SB268
197836-4

By Senators Orr, Waggoner, Reed, Smitherman, Coleman-Madison, Roberts, Singleton, Melson, Stutts, Givhan, Livingston and Scofield

RFD: Fiscal Responsibility and Economic Development

First Read: 09-APR-19
SYNOPSIS: Currently, the Port of Mobile is managed by the Alabama State Port Authority; however, there is no state agency responsible for facilitating and coordinating the development of Alabama's inland ports and waterways.

This bill provides for the allocation of funds to the Alabama Department of Economic and Community Affairs to facilitate growth in the state’s system of inland ports and transfer facilities and for the coordination of a transportation system for inland waterways.

A BILL TO BE ENTITLED
AN ACT

To authorize the transfer of additional motor fuel excise taxes to the Alabama Department of Economic and Community Affairs; and to authorize the Alabama Department of Economic and Community Affairs to facilitate and coordinate
the development, improvement, maintenance, and construction of inland ports and transfer facilities within the state.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. The Legislature finds and declares all of the following:

(a) That inland ports are physical sites located away from traditional coastal borders with the vision to facilitate and process domestic and international trade through strategic investment in multi-modal transportation assets and by promoting value-added services as goods move through the supply chains;

(b) That the development of inland ports and other transfer facilities has been a growing trend for the past 30 years, and the southeastern United States is an area of increased interest in entities wanting to create networks of strategically placed facilities throughout each state.

(c) That the support of inland ports or transfer facilities are an added benefit to the State of Alabama.

(d) That an inland port or intermodal transfer facility would have the added benefit of reducing truck traffic along the federal and state highways of Alabama, especially through metropolitan areas, and would reduce greenhouse emissions from heavy freight carriers.

(e) That a rail based inland port has three basic requirements enabling it to fulfill a relevant commercial role: the ability to serve as an intermodal terminal, host logistics activities, and be a corridor to a gateway.
(f) That the passing of Act 2019-2, 2019 First Special Session, provided eleven million seven hundred sixty thousand dollars ($11,760,000) as a pledge for bonds issued to finance improvements to the Mobile Ship Channel providing access to the facilities of the Alabama State Docks, combined with the recent completion of the Panama Canal expansion, should lead to greater imports and exports for the State of Alabama and infrastructure enhancements are needed to handle the increased volume of freight traffic.

(g) It is the intention of the Legislature to authorize the transfer of funds to the Alabama Department of Economic and Community Affairs from the additional motor fuel excise taxes deposited into the Rebuild Alabama Fund pursuant to Act 2019-2, 2019 First Special Session, to facilitate and improve the system of inland ports and intermodal transfer facilities in the state.

Section 2. When used in this act, the following words and phrases shall have the following respective meanings unless the context clearly indicates otherwise:

(1) INLAND PORTS. Inland ports are physical sites located away from traditional land, air and coastal borders with the vision to facilitate and process international and domestic trade through strategic investment in multi-modal transportation assets and by promoting value-added services as goods move through the supply chain.

(2) INTERMODAL FACILITY. A transportation element that accommodates and interconnects different modes of
transportation and serves intrastate, interstate, and
international movement of people and goods, and facilitates
the movement of goods on two or more modes, involving either
direct transfer or intermediate storage.

(3) PORT FACILITY. Any publicly owned inland port
through which cargo is transported by way of waterborne ship,
barge, or railroad, to or from destinations inside or outside
this state and which handles cargo owned by third parties.

Section 3. (a) Ten million dollars ($10,000,000) of
the additional motor fuel excise tax authorized pursuant to
Act 2019-2, 2019 First Special Session, shall be transferred
from the Rebuild Alabama Fund to the Alabama Department of
Economic and Community Affairs to establish a grant program to
facilitate and coordinate inland port and transfer facility
development, improvement, maintenance, onsite storage,
moorings, and construction.

(b) Upon transfer the monies shall be kept in a
separate fund and shall be subject to audit by the Examiners
of Public Accounts in the same manner as all other department
funds. Any monies allocated shall be carried forward to
subsequent fiscal years if not already encumbered and shall
not revert to the state treasury.

Section 4. (a) The Inland Ports and Intermodal
Development Fund is created within the Alabama Department of
Economic and Community Affairs to receive transfers from the
Rebuild Alabama Fund for the purpose of financing improvements
to existing publicly-owned inland ports and intermodal
facility infrastructure. Funding for the grant program shall be awarded on a competitive basis for inland port and intermodal facility projects that will have a significant local or regional impact. Priority of funding shall be given to inland ports and intermodal facilities that have proven performance in reducing congestion on public highways, proven performance to increase tonnage at port facilities, and that will enhance regional competitiveness for port operators and users. The minimum participation for local funds is 20 percent of the project amount.

(b) To receive funds under this article, an inland port or intermodal facility shall file an application with the Department describing how the funds will be used and any other information the Department may require. No application shall be approved, or funds distributed unless the expenditure of funds are:

(1) Directly related to capital improvements, dredging for project development, including economic development, or the rebuilding or rehabilitation of basic waterway and port infrastructure and not for routine maintenance, administrative, or operational expenses; or

(2) For a project or use directly related to intermodal infrastructure development; or

(3) For a purpose outside the normal operating budget of an inland port or intermodal infrastructure facility or a river-related community.
(c) The use of funding to establish or construct new inland ports, or to acquire land shall not be eligible for funding unless a feasibility study and competitive analysis has been performed and submitted for review to the Department.

Section 5. (a) This article shall not apply nor have any effect on any state agency currently having control over local port or infrastructure commissions or authorities.

(b) This article shall not change any existing laws that apply to any existing port or infrastructure commission or authority, or to powers presently provided for conducting and developing the water transportation industry, and all such existing laws are hereby expressly preserved and shall not be preempted by this article.

(c) No provision of this article shall be construed to authorize any diversion from local port or infrastructure commissions or authorities of fees, funds, donations, grants, or monies to which the commission or authorities are otherwise entitled.

(d) The Alabama State Port Authority, including its inland ports, is expressly exempt from the purview of this article.

Section 6. The Department shall promulgate rules, regulations, restrictions, and eligibility requirements as are necessary to implement and administer the provisions of this bill.
Section 7. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.