

1 HB554  
2 167941-1  
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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SYNOPSIS:            This bill would transfer certain functions of the Department of Economic and Community Affairs and the Department of Postsecondary Education to the Department of Commerce. This bill would reorganize the functions of certain boards, committees, and programs within the Department of Commerce.

                      This bill would reorganize the Department of Commerce into two divisions: The Business Development Division and the Workforce Development Division. The bill would provide for the duties and functions of the newly constituted Department of Commerce. This bill would also transfer certain property, records, employees, and appropriations to the Department of Commerce. The bill also would create the Alabama Small Business Commission and the Alabama Small Business Advisory Commission as part of the department.

1                   This bill would also transfer and repeal  
2                   various sections of the Code of Alabama 1975, to  
3                   reflect the new organization of the department.  
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5                   A BILL  
6                   TO BE ENTITLED  
7                   AN ACT  
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9                   Relating to the Department of Commerce; to transfer  
10                  various departments, programs, duties, functions, boards, and  
11                  committees of the Department of Economic and Community Affairs  
12                  and the Department of Postsecondary Education to the  
13                  Department of Commerce; to transfer certain property,  
14                  employees, and appropriations to the Department of Commerce;  
15                  to reorganize the newly constituted Department of Commerce and  
16                  provide for its duties and functions; to amend and renumber  
17                  Sections 41-9-201, 41-9-202, 41-9-202.1, and 41-9-203 as  
18                  Article 1, Chapter 29, of Title 41 of; to add Section 41-29-5  
19                  to; to amend and renumber Sections 41-9-760 to 41-9-767,  
20                  inclusive, as Division 1, Part 1, Article 2, Chapter 29 of  
21                  Title 41 of; to add Part 2 to Division 3, Article 2, Chapter  
22                  29 of Title 41 of; to add Division 4 to Article 2, Chapter 29  
23                  of Title 41 of; to add Division 1 to Article 3, Chapter 29 of  
24                  Title 41 of; to add Division 2 to Article 3, Chapter 29 of  
25                  Title 41 of; to amend and renumber Sections 41-9-1080 to  
26                  41-9-1086, inclusive, as Division 3, Article 3, Chapter 29 of  
27                  Title 41 of; to amend and renumber Sections 16-66-1 to

1 16-66-8, inclusive, as amended by Act 2014-16, 2014 Regular  
2 Session, as Division 4, Article 3, Chapter 29 of Title 41 of;  
3 to add Division 5 to Article 3, Chapter 29 of Title 41 of; and  
4 to repeal Section 41-9-4, of the Code of Alabama 1975.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

9 Chapter 29. Department of Commerce

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

13 Article 1. General Provisions.

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

17 "~~§41-9-201.~~ §41-29-1.

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

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

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

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

17 "~~§41-9-202.~~ §41-29-2.

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

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

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

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

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

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

24 "(3) To prepare special reports and make available  
25 the results of the agency's research, studies and other  
26 activities through publications, memoranda, briefings, and  
27 expert testimony.

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

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

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

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

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

21           "(9) To apply for and accept advances, loans,  
22 grants, contributions, and any other form of assistance from  
23 the federal government, the state or other public body, or  
24 from any sources, public or private, for the purposes of this  
25 article and to enter into and carry out contracts or  
26 agreements in connection therewith and to include in any  
27 contract for financial assistance with the federal government

1 such conditions imposed pursuant to federal laws as it may  
2 deem reasonable and appropriate and which are not inconsistent  
3 with the purposes of this ~~article~~ chapter.

4 "(10) To review and comment on all local and  
5 areawide applications for federal planning assistance or to  
6 delegate such authority to a regional planning and development  
7 commission.

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

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

16 "~~§41-9-202.1~~ §41-29-3.

