

ACT No. 2015 - 450

1 HB554
2 168555-5
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



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ENROLLED, An Act,

Relating to the Department of Commerce; to transfer various departments, programs, duties, functions, boards, and committees of the Department of Economic and Community Affairs and the Department of Postsecondary Education to the Department of Commerce; to transfer certain property, employees, and appropriations to the Department of Commerce; to reorganize the newly constituted Department of Commerce and provide for its duties and functions; to amend and renumber Sections 41-9-201, 41-9-202, 41-9-202.1, and 41-9-203 as Article 1, Chapter 29, of Title 41 of; to add Section 41-29-5 to; to amend and renumber Sections 41-9-760 to 41-9-767, inclusive, as Division 1, Part 1, Article 2, Chapter 29 of Title 41 of; to add Part 2 to Division 3, Article 2, Chapter 29 of Title 41 of; to add Division 4 to Article 2, Chapter 29 of Title 41 of; to add Division 1 to Article 3, Chapter 29 of Title 41 of; to add Division 2 to Article 3, Chapter 29 of Title 41 of; to amend and renumber Sections 41-9-1080 to 41-9-1086, inclusive, as Division 3, Article 3, Chapter 29 of Title 41 of; to amend and renumber Sections 16-66-1 to 16-66-8, inclusive, as amended by Act 2014-16, 2014 Regular Session, as Division 4, Article 3, Chapter 29 of Title 41 of; to add Division 5 to Article 3, Chapter 29 of Title 41 of; to

1 amend and renumber Section 41-23-7; and to repeal Section
2 41-9-4, of the Code of Alabama 1975.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

7 Chapter 29. Department of Commerce

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

11 Article 1. General Provisions.

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

15 "~~§41-9-201.~~ §41-29-1.

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

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

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

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

22 "(b) On the effective date of the act adding this
23 amendatory language, the Department of Commerce shall be
24 comprised of the following divisions: The Business Development
25 Division and the Workforce Development Division. Each division

1 shall be headed by a deputy secretary who shall be appointed
2 by the Secretary of Commerce outside of the classified service
3 and who shall serve at the pleasure of the secretary at a
4 salary of any reasonable amount not to exceed by ten thousand
5 dollars (\$10,000) the highest authorized salary for employees
6 of the Department of Commerce who are subject to the Merit
7 System law. The deputy secretary of each division shall report
8 to the Secretary of Commerce.

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

12 "All economic development functions as defined in
13 subdivision (12) of Section 36-25-1 or otherwise engaged in by
14 any employee, department, agency, or body corporate in the
15 executive branch of the state shall be pre-approved by the
16 Secretary of Commerce or the Governor."

17 "(c)(d) The Governor may direct any state department
18 or other agency of state government directly under his or her
19 control and supervision to furnish the Department of Commerce
20 with such personnel, equipment, and services as are necessary
21 to enable it to carry out its responsibilities and duties and
22 prescribe the terms thereof, including reimbursement of costs
23 thereof.

24 "(e)(1) The Legislature finds and declares that the
25 Alabama Community College System consists of comprehensive

1 community and technical colleges and the Alabama Technology
2 Network, an effective workforce development initiative. The
3 Alabama Community College System provides a unified system of
4 institutions delivering excellence in academic education,
5 adult education, and workforce development initiatives that
6 are responsive to industry needs from highly specialized
7 training programs that help prepare entry level employees to
8 meet growing demands.

9 "(2) Notwithstanding any other provision of the act
10 adding this subsection, the Alabama Community College System
11 shall continue to provide a wide range of career-technical
12 courses and short-term training for job-specific
13 certifications.

14 ~~"§41-9-202. §41-29-2.~~

15 "(a) The Department of Commerce shall be the
16 principal staff agency of the executive branch to plan with
17 the other departments of state government and with other
18 governmental units for the comprehensive development of the
19 state's human, economic and physical resources and their
20 relevance for programs administered by the state and the
21 governmental structure required to put such programs into
22 effect. It shall provide information, assistance and staff
23 support by all appropriate means. The Department of Commerce
24 shall perform all the duties and exercise all the powers and
25 authority relative to state regional and local planning and

1 industrial development heretofore vested in the Alabama
 2 Development Office. All books, records, supplies, funds,
 3 equipment and personnel of the Alabama Development Office are
 4 also hereby transferred to the Department of Commerce.

