

1 SB268
2 197836-4
3 By Senators Orr, Waggoner, Reed, Smitherman, Coleman-Madison,
4 Roberts, Singleton, Melson, Stutts, Givhan, Livingston and
5 Scofield
6 RFD: Fiscal Responsibility and Economic Development
7 First Read: 09-APR-19

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8 SYNOPSIS: Currently, the Port of Mobile is managed by
9 the Alabama State Port Authority; however, there is
10 no state agency responsible for facilitating and
11 coordinating the development of Alabama's inland
12 ports and waterways.

13 This bill provides for the allocation of
14 funds to the Alabama Department of Economic and
15 Community Affairs to facilitate growth in the
16 state's system of inland ports and transfer
17 facilities and for the coordination of a
18 transportation system for inland waterways.

19
20 A BILL
21 TO BE ENTITLED
22 AN ACT
23

24 To authorize the transfer of additional motor fuel
25 excise taxes to the Alabama Department of Economic and
26 Community Affairs; and to authorize the Alabama Department of
27 Economic and Community Affairs to facilitate and coordinate

1 the development, improvement, maintenance, and construction of
2 inland ports and transfer facilities within the state.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

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

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

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

24 (e) That a rail based inland port has three basic
25 requirements enabling it to fulfill a relevant commercial
26 role: the ability to serve as an intermodal terminal, host
27 logistics activities, and be a corridor to a gateway.

1 (f) That the passing of Act 2019-2, 2019 First
2 Special Session, provided eleven million seven hundred sixty
3 thousand dollars (\$11,760,000) as a pledge for bonds issued to
4 finance improvements to the Mobile Ship Channel providing
5 access to the facilities of the Alabama State Docks, combined
6 with the recent completion of the Panama Canal expansion,
7 should lead to greater imports and exports for the State of
8 Alabama and infrastructure enhancements are needed to handle
9 the increased volume of freight traffic.

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

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

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

26 (2) INTERMODAL FACILITY. A transportation element
27 that accommodates and interconnects different modes of

1 transportation and serves intrastate, interstate, and
2 international movement of people and goods, and facilitates
3 the movement of goods on two or more modes, involving either
4 direct transfer or intermediate storage.

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

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

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

23 Section 4. (a) The Inland Ports and Intermodal
24 Development Fund is created within the Alabama Department of
25 Economic and Community Affairs to receive transfers from the
26 Rebuild Alabama Fund for the purpose of financing improvements
27 to existing publicly-owned inland ports and intermodal

1 facility infrastructure. Funding for the grant program shall
2 be awarded on a competitive basis for inland port and
3 intermodal facility projects that will have a significant
4 local or regional impact. Priority of funding shall be given
5 to inland ports and intermodal facilities that have proven
6 performance in reducing congestion on public highways, proven
7 performance to increase tonnage at port facilities, and that
8 will enhance regional competitiveness for port operators and
9 users. The minimum participation for local funds is 20 percent
10 of the project amount.

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

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

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

24 (3) For a purpose outside the normal operating
25 budget of an inland port or intermodal infrastructure facility
26 or a river-related community.

1 (c) The use of funding to establish or construct new
2 inland ports, or to acquire land shall not be eligible for
3 funding unless a feasibility study and competitive analysis
4 has been performed and submitted for review to the Department.

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

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

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

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

22 Section 6. The Department shall promulgate rules,
23 regulations, restrictions, and eligibility requirements as are
24 necessary to implement and administer the provisions of this
25 bill.

1 Section 7. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.