17 "(a) (1) The Secretary of Commerce shall be notified,  
18 either orally or in writing, about the general parameters of a  
19 project if an entity is considering locating or expanding a  
20 facility at a site within this state and intends to claim any  
21 of the incentives provided by the State of Alabama that are  
22 described in subdivision (2). The required notification should  
23 be made as soon as the project's parameters are generally  
24 known or when a site or sites have been identified by an  
25 investing entity or entities or a visit is made to the State  
26 of Alabama by the entity or its representative. The initial  
27 required notification may be made on an anonymous basis (i.e.,

1 "Project Alpha") in order to protect the confidentiality of a  
2 proposed project. Upon timely notifying the secretary within  
3 the time frame specified in this subdivision, the secretary  
4 shall transmit a letter to the company or its representative  
5 acknowledging receipt of the required notification (the  
6 "notification acknowledgment letter").

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

20 "(b) All information concerning a proposed project  
21 which is provided to the secretary and the Department of  
22 Commerce shall be confidential. The secretary is authorized to  
23 enter into a confidentiality agreement with a prospective  
24 entity which prohibits the disclosure of the identity of the  
25 prospective entity and any information obtained, whether  
26 orally or in writing, about the entity's proposed project.

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

7           "(d) All applications to the State Industrial  
8 Development Authority for site preparation grants pursuant to  
9 Act 91-635, 1991 Regular Session, as last amended by Act  
10 97-645, 1997 Regular Session, shall include the notification  
11 acknowledgment letter from the secretary.

12           "(e) All applications to the Industrial Access Road  
13 and Bridge Corporation for funding for access roads and  
14 bridges shall include the notification acknowledgment letter  
15 from the secretary.

16           "(f) All companies seeking training or other  
17 assistance from the Alabama Industrial Development Training  
18 Program shall file an application with the Secretary of  
19 Commerce if the annual expenditure of cash is estimated to be  
20 in excess of one million dollars (\$1,000,000). The application  
21 shall include the notification acknowledgment letter from the  
22 secretary. The secretary shall be responsible for reviewing,  
23 coordinating, and processing each application. The secretary  
24 shall have 30 days to process each application.

25           "(g) An application must be filed with the secretary  
26 before any direct or indirect cash payments are expended for a  
27 project from the State of Alabama, whether the payment is in

1 the form of an in-kind contribution of a site, building,  
2 equipment, or otherwise. The application shall include the  
3 notification acknowledgment letter from the secretary. The  
4 secretary shall be responsible for reviewing, coordinating,  
5 processing, and approving each application for direct or  
6 indirect cash payments and shall have 30 days to approve or  
7 deny each application.

8 ~~"§41-29-203. §41-29-4.~~

9 "The Governor, in carrying out his or her  
10 responsibilities under this ~~article~~ chapter, may establish  
11 advisory committees or councils and appoint the members  
12 thereof, who shall serve at his or her pleasure. Members shall  
13 serve without compensation. The Governor shall designate the  
14 chairmen and such other officers as he or she may deem  
15 necessary for each advisory committee or council. Advisory  
16 committees or councils established pursuant to this section  
17 shall meet at the call of their chairmen or of the Secretary  
18 of Commerce."

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

22 §41-29-5.

23 On the effective date of the act adding this  
24 section, the Department of Commerce shall be reorganized into  
25 two divisions that shall have the functions prescribed as  
26 follows:

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

8 (2) The Workforce Development Division shall be  
9 comprised of the following entities which shall report to the  
10 chief of the division: The Workforce Development Division and  
11 Workforce Investment Division of the Department of Economic  
12 and Community Affairs, formerly Chapter 23 of Title 41, the  
13 Alabama Industrial Development and Training Institute,  
14 formerly functioning pursuant to Sections 41-9-1080 to  
15 41-9-1086, inclusive, and the Alabama Workforce Council and  
16 the regional workforce councils of the Department of  
17 Postsecondary Education, formerly functioning pursuant to  
18 Sections 16-66-1 to 16-66-8, inclusive.