5 "(b) All of the powers and authority heretofore
 6 vested in the Alabama Development Office and the Director of
 7 Development shall be vested in the Department of Commerce
 8 created by this ~~article~~ chapter and the Secretary of Commerce,
 9 respectively. A reference in any provision of law to the
 10 Alabama Development Office or the Director of Development
 11 shall be deemed a reference to the Department of Commerce and
 12 Secretary of Commerce, respectively.

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

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

19 "(2) To formulate, for approval by the Governor and
 20 the Legislature, long-range plans and policies for the orderly
 21 and coordinated growth of the state, including, but not
 22 limited to, functional plans.

23 "(3) To prepare special reports and make available
 24 the results of the agency's research, studies and other

1 activities through publications, memoranda, briefings, and
2 expert testimony.

3 "(4) To analyze the quality and quantity of services
4 required for the continued orderly and long-range growth of
5 the state, taking into consideration the relationship of
6 activities, capabilities, and future plans of local units of
7 government, area commissions, development districts, private
8 enterprise, and the state and federal governments.

9 "(5) To encourage the coordination of the planning
10 and programming activities of all state departments, agencies,
11 and institutions, local levels of government, and other public
12 and private bodies within the state.

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

15 "(7) To work with the state budget agency and other
16 state departments, agencies, and institutions to study and
17 review plans, programs and federal aid applications filed with
18 the federal government.

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

23 "(9) To apply for and accept advances, loans,
24 grants, contributions, and any other form of assistance from
25 the federal government, the state or other public body, or

1 from any sources, public or private, for the purposes of this
2 article and to enter into and carry out contracts or
3 agreements in connection therewith and to include in any
4 contract for financial assistance with the federal government
5 such conditions imposed pursuant to federal laws as it may
6 deem reasonable and appropriate and which are not inconsistent
7 with the purposes of this ~~article~~ chapter.

8 "(10) To review and comment on all local and
9 areawide applications for federal planning assistance or to
10 delegate such authority to a regional planning and development
11 commission.

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

15 "(d) The Department of Commerce is hereby authorized
16 to make grants from appropriations to regional planning and
17 development commissions which are certified to receive such
18 grants by the Governor under the provisions of Sections
19 11-85-50 through 11-85-55.

20 "~~§41-9-202.1~~ §41-29-3.

21 "(a) (1) The Secretary of Commerce shall be notified,
22 either orally or in writing, about the general parameters of a
23 project if an entity is considering locating or expanding a
24 facility at a site within this state and intends to claim any
25 of the incentives provided by the State of Alabama that are

1 described in subdivision (2). The required notification should
2 be made as soon as the project's parameters are generally
3 known or when a site or sites have been identified by an
4 investing entity or entities or a visit is made to the State
5 of Alabama by the entity or its representative. The initial
6 required notification may be made on an anonymous basis (i.e.,
7 "Project Alpha") in order to protect the confidentiality of a
8 proposed project. Upon timely notifying the secretary within
9 the time frame specified in this subdivision, the secretary
10 shall transmit a letter to the company or its representative
11 acknowledging receipt of the required notification (the
12 "notification acknowledgment letter").

13 "(2) The required notification set forth in
14 subdivision (1) applies to (i) capital investment credits
15 pursuant to Act 95-187, as amended; (ii) site preparation
16 grants pursuant to Act 91-635, as amended; (iii) funding for
17 access roads and bridges through the Alabama Industrial Access
18 Road and Bridge Corporation pursuant to Act 85-549, as
19 amended; (iv) training or other assistance from the Alabama
20 Industrial Development Training Program where the annual
21 expenditures of cash is estimated to be in excess of one
22 million dollars (\$1,000,000); and (v) any direct or indirect
23 cash payment for a project from the State of Alabama, whether
24 in the form of an in-kind contribution of a site, building, or
25 equipment, or otherwise.

