17 Furthermore, the council will promote, coordinate, and
18 collaborate across prekindergarten-12, two-year colleges,
19 four-year universities, and business and industry.

20 ~~"§16-66-2.~~ §41-29-291.

21 "The Alabama Workforce Council shall consist of the
22 following members and shall reflect the racial, gender,
23 geographic, urban and rural, and economic diversity of the
24 state:

25 "(1) Two members appointed by the Governor.

26 "(2) One member appointed by the Lieutenant
27 Governor.

1 "(3) One member appointed by the Speaker of the
2 House of Representatives.

3 "(4) One member appointed by the President Pro
4 Tempore of the Senate.

5 "(5) One member from each of the ~~following 10~~
6 regions that comprise the regional workforce development
7 councils of Alabama appointed by the Governor:.

8 "~~a. Region 1: Colbert, Franklin, Lauderdale,~~
9 ~~Lawrence, Marion, and Winston Counties.~~

10 "~~b. Region 2: Cullman, DeKalb, Jackson, Limestone,~~
11 ~~Madison, Marshall, and Morgan Counties.~~

12 "~~c. Region 3: Bibb, Fayette, Greene, Hale, Lamar,~~
13 ~~Pickens, and Tuscaloosa Counties.~~

14 "~~d. Region 4: Blount, Chilton, Jefferson, Shelby,~~
15 ~~St. Clair, and Walker Counties.~~

16 "~~e. Region 5: Calhoun, Etowah, Cherokee, Clay,~~
17 ~~Cleburne, Coosa, Randolph, Talladega, and Tallapoosa Counties.~~

18 "~~f. Region 6: Dallas, Marengo, Perry, Sumter, and~~
19 ~~Wilcox Counties.~~

20 "~~g. Region 7: Autauga, Butler, Crenshaw, Elmore,~~
21 ~~Lowndes, and Montgomery Counties.~~

22 "~~h. Region 8: Bullock, Chambers, Lee, Macon, and~~
23 ~~Russell Counties.~~

24 "~~i. Region 9: Baldwin, Choctaw, Clarke, Conecuh,~~
25 ~~Escambia, Mobile, Monroe, and Washington Counties.~~

26 "~~j. Region 10: Barbour, Coffee, Covington, Dale,~~
27 ~~Geneva, Henry, Houston, and Pike Counties.~~

1 "~~6~~ The ~~Director~~ Deputy Secretary of the ~~Governor's~~
2 ~~Office of Workforce Development~~ Division shall be an ex
3 officio member of the council but shall have no voting rights.

4 "(7) The Chancellor of the Alabama Community College
5 System shall be an ex officio member of the council, but shall
6 have no voting rights.

7 "(8) The State Superintendent of Education shall be
8 an ex officio member of the council, but shall have no voting
9 rights.

10 "(9) The Governor shall have the authority to
11 appoint additional members to the council when necessary.

12 "~~§16-66-3.~~ §41-29-292.

13 "The Deputy Secretary of the Workforce Development
14 Division ~~Secretary of Commerce~~ shall be responsible for the
15 administrative functions of the council, including, but not
16 limited to, the organization of meetings, preparing the annual
17 report, and other items as needed by the council.

18 "~~§16-66-4.~~ §41-29-293.

19 "The council shall meet within 30 days after the
20 appointment of the council membership and establish procedures
21 and other policies necessary to carry on the business of the
22 council, including the establishment of a quorum. The council
23 shall meet at least twice a year, but may meet more frequently
24 upon the call of the chair. Members of the council may
25 participate in a meeting of the council by means of conference
26 telephone, video conference, or similar communications
27 equipment by means of which all persons participating in the

1 meeting may hear each other at the same time. Participation by
2 such means shall constitute presence in person at a meeting
3 for all purposes, including the establishment of a quorum.

4 ~~"§16-66-5. §41-29-294.~~

5 "Members of the council shall serve at the pleasure
6 of the official responsible for designating the members, but
7 in no case shall the term of any member exceed four years. The
8 initial council members shall be appointed for terms from one
9 to four years and shall serve such staggered terms so that one
10 member may be appointed subsequently each year. Vacancies
11 shall be filled in the manner provided for the original
12 appointments. Persons appointed to fill vacancies shall serve
13 the unexpired portions of the terms.

14 ~~"§16-66-6. §41-29-295.~~

15 "The council shall report to the Governor, the
16 Legislature, the State Board of Education, and the Alabama
17 Council of College and University Presidents on its advisory
18 recommendations, if any, by January 31 of each year. The
19 council will also meet with the above mentioned groups, if
20 necessary, to discuss the recommendations in the report.

21 ~~"§16-66-7. §41-29-296.~~

22 "The members of the council shall not receive a
23 salary or per diem allowance for serving as members of the
24 council, but shall be entitled to reimbursement, from the
25 Department of Commerce for expenses incurred in the
26 performance of the duties of the office at the same rate
27 allowed state employees pursuant to general law.

1 ~~§16-66-8.~~ §41-29-297.

2 "The advisory duties and responsibilities of the
3 council shall include, but are not restricted to, the
4 following:

5 "(1) Review ways to streamline and align the
6 existing workforce development functions of the state.