19 Section 5. Sections 41-9-760 to 41-9-767, inclusive,  
20 are amended and renumbered as Part 1 of Division 1 of Article  
21 2 of Chapter 29 of Title 41 of the Code of Alabama 1975, to  
22 read as follows:

23 "Article 2. Business Development Division.

24 "Division 1. Office of Small Business Advocacy.

25 "Part 1. Creation and General Operation.

26 ~~"§41-9-760.~~ §41-29-220.

1           "There is hereby created, within the Business  
2 Development Division of the Alabama Development Office  
3 Department of Commerce, the Alabama Small Business Office of  
4 Advocacy for the purpose of aiding, counselling, assisting,  
5 and protecting, insofar as possible, the interests of small  
6 business concerns in order to preserve free competitive  
7 enterprise and maintain a healthy state economy; and to  
8 provide information and assistance to citizens interested in  
9 entering into commercial activity.

10           "~~§41-9-761.~~ §41-9-221.

11           "For purposes of this ~~article~~, division, unless the  
12 context otherwise requires, the following words and phrases  
13 shall have the following meanings:

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

17           "~~(3)~~ (2) DIRECTOR. The Director of the Alabama Small  
18 Business Office of Advocacy.

19           "~~(2)~~ (3) OFFICE. The Alabama Small Business Office of  
20 Advocacy.

21           "~~(1)~~ (4) SMALL BUSINESS. A small business, as defined  
22 in Section 25-10-3.

23           "~~§41-9-762.~~ 41-29-222.

24           "(a) The management of the office created by this  
25 ~~article~~ division shall be vested in a director, who shall be  
26 designated by the ~~director~~ chief of the ~~A.D.O~~ division.

1           "(b) The ~~A.D.O. director~~ Secretary of Commerce may  
2 assign other ~~A.D.O. Department of Commerce~~ employees or other  
3 employees in the state Merit System and exempt positions in  
4 the various executive branch departments to assist the  
5 director for such periods of time as are necessary to enable  
6 the director to carry out his or her responsibilities.

7           "~~§41-9-763. §41-29-223.~~

8           "The duties and functions of the office shall  
9 include all of the following:

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

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

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

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

25           "(5) Evaluate the efforts of state agencies,  
26 businesses, and industry to assist minority small business  
27 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  
25 criteria with which an activity or facility must comply shall  
26 inform the office of the following:

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

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

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

6           "(4) The amount of any fees.

7           "(5) How to apply for any permits or regulatory  
8 approvals.

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

12           "~~§41-9-765.~~ §41-29-225.

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

18           "~~§41-9-766.~~ §41-29-226.

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

22           "~~§41-9-767.~~ §41-29-227.

23           "Each agency of the state shall furnish to the  
24 director such reports, documents, and information as the  
25 director deems necessary to carry out his or her functions  
26 under this ~~article~~ division. The office shall prepare and  
27 submit a written annual report to the Governor and to the

1 Legislature, that describes the activities and recommendations  
2 of the office.

3 Section 6. Part 2 (commencing with Section  
4 41-29-240) is added to Division 1 of Article 2 of Chapter 29  
5 of Title 41 of the Code of Alabama 1975, to read as follows:

6 Part 2. Alabama Small Business Commission and Small  
7 Business Advisory Committee.

8 §41-29-240.

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

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

12 (1) Formulate policies encouraging innovation of  
13 small business in the state.

14 (2) Discuss issues critical to the economic growth  
15 of small, independent businesses and their interests that will  
16 encourage the formation of and foster the growth of small  
17 businesses in the state.

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

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

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

25 (c) The commission shall be chaired by an appointee  
26 of the Governor, who shall be a voting member. The Director of  
27 the Business Development Division shall be responsible for the

1 administrative functions of the commission including, but not  
2 limited to, the organization of meetings, preparing the annual  
3 reports, and other items as needed by the commission. The  
4 commission shall be composed of the following members who  
5 shall serve a term of two years with the option of being  
6 reappointed to one additional term by their appointing  
7 authority:

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

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

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

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

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

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

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

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

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

4           (10) One member appointed by the Governor from the  
5 manufacturing sector.