1 "(b) All information concerning a proposed project
2 which is provided to the secretary and the Department of
3 Commerce shall be confidential. The secretary is authorized to
4 enter into a confidentiality agreement with a prospective
5 entity which prohibits the disclosure of the identity of the
6 prospective entity and any information obtained, whether
7 orally or in writing, about the entity's proposed project.

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

14 "(d) All applications to the State Industrial
15 Development Authority for site preparation grants pursuant to
16 Act 91-635, 1991 Regular Session, as last amended by Act
17 97-645, 1997 Regular Session, shall include the notification
18 acknowledgment letter from the secretary.

19 "(e) All applications to the Industrial Access Road
20 and Bridge Corporation for funding for access roads and
21 bridges shall include the notification acknowledgment letter
22 from the secretary.

23 "(f) All companies seeking training or other
24 assistance from the Alabama Industrial Development Training
25 Program shall file an application with the Secretary of

1 Commerce if the annual expenditure of cash is estimated to be
2 in excess of one million dollars (\$1,000,000). The application
3 shall include the notification acknowledgment letter from the
4 secretary. The secretary shall be responsible for reviewing,
5 coordinating, and processing each application. The secretary
6 shall have 30 days to process each application.

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

17 "~~§41-29-203.~~ §41-29-4.

18 "The Governor, in carrying out his or her
19 responsibilities under this ~~article~~ chapter, may establish
20 advisory committees or councils and appoint the members
21 thereof, who shall serve at his or her pleasure. Members shall
22 serve without compensation. The Governor shall designate the
23 chairmen and such other officers as he or she may deem
24 necessary for each advisory committee or council. Advisory
25 committees or councils established pursuant to this section

1 shall meet at the call of their chairmen or of the Secretary
2 of Commerce."

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

6 §41-29-5.

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

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

18 (2) The Workforce Development Division shall be
19 comprised of the following entities which shall report to the
20 ~~chief~~ Deputy Secretary of the division: The Workforce
21 Development Division and Workforce Investment Division of the
22 Department of Economic and Community Affairs, formerly Chapter
23 23 of Title 41, the Alabama Industrial Development and
24 Training Institute, formerly functioning pursuant to Sections
25 41-9-1080 to 41-9-1086, inclusive, and the Alabama Workforce

1 Council and the regional workforce councils of the Department
 2 of Postsecondary Education, formerly functioning pursuant to
 3 Sections 16-66-1 to 16-66-8, inclusive, and the Legislative
 4 Oversight Commission of the Alabama Department of Economic and
 5 Community Affairs, formerly functioning pursuant to Section
 6 41-23-7.

7 Any transfer of personnel, appropriations, funds, or
 8 property, real or personal from the Alabama Community College
 9 System to the Department of Commerce pursuant to this
 10 subdivision, shall be made with the cooperation and approval
 11 of the Chancellor and the Board of Trustees of the Alabama
 12 Community College System.

13 Section 5. Sections 41-9-760 to 41-9-767, inclusive,
 14 are amended and renumbered as Part 1 of Division 1 of Article
 15 2 of Chapter 29 of Title 41 of the Code of Alabama 1975, to
 16 read as follows:

17 "Article 2. Business Development Division.

18 "Division 1. Office of Small Business Advocacy.

19 "Part 1. Creation and General Operation.

20 "~~41-9-760.~~ §41-29-220.

21 "There is hereby created, within the Business
 22 Development Division of the Alabama ~~Development Office~~
 23 Department of Commerce, the Alabama Small Business Office of
 24 Advocacy for the purpose of aiding, counselling, assisting,
 25 and protecting, insofar as possible, the interests of small

1 business concerns in order to preserve free competitive
2 enterprise and maintain a healthy state economy; and to
3 provide information and assistance to citizens interested in
4 entering into commercial activity.

5 "~~§41-9-761.~~ §41-9-221.