7 "(2) Evaluate the best way to increase awareness and
8 educate students on available opportunities in industry
9 sectors.

10 "(3) Evaluate ways to create a feedback loop for
11 industry and education.

12 "(4) Evaluate private/public partnerships to create
13 industry-funded scholarship programs for community colleges,
14 vocational programs, and dual enrollment programs.

15 "(5) Evaluate the value of increasing the marketing
16 associated with career readiness and skilled craft trades.

17 "(6) Evaluate the standards for membership and
18 operations to the existing ~~10~~ regional workforce development
19 councils.

20 "(7) Evaluate and make recommendations to realign
21 the counties that comprise a regional council, as required to
22 meet the needs of employers."

23 Section 11. Division 5 (commencing with Section
24 41-29-300) is added to Article 3 of Chapter 29 of Title 41 of
25 the Code of Alabama 1975, to read as follows:

26 Division 5. Regional Workforce Development Councils.
27 §41-29-300.

1 (a) The Regional Workforce Development Councils are
2 hereby established as an appointed group of state business and
3 industry senior managers. The Regional Workforce Development
4 Councils shall be appointed from no less than six and no more
5 than 10 regions. The Deputy Secretary of the Workforce
6 Development Division of the Department of Commerce and the
7 Chancellor of the Alabama Community College System shall
8 jointly promulgate rules related to the establishment and
9 governance of these councils. The Deputy Secretary of the
10 Workforce Development Division of the Department of Commerce
11 shall follow the operating guidelines previously adopted by
12 the Workforce Development Division of the Alabama Community
13 College System (WDD/ACCS). The Regional Workforce Development
14 Councils shall provide a direct link to the workforce needs of
15 business and industry at the local level. The councils shall
16 be business-driven and business-led and work with their member
17 counties and shall develop a regional strategic plan and
18 comprehensive workforce development system that supports local
19 economic and job development activities.

20 (b) The Regional Workforce Development Councils
21 shall make funding recommendations for grant applications
22 submitted, based on the documented needs of the region as
23 identified in their strategic plans.

24 (c) Each council shall meet at least quarterly, but
25 may meet more frequently upon the call of the chair. Members
26 of each council may participate in a meeting of the council by
27 means of conference telephone, video conference, or similar

1 communications equipment by means of which all persons
2 participating in the meeting may hear each other at the same
3 time. Participation by such means shall constitute presence in
4 person at a meeting for all purposes, including the
5 establishment of a quorum.

6 (d) The objectives of the Regional Workforce
7 Development Councils are to:

8 (1) Promote a workforce development system in the
9 region through the development of communication strategies
10 among agencies and by advancing initiatives that support the
11 efficient and effective use of resources.

12 (2) Assess current and future workforce needs of
13 employers in the region. Establish a strategic plan to meet
14 capacity and skill development and training needs in the
15 region and ensure that the investment of public workforce
16 development funds are addressing priority needs in the region.

17 (3) Partner with workforce development service
18 providers, including the two-year colleges, or other workforce
19 development regions in planning and developing actions to
20 address specific workforce development priorities.

21 (4) Serve as a co-applicant for workforce
22 development funds requested through the WDD/ACCS.

23 (5) Monitor effectiveness of state-funded and
24 federally funded training projects in the region and the
25 impact on overall workforce and economic development.

1 (6) Assist in examining the service delivery
2 structure and coordination among entities providing workforce
3 development services in the region.

4 (7) Expand the resource base available for workforce
5 development in the region.

6 (8) Coordinate planning with economic developers and
7 elected officials to ensure that workforce development
8 strategies support economic development goals in the region.

9 (9) Serve as an advocate for high quality workforce
10 development activities in the region.

11 (10) Assist the WDD/ACCS in establishing practices
12 that ensure high quality training and services are provided in
13 the region. The Regional Workforce Development Councils will
14 utilize the WDD/ACCS as the provider of high quality training
15 and services, unless otherwise restricted by law, rule, or
16 regulation.

17 Section 12. Any law in direct conflict with this act
18 is repealed and Section 41-9-204 of the Code of Alabama 1975,
19 is expressly repealed.

20 Section 13. The Code Commissioner shall conform
21 references in the Code of Alabama 1975, to the offices,
22 departments, divisions, and other entities included in Chapter
23 29 of Title 41 of the Code of Alabama 1975, to reflect the
24 changes made by that chapter. Code changes, including amending
25 and renumbering existing code sections to be part of Chapter
26 29 to make conforming changes required to conform to the

1 substantive changes made in this act, shall be made at a time
2 determined to be appropriate by the Code Commissioner.

3 Section 14. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or its otherwise becoming law and shall become
6 operative in whole or in part on a date or dates determined by
7 the Secretary of Commerce but in any event no later than
8 October 1, 2016.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on State Government
..... 23-APR-15

Read for the second time and placed
on the calendar with 1 substitute
and 1 amendment..... 30-APR-15

Read for the third time and passed
as amended..... 07-MAY-15

Yeas 84, Nays 9, Abstains 1

Jeff Woodard
Clerk