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

9           (12) One at-large member appointed by the Lieutenant  
10 Governor.

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

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

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

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

20           (d) To the extent possible, the commission members  
21 shall be small business owners representing businesses with 50  
22 or fewer employees.

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

26           §41-29-241.

1           (a) The Alabama Small Business Advisory Committee is  
2 created and shall serve as a technical and informational  
3 source to the Alabama Small Business Commission. The chair of  
4 the commission shall also serve as chair of the committee.

5           (b) The advisory committee shall be comprised of the  
6 following members:

7           (1) The Commissioner of the Department of Revenue,  
8 or his or her designee.

9           (2) The Commissioner of the Department of Labor, or  
10 his or her designee.

11           (3) The Secretary of Commerce, or his or her  
12 designee.

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

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

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

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

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

23           (9) A representative of the two-year college system,  
24 appointed by the Governor.

25           (10) Additional members as the Governor deems  
26 necessary.

1 (c) The advisory committee shall meet at the call of  
2 the chair.

3 Section 7. Division 3 (commencing with Section  
4 41-29-250) is added to Article 2 of Chapter 29 of Title 41 of  
5 the Code of Alabama 1975, to read as follows:

6 Division 3. International Trade.

7 §41-29-250.

8 On the effective date of the act adding this  
9 section, all functions performed by the Department of Economic  
10 and Community Affairs administering international trade  
11 policies and programs are transferred to the Department of  
12 Commerce and shall be administered by the division.

13 Section 8. Article 3 (commencing with Section  
14 41-29-260) is added to Chapter 29 of Title 41 of the Code of  
15 Alabama 1975, to read as follows:

16 Article 3. Workforce Development Division.

17 Division 1. Workforce Programs.

18 §41-29-260.

19 All of the workforce programs administered by the  
20 Department of Economic and Community Affairs before the  
21 effective date of the act adding this section shall be  
22 transferred to the Department of Commerce and administered by  
23 the Workforce Development Division of the Department of  
24 Commerce including, but not limited to, programs administered  
25 through the federal Workforce Investment Act, Alabama Career  
26 Centers, Incumbent Worker Training Program, On-the-Job  
27 Training Program, Individual Training Account, Rapid Response

1 Team, youth programs, eligible training provider list, Mentor  
2 Alabama, the Alabama Community Partnership for Recovery and  
3 Reentry, National Emergency Grant-Occupational Skills Training  
4 for Dislocated Workers, and the Alabama Disability Employment  
5 Initiative.

6 Division 2. Workforce Investment.

7 §41-29-270.

8 The administration of Workforce Investment Board and  
9 Local Workforce Investment Boards administered by the  
10 Department of Economic and Community Affairs before the  
11 effective date of the act adding this section is transferred  
12 to the Workforce Development Division of the Department of  
13 Commerce and, on the effective date of the act adding this  
14 section, the boards shall be administered through the  
15 Workforce Development Division of the department.

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

20 "Division 3. Alabama Industrial Development Training  
21 Institute.

22 "~~§41-9-1080.~~ §41-29-280.

23 "The Legislature makes the following findings:

24 "(1) The Alabama Industrial Development and Training  
25 Institute, hereinafter AIDT, was established in fiscal year  
26 1970-1971 as a contract program reporting to the State Board  
27 of Education through the Division of Vocational-Technical

1 Education. In 1976, the State Board of Education adopted a  
2 resolution approving the establishment of AIDT as a mobile  
3 training institute, appointed a director, established staff  
4 positions and salary schedules, and mandated personnel  
5 procedures for the staff identical to those with technical  
6 colleges. AIDT continued operating under the Department of  
7 Postsecondary Education when the Legislature established the  
8 department and position of Chancellor. AIDT has been  
9 continuously funded through an annual line item in the  
10 Education Trust Fund budget.