6 "For purposes of this ~~article,~~ division, unless the
7 context otherwise requires, the following words and phrases
8 shall have the following meanings:

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

12 "~~(3)(2)~~ DIRECTOR. The Director of the Alabama Small
13 Business Office of Advocacy.

14 "~~(2)(3)~~ OFFICE. The Alabama Small Business Office of
15 Advocacy.

16 "~~(1)(4)~~ SMALL BUSINESS. A small business, as defined
17 in Section 25-10-3.

18 "~~§41-9-762.~~ 41-29-222.

19 "(a) The management of the office created by this
20 ~~article~~ division shall be vested in a director, who shall be
21 designated by the ~~director~~ deputy secretary of the ~~A.D.O.~~
22 division.

23 "(b) The ~~A.D.O. director~~ Secretary of Commerce may
24 assign other ~~A.D.O.~~ Department of Commerce employees or other
25 employees in the state Merit System and exempt positions in

1 the various executive branch departments to assist the
2 director for such periods of time as are necessary to enable
3 the director to carry out his or her responsibilities.

4 "~~§41-9-763.~~ §41-29-223.

5 "The duties and functions of the office shall
6 include all of the following:

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

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

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

16 "(4) Enlist the cooperation and assistance of public
17 and private agencies, businesses, and other organizations in
18 disseminating information about the programs and services
19 provided by state government which are of benefit to small
20 businesses, and information on how small businesses can
21 participate in, or make use of, those programs and services.

22 "(5) Evaluate the efforts of state agencies,
23 businesses, and industry to assist minority small business
24 enterprises, and make such recommendations as may be

1 appropriate to assist the development and strengthening of
 2 minority and other small business enterprises.

3 "(6) Consult with experts and authorities in the
 4 fields of small business investment, venture capital
 5 investment, and commercial banking and other comparable
 6 financial institutions involved in the financing of business,
 7 and with individuals with regulatory, legal, economic, or
 8 financial expertise, including members of the academic
 9 community, and individuals who generally represent the public
 10 interest.

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

14 "(8) To provide a center of information where a
 15 person interested in establishing a commercial facility or
 16 engaging in a commercial activity may be informed of any
 17 registration, license, or other approval of a state regulatory
 18 agency that is required for that facility or activity or of
 19 the existence of standards, criteria, or requirements which
 20 the laws of this state require that facility or activity to
 21 meet.

22 "~~§41-9-764.~~ §41-29-224.

23 "Each state agency which requires a permit, license,
 24 or other regulatory approval or maintains standards or

1 criteria with which an activity or facility must comply shall
2 inform the office of the following:

3 "(1) The activity or facility that is subject to
4 regulation.

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

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

8 "(4) The amount of any fees.

9 "(5) How to apply for any permits or regulatory
10 approvals.

11 "(6) A brief statement of the purpose of requiring
12 the permit or regulatory approval or requiring compliance with
13 the standards or criteria.

14 "~~§41-9-765.~~ §41-29-225.

15 "Each state agency shall promptly inform the office
16 of any changes in the information provided under this ~~article~~
17 division or the establishment of a new regulatory program. The
18 information provided to or disseminated by the office shall
19 not be binding upon the regulatory program of a state agency.

20 "~~§41-9-766.~~ §41-29-226.

21 "For the purpose of implementing the provisions of
22 this ~~article~~ division, the office shall establish a toll-free
23 telephone number.

24 "~~§41-9-767.~~ §41-29-227.

1 "Each agency of the state shall furnish to the
2 director such reports, documents, and information as the
3 director deems necessary to carry out his or her functions
4 under this ~~article~~ division. The office shall prepare and
5 submit a written annual report to the Governor and to the
6 Legislature, that describes the activities and recommendations
7 of the office.

8 Section 6. Part 2 (commencing with Section
9 41-29-240) is added to Division 1 of Article 2 of Chapter 29
10 of Title 41 of the Code of Alabama 1975, to read as follows:

11 Part 2. Alabama Small Business Commission and Small
12 Business Advisory Committee.

13 §41-29-240.

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

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

17 (1) Formulate policies encouraging innovation of
18 small business in the state.

