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***INCENTIVIZING
PROSPERITY***

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When considering the top issues that Alabamians care about, economic development and job creation consistently rank at the top of the list. This legislative session, our state's leaders have the opportunity to renew the Alabama Jobs Act and Growing Alabama legislation, signifying these top issues are a key priority. Since 2015, the Alabama Jobs Act has played a role in recruiting 217 projects to the state and creating 38,500 new jobs, but will sunset in July 2023 without additional legislative action. There is no question that renewing and enhancing this legislation is a win-win for Alabamians. Growing Alabama's economy through increased incentives and industry expansion is imperative to keeping our state as the best state to live and work for our citizens.

The Joint Legislative Study Commission on Economic Development Incentives has reviewed and studied the legislation in order to provide thorough recommendations for the potential next iteration of these Acts. The Commission approved and provided state leadership with

more than a dozen recommendations that would make the state more attractive to industry. Those recommendations emphasize and support the legislative prioritizing of these incentives from Governor Kay Ivey's administration.

ENHANCING ECONOMIC OPPORTUNITY AND INNOVATION:

One of the recommendations from the Commission asserts that expanding economic opportunity across more people, industries and areas of the state should be a significant focus for the legislation. Supporting our state's veterans, women, and minorities by ensuring they each have a seat at the table is crucial as we work to strategically grow and strengthen Alabama's economy. Additionally, our competitive incentives will allow Alabama to attract advanced manufacturing, research and development, medical, and new technology companies.

"We've used the Alabama Jobs Act and other incentives laws time and time again. That packet of legislation is an irreplaceable ingredient in our region's recipe for economic development success,"

said Huntsville Mayor Tommy Battle. "Those programs were vital in recruiting our new industrial development partners in recent years. Most prominently, the incentives helped secure Mazda Toyota Manufacturing – a joint venture from two of the world's most innovative automakers – and its more than 4,000 jobs for North Alabama. Renewing and enhancing this legislation is absolutely essential. It will ensure Alabama remains competitive with our neighbor states in our efforts to bring in new jobs and industry."

Renewing incentives legislation is important for our state's developing technology community. The current success of the tech industry in Alabama shows that we have a talented and motivated workforce that entrepreneurs and employers can utilize. This legislation enables us to expand entrepreneurship, drive economic growth and transform the state into a hub for technology and innovation. Projects taking place in Alabama are proving to make a major impact both in individual industries and across the nation.

INCREASING THE INCENTIVES CAP:

The current incentives cap that Alabama can offer businesses is \$350 million, a ceiling that we're quickly approaching. Per the Commission's recommendation, increasing the cap on incentives the state can offer will further allow Alabama to compete not only across the Southeast but across the country.



legislation increasing the incentives cap for existing and future businesses to keep our state as the best place to do business.”

An important element of the economic development incentives is that they are “pay as you go,” meaning they are only given to companies when they perform

see and support the economic development for their livelihood and for generations to come.

PRIORITIZING SITE DEVELOPMENT:

The Commission identified the need to increase the state’s number of megasites to lure more industry and create additional jobs for our state. Currently, Alabama is facing a crisis with a very small number of 1,000-acre megasites still available for development. We must re-invest and generate more industry megasites for companies to be able to locate here and hire hardworking Alabamians.

Companies want to come here, and it is our responsibility to make sure that we have sites for them to build their businesses in Alabama. Our neighbors are investing millions into preparing megasites. For example, Kentucky is spending \$100 million on megasites, and Tennessee is spending \$45 million. Alabama must do more. To keep Alabama competitive, we need our sites to be shovel-ready, and investing in these sites is essential for our state’s continued economic growth.

More sites lead to more

“WE’VE USED THE ALABAMA JOBS ACT AND OTHER INCENTIVES LAWS TIME AND TIME AGAIN. THAT PACKET OF LEGISLATION IS AN IRREPLACEABLE INGREDIENT IN OUR REGION’S RECIPE FOR ECONOMIC DEVELOPMENT SUCCESS.”

- TOMMY BATTLE, MAYOR OF HUNTSVILLE

An increased incentives cap will attract new investments and create new jobs in our great state.

“Nothing is more critical during this legislative session than renewing tax incentives,” says Bill Bailey, CEO of Radiance Technologies. “As an Alabama CEO, I see firsthand that these incentives drive our state forward. In this upcoming session, I’m hopeful that the Alabama legislature passes

and produce revenue. Companies don’t get these dollars if they don’t perform, so the investment is safe and proven to benefit.

In an effort to increase transparency and public support, all past and future recipients of incentives will be made public, so taxpayers can feel confident in how their tax dollars are spent. These business incentives and investments in our state will be transparent to taxpayers to ensure Alabamians



higher paying jobs for our citizens. Through the Jobs Act, Alabamians make more money. Jobs created through the Act provide 36% higher wages than our citizens' average median wage.

"Incentives legislation drives higher hourly wages creating a better quality of life for hard-working Alabamians," said Mobile Mayor Sandy Stimpson. "The Jobs Act and the Growing Alabama Act have positively impacted Mobile and our state by stimulating the economy and creating thousands of jobs. Tax incentives are crucial to staying



in front of our competition in the fight to bring high-tech, high-paying jobs to Alabama."

The Alabama Jobs Act and Growing Alabama legislation has been a key element in the state's strategic efforts to spur new investment and job growth in rural areas. Since

2015, 56 projects generating \$4.3 billion in capital investment and over 6,000 jobs for rural areas have been supported by the Jobs Act. In 2021, there were three projects in targeted, rural counties receiving Jobs Act support, and they will bring \$148 million in new investment and 162 jobs to the area. While these numbers are great, they are just the beginning. The recommendations provided by the Commission outline the attainable steps to bring Alabama to the front of the pack. With the renewal and enhancement of the Alabama Jobs Act and Growing Alabama legislation, Alabama will continue to thrive and be the premier state to start and keep your business. **BA**

"NOTHING IS MORE CRITICAL DURING THIS LEGISLATIVE SESSION THAN RENEWING TAX INCENTIVES."

- BILL BAILEY, CEO OF RADIANCE TECHNOLOGIES

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