11 "(2) AIDT provides quality workforce development for  
12 the new and expanding businesses in the state and expands the  
13 opportunities of its citizens through the jobs these  
14 businesses create.

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

21 "(4) AIDT's role in educating and training the  
22 state's workforce is critical to the state's economic  
23 development, job creation and retention, and AIDT's mission is  
24 consistent with, and crucial to the success of, the projects,  
25 and services of the Department of Commerce.

26 "~~§41-9-1081.~~ §41-29-281.

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

3 "(1) AIDT. The Alabama Industrial Development and  
4 Training Institute.

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

7 "~~§41-9-1082.~~ §41-29-282.

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

27 "~~§41-9-1083.~~ §41-29-283.

1           "(a) AIDT shall continue to be funded from the  
2 Education Trust Fund and may receive any other funds  
3 appropriated by the United States or the state. AIDT shall  
4 maintain accounts in its own name and shall make all of its  
5 disbursements and payments directly from accounts maintained  
6 outside the State Treasury rather than through state warrants.  
7 Funds that have been allocated by AIDT under a project  
8 agreement for workforce development shall not be transferred  
9 to any other expenditure or for any other purpose without the  
10 express written approval of the Secretary of Commerce. All  
11 disbursements and payments by AIDT shall be subject to the  
12 approval of the director as prescribed in the AIDT Policy  
13 Manual as it may be amended from time to time with the  
14 approval of the Secretary of Commerce.

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

22           "~~§41-9-1084.~~ §41-29-284.

23           "All individuals serving as employees of AIDT  
24 immediately prior to ~~April 24, 2013~~ the effective date of the  
25 act adding this language, shall remain employees of AIDT. The  
26 salary and benefits of such AIDT employees shall not be  
27 changed solely as a result of this ~~article~~ division. All AIDT

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

12 ~~"§41-9-1085. §41-29-285.~~

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

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

7 ~~"§41-9-1086. §41-29-286.~~

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

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

17 "Division 4. Alabama Workforce Council.

18 ~~"§16-66-1. §41-29-290.~~

19 "The Alabama Workforce Council is ~~hereby created as~~  
20 ~~an appointed group of state business and industry senior~~  
21 ~~managers~~ continued in existence as a part of the Workforce  
22 Development Division of the Department of Commerce. The  
23 council is responsible for advising and supporting the  
24 Chancellor of the Alabama Community College System and the  
25 Superintendent of the Alabama Department of Education. The  
26 Alabama Workforce Council will serve as an advisory body in  
27 formulating policies, developing innovative educational

1 workforce programming, and discussing issues critical to the  
2 workforce development needs in the State of Alabama.

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

6 ~~"§16-66-2. §41-29-291.~~

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

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

12 "(2) One member appointed by the Lieutenant  
13 Governor.

14 "(3) One member appointed by the Speaker of the  
15 House of Representatives.

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

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

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

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

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

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

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

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

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

9                   ~~"h. Region 8: Bullock, Chambers, Lee, Macon, and~~  
10 ~~Russell Counties.~~

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

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

15                   ~~"(6) The Director Chief of the Governor's Office of~~  
16 ~~Workforce Development Division shall be an ex officio member~~  
17 ~~of the council but shall have no voting rights.~~

18                   ~~"(7) The Governor shall have the authority to~~  
19 ~~appoint additional members to the council when necessary.~~

20                   ~~"§16-66-3. §41-29-292.~~

21                   ~~"The Chief of the Workforce Development Division~~  
22 ~~Secretary of Commerce shall be responsible for the~~  
23 ~~administrative functions of the council, including, but not~~  
24 ~~limited to, the organization of meetings, preparing the annual~~  
25 ~~report, and other items as needed by the council.~~

26                   ~~"§16-66-4. §41-29-293.~~

1           "The council shall meet within 30 days after the  
2 appointment of the council membership and establish procedures  
3 and other policies necessary to carry on the business of the  
4 council, including the establishment of a quorum. The council  
5 shall meet at least twice a year, but may meet more frequently  
6 upon the call of the chair. Members of the council may  
7 participate in a meeting of the council by means of conference  
8 telephone, video conference, or similar communications  
9 equipment by means of which all persons participating in the  
10 meeting may hear each other at the same time. Participation by  
11 such means shall constitute presence in person at a meeting  
12 for all purposes, including the establishment of a quorum.