19 (2) Discuss issues critical to the economic growth
20 of small, independent businesses and their interests that will
21 encourage the formation of and foster the growth of small
22 businesses in the state.

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

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

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

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

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

18 (2) One member appointed by the Governor from a list
19 of three names submitted by the Alabama Homebuilders
20 Association.

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

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

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

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

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

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

11 (9) One member appointed by the Governor from a list
12 of three names submitted by the Alabama Automobile Dealers
13 Association.

14 (10) One member appointed by the Governor from the
15 manufacturing sector.

16 (11) One member appointed by the Lieutenant Governor
17 from a list of three names submitted by the Alabama Forestry
18 Association.

19 (12) One at-large member appointed by the Lieutenant
20 Governor.

21 (13) One member appointed by the Speaker of the
22 House of Representatives from the service, hospitality, and
23 tourism sector.

24 (14) One member of the House of Representatives
25 appointed by the Speaker of the House of Representatives.

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

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

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

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

11 §41-29-241.

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

16 (b) The advisory committee shall be comprised of the
17 following members:

18 (1) The Commissioner of the Department of Revenue,
19 or his or her designee.

20 (2) The Commissioner of the Department of Labor, or
21 his or her designee.

22 (3) The Secretary of Commerce, or his or her
23 designee.

24 (4) A member representing the Alabama Association of
25 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.

1 Section 8. Article 3 (commencing with Section
2 41-29-260) is added to Chapter 29 of Title 41 of the Code of
3 Alabama 1975, to read as follows:

4 Article 3. Workforce Development Division.

5 Division 1. Workforce Programs.

6 §41-29-260.

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

21 Division 2. Workforce Investment.

22 §41-29-270.

23 The administration of Workforce Investment Board and
24 Local Workforce Investment Boards administered by the
25 Department of Economic and Community Affairs before the

1 effective date of the act adding this section is transferred
2 to the Workforce Development Division of the Department of
3 Commerce and, on the effective date of the act adding this
4 section, the boards shall be administered through the
5 Workforce Development Division of the department.

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

10 "Division 3. Alabama Industrial Development Training
11 Institute.

12 "~~§41-9-1080.~~ §41-29-280.

13 "The Legislature makes the following findings:

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

1 continuously funded through an annual line item in the
2 Education Trust Fund budget.

3 "(2) AIDT provides quality workforce development for
4 the new and expanding businesses in the state and expands the
5 opportunities of its citizens through the jobs these
6 businesses create.

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

13 "(4) AIDT's role in educating and training the
14 state's workforce is critical to the state's economic
15 development, job creation and retention, and AIDT's mission is
16 consistent with, and crucial to the success of, the projects,
17 and services of the Department of Commerce.

18 "~~§41-9-1001.~~ §41-29-281.

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

21 "(1) AIDT. The Alabama Industrial Development and
22 Training Institute.

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

25 "~~§41-9-1002.~~ §41-29-282.

1 "AITD shall operate ~~under the supervision and~~
2 ~~oversight of the Secretary~~ as a part of the Workforce
3 Development Division of the Department of Commerce. All of the
4 powers, authority, duties, functions, policies, and funds of,
5 and appropriations to, AITD previously conferred upon or
6 granted to AITD reporting to the State Board of Education
7 through the Division of Vocational-Technical Education or by
8 Alabama Executive Order No. 2012-31 are confirmed, ratified,
9 continued, transferred to, and vested in AITD. All contracts,
10 leases, grants, and agreements previously entered by AITD
11 shall continue in full force and effect without modification
12 or interruption by this restructuring. All property currently
13 owned by AITD shall continue to be the property of AITD. AITD
14 shall continue to be headed by the director, who shall be
15 appointed by the Secretary of Commerce and shall serve at his
16 or her pleasure. The powers, duties, and qualifications
17 required of the director shall be as set forth in the AITD
18 Policy Manual, as amended from time to time and approved by
19 the Secretary of Commerce.

20 "~~§41-9-1003.~~ §41-29-283.

21 "(a) AITD shall continue to be funded from the
22 Education Trust Fund and may receive any other funds
23 appropriated by the United States or the state. AITD shall
24 maintain accounts in its own name and shall make all of its
25 disbursements and payments directly from accounts maintained

1 outside the State Treasury rather than through state warrants.
2 Funds that have been allocated by AIDT under a project
3 agreement for workforce development shall not be transferred
4 to any other expenditure or for any other purpose without the
5 express written approval of the Secretary of Commerce. All
6 disbursements and payments by AIDT shall be subject to the
7 approval of the director as prescribed in the AIDT Policy
8 Manual as it may be amended from time to time with the
9 approval of the Secretary of Commerce.

10 "(b) Before the third legislative day of each
11 regular session of the Legislature AIDT shall provide to the
12 Chair of the House Ways and Means Education Fund Committee and
13 the Chair of the Senate Finance and Taxation Education
14 Committee a reconciled financial statement of the project
15 commitments and the actual expenditures on project commitments
16 for the preceding fiscal year.

17 "~~§41-9-1084.~~ §41-29-284.

18 "All individuals serving as employees of AIDT
19 immediately prior to ~~April 24, 2013~~ the effective date of the
20 act adding this language, shall remain employees of AIDT. The
21 salary and benefits of such AIDT employees shall not be
22 changed solely as a result of this ~~article~~ division. All AIDT
23 employees shall receive compensation determined by the
24 director and approved by the Secretary of Commerce and shall
25 continue to be exempt from the provisions of the state Merit

1 System Law and tenure laws with respect to the method of
2 selection, classification, compensation, and termination of
3 state employees. All AIDT employees shall remain subject to
4 the AIDT policies and procedures existing immediately prior to
5 ~~April 24, 2013~~ the effective date of the act adding this
6 language, unless and until such policies are modified or
7 amended by written amendment approved by the Secretary of
8 Commerce.

9 ~~"§41-9-1005. §41-29-285.~~

10 "All information concerning a proposed project which
11 is provided to the director and AIDT shall be confidential.
12 AIDT, through the director, is authorized to enter into a
13 confidentiality agreement or other contract provision with a
14 prospective entity considering locating or expanding within
15 the state which prohibits the disclosure by AIDT or any of its
16 employees or contractors of the identity of the prospective
17 entity and any information obtained, whether orally or in
18 writing, by such persons about the entity's proposed project.
19 Further, AIDT, through the director as approved by the
20 Secretary of Commerce, is authorized to enter into a
21 confidentiality agreement or other contract provision with a
22 prospective entity who is considering locating or expanding or
23 has relocated or expanded within the state to reasonably
24 protect trade secrets or other confidential business
25 information of such entity. Such confidentiality agreement or

1 other contract provision shall not otherwise limit the
 2 disclosure under applicable open records laws of public
 3 documents which describe the nature, quantity, cost, or other
 4 pertinent information related to the activities of, or
 5 services performed by, AIDT.

6 ~~"§41-9-1086. §41-29-286.~~

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

11 Section 10. Sections 16-66-1 to 16-66-8, inclusive,
 12 as amended by Act 2014-16, 2014 Regular Session, of the Code
 13 of Alabama 1975, are amended and renumbered as Division 4 of
 14 Article 3 of Chapter 29 of Title 41, of the Code of Alabama
 15 1975, to read as follows:

16 "Division 4. Alabama Workforce Council.

17 ~~"§16-66-1. §41-29-290.~~

18 "The Alabama Workforce Council is ~~hereby created as~~
 19 ~~an appointed group of state business and industry senior~~
 20 ~~managers~~ continued in existence as a part of the Workforce
 21 Development Division of the Department of Commerce. The
 22 council is responsible for advising and supporting the
 23 Chancellor of the Alabama Community College System, and the
 24 Superintendent of the Alabama Department of Education, and the
 25 Council of College and University Presidents. The Alabama

1 Workforce Council will serve as an advisory body in
2 formulating policies, developing innovative educational
3 workforce programming, and discussing issues critical to the
4 workforce development needs in the State of Alabama.