13           "~~§16-66-5.~~ §41-29-294.

14           "Members of the council shall serve at the pleasure  
15 of the official responsible for designating the members, but  
16 in no case shall the term of any member exceed four years. The  
17 initial council members shall be appointed for terms from one  
18 to four years and shall serve such staggered terms so that one  
19 member may be appointed subsequently each year. Vacancies  
20 shall be filled in the manner provided for the original  
21 appointments. Persons appointed to fill vacancies shall serve  
22 the unexpired portions of the terms.

23           "~~§16-66-6.~~ §41-29-295.

24           "The council shall report to the Governor, the  
25 Legislature, the State Board of Education, and the Alabama  
26 Council of College and University Presidents on its advisory  
27 recommendations, if any, by January 31 of each year. The

1 council will also meet with the above mentioned groups, if  
2 necessary, to discuss the recommendations in the report.

3 ~~"§16-66-7. §41-29-296.~~

4 "The members of the council shall not receive a  
5 salary or per diem allowance for serving as members of the  
6 council, but shall be entitled to reimbursement, from the  
7 Department of Commerce for expenses incurred in the  
8 performance of the duties of the office at the same rate  
9 allowed state employees pursuant to general law.

10 ~~"§16-66-8. §41-29-297.~~

11 "The advisory duties and responsibilities of the  
12 council shall include, but are not restricted to, the  
13 following:

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

16 "(2) Evaluate the best way to increase awareness and  
17 educate students on available opportunities in industry  
18 sectors.

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

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

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

1           "(6) Evaluate the standards for membership and  
2 operations to the existing ~~10~~ regional workforce development  
3 councils.

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

7           Section 11. Division 5 (commencing with Section  
8 41-29-300) is added to Article 3 of Chapter 29 of Title 41 of  
9 the Code of Alabama 1975, to read as follows:

10           Division 5. Regional Workforce Development Councils.  
11           §41-29-300.

12           (a) The Regional Workforce Development Councils are  
13 hereby established as an appointed group of state business and  
14 industry senior managers. The Regional Workforce Development  
15 Councils shall be appointed from no less than six and no more  
16 than 10 regions. Rules related to the establishment and  
17 governance of these councils shall be promulgated by the  
18 Director of the Workforce Development Division within the  
19 Department of Commerce. The Director of the Workforce  
20 Development Division of the Department of Commerce shall  
21 follow the operating guidelines previously adopted by the  
22 Workforce Development Division of the Alabama Community  
23 College System (WDD/ACCS). The Regional Workforce Development  
24 Councils shall provide a direct link to the workforce needs of  
25 business and industry at the local level. The councils shall  
26 be business-driven and business-led and work with their member  
27 counties and shall develop a regional strategic plan and

1 comprehensive workforce development system that supports local  
2 economic and job development activities.

3 (b) The Regional Workforce Development Councils  
4 shall make funding recommendations for grant applications  
5 submitted, based on the documented needs of the region as  
6 identified in their strategic plans.

7 (c) The objectives of the Regional Workforce  
8 Development Councils are to:

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

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

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

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

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

1           (6) Assist in evaluating 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 policies  
12 and practices that ensure high quality training and services  
13 are provided in the region.

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

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

1                   Section 14. This act shall become effective on  
2           January 1, 2016, following its passage and approval by the  
3           Governor, or its otherwise becoming law.