5 Furthermore, the council will promote, coordinate, and
6 collaborate across prekindergarten-12, two-year colleges,
7 four-year universities, and business and industry.

8 ~~"§16-66-2. §41-29-291.~~

9 "The Alabama Workforce Council shall consist of the
10 following members and shall reflect the racial, gender,
11 geographic, urban and rural, and economic diversity of the
12 state:

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

14 "(2) One member appointed by the Lieutenant
15 Governor.

16 "(3) One member appointed by the Speaker of the
17 House of Representatives.

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

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

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

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

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

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

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

9 ~~"f. Region 6: Dallas, Marengo, Perry, Sumter, and~~
10 ~~Wilcox Counties.~~

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

13 ~~"h. Region 8: Bullock, Chambers, Lee, Macon, and~~
14 ~~Russell Counties.~~

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

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

19 ~~"(6) The Director Deputy Secretary of the Governor's~~
20 ~~Office of Workforce Development Division shall be an ex~~
21 ~~officio member of the council but shall have no voting rights.~~

22 ~~"(7) The Chancellor of the Alabama Community College~~
23 ~~System shall be an ex officio member of the council, but shall~~
24 ~~have no voting rights.~~

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

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

6 "~~§16-66-3.~~ §41-29-292.

7 "The Deputy Secretary of the Workforce Development
8 Division Secretary of Commerce shall be responsible for the
9 administrative functions of the council, including, but not
10 limited to, the organization of meetings, preparing the annual
11 report, and other items as needed by the council.

12 "~~§16-66-4.~~ §41-29-293.

13 "The council shall meet within 30 days after the
14 appointment of the council membership and establish procedures
15 and other policies necessary to carry on the business of the
16 council, including the establishment of a quorum. The council
17 shall meet at least twice a year, but may meet more frequently
18 upon the call of the chair. Members of the council may
19 participate in a meeting of the council by means of conference
20 telephone, video conference, or similar communications
21 equipment by means of which all persons participating in the
22 meeting may hear each other at the same time. Participation by
23 such means shall constitute presence in person at a meeting
24 for all purposes, including the establishment of a quorum.

25 "~~§16-66-5.~~ §41-29-294.

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

10 "~~§16-66-6.~~ §41-29-295.

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

17 "~~§16-66-7.~~ §41-29-296.

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

24 "~~§16-66-8.~~ §41-29-297.

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

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

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

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

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

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

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

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

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

25 Division 5. Regional Workforce Development Councils.

1 §41-29-300.

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

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

1 (c) Each council shall meet at least quarterly, but
2 may meet more frequently upon the call of the chair. Members
3 of each council may participate in a meeting of the council by
4 means of conference telephone, video conference, or similar
5 communications equipment by means of which all persons
6 participating in the meeting may hear each other at the same
7 time. Participation by such means shall constitute presence in
8 person at a meeting for all purposes, including the
9 establishment of a quorum.

10 (d) The objectives of the Regional Workforce
11 Development Councils are to:

12 (1) Promote a workforce development system in the
13 region through the development of communication strategies
14 among agencies and by advancing initiatives that support the
15 efficient and effective use of resources.

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

21 (3) Partner with workforce development service
22 providers, including the two-year colleges, or other workforce
23 development regions in planning and developing actions to
24 address specific workforce development priorities.

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

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

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

9 (7) Expand the resource base available for workforce
10 development in the region.

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

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

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

22 Section 12. Section 41-23-7, Code of Alabama 1975,
23 is amended and renumbered to read as follows:

24 "~~§41-23-7.~~ 41-29-400.

1 "(a) There is hereby created the Department of
 2 Economic and Community Affairs Legislative Oversight
 3 Commission of the Workforce Development Division to consist of
 4 the Chairman and Deputy Chairman of the Senate Committee on
 5 Finance and Taxation, three members of the Senate to be
 6 appointed by the Lieutenant Governor, the Chairman and
 7 Vice-chairman of the House Ways and Means Committee, and three
 8 members of the House of Representatives to be appointed by the
 9 Speaker of the House.

10 "(b) The commission shall hold an organizational
 11 meeting within 30 days after this bill is enacted the
 12 effective date of the act adding this amendatory language, and
 13 shall elect a chairman and vice-chairman from among its
 14 members. Thereafter, the commission shall meet at least two
 15 times annually, and additional meetings shall be held at the
 16 call of the chairman or upon the request of six or more
 17 members. Such meetings shall be held with the Director of the
 18 Department of Economic and Community Affairs Workforce
 19 Development Division in attendance.

20 "(c) The commission shall adopt its own rules of
 21 procedure for the transaction of business, and a majority of
 22 the members present shall constitute a quorum for the purpose
 23 of transacting business or performing authorized duties.

24 "(d) Each member of the commission shall be entitled
 25 to his or her regular legislative compensation and per diem

1 and travel expenses for each day he or she attends a meeting
2 or conducts business of the commission, and such compensation
3 and expenses shall be paid from the funds appropriated for the
4 use of the Legislature.

5 "(e) The commission shall monitor and evaluate the
6 management and operations of the ~~Department of Economic and~~
7 ~~Community Affairs~~ Workforce Development Division, shall
8 recommend to the Legislature the enactment of such laws
9 respecting the ~~Department of Economic and Community Affairs~~
10 Workforce Development Division as the commission shall deem
11 desirable, and shall submit a written report on the
12 operations, finances and grants made by the ~~Department of~~
13 ~~Economic and Community Affairs~~ Workforce Development Division
14 during each regular session of the Alabama Legislature."

15 Section 13. Any law in direct conflict with this act
16 is repealed and Section 41-9-204 of the Code of Alabama 1975,
17 is expressly repealed.

18 Section 14. The Code Commissioner shall conform
19 references in the Code of Alabama 1975, to the offices,
20 departments, divisions, and other entities included in Chapter
21 29 of Title 41 of the Code of Alabama 1975, to reflect the
22 changes made by that chapter. Code changes, including amending
23 and renumbering existing code sections to be part of Chapter
24 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 15. 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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Speaker of the House of Representatives



President and Presiding Officer of the Senate

House of Representatives

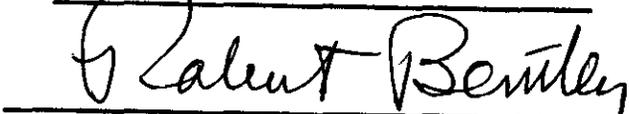
I hereby certify that the within Act originated in
and was passed by the House 07-MAY-15.

Jeff Woodard
Clerk

Senate	04-JUN-15	Amended and Passed
House	04-JUN-15	Concurred in Senate Amendment

APPROVED 6-11-2015

TIME 9:00 AM


GOVERNOR

Alabama Secretary Of State

Act Num.....: 2015-450
Bill Num....: H-554

Recv'd 06/11/15 01:20pmSLF

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HOUSE ACTION

I HEREBY CERTIFY THAT THE RESOLUTION AS REQUIRED IN SECTION C OF ACT NO. 81-889 WAS ADOPTED AND IS ATTACHED TO THE BILL, H.B. 554
YEAS 81 NAYS 6
JEFF WOODARD, Clerk

I HEREBY CERTIFY THAT THE NOTICE & PROOF IS ATTACHED TO THE BILL, H.B. _____ AS REQUIRED IN THE GENERAL ACTS OF ALABAMA, 1975 ACT NO. 919.
JEFF WOODARD, Clerk

CONFERENCE COMMITTEE
House Conferees _____

SENATE ACTION

DATE: 5-12 2015
RD 1 RFD F.R.S.

This Bill was referred to the Standing Committee of the Senate on FRED and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report w/amend(s) _____ w/sub _____ by a vote of years 12 nays 0 abstain 0 this 20 day of MAY 2015
F _____, Chairperson

DATE: 5-21 2015
RF FAV RD 2 CAL

DATE: _____ 2015
RE-REFERRED RE-COMMITTED
Committee _____

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, HB 557
YEAS 30 NAYS 0
PATRICK HARRIS, Secretary