

PUBLICATION

Alabama Legislative Update - Week 5: Continued Focus on Economic Development

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Economic development in Alabama, particularly low income areas, received more legislative support this week. On Tuesday, the Alabama House passed a bill by a 75-22 vote that would provide tax credits to businesses that invest in or locate in low income or impoverished areas. The bill is aimed at helping cities deal with abandoned buildings and vacated property; improving urban and rural communities; and helping create construction jobs. To companies that invest in impoverished areas, the bill would offer an 8.3% tax credit per year for up to six years. The bill now goes to the Senate for consideration.

Because Tuesday marked the tenth legislative day, the Alabama Senate, as required by law, took up 26 "sunset bills." The performance of certain executive agencies, commissions and boards are reviewed by the legislature every four years. If the legislature does not pass legislation continuing these groups, they are abolished, or "sunsetting."

Democrats, as expected, filibustered to slow down the process and burn critical legislative hours. The Republican super majority, however, was able to use a procedural motion to set aside the sunset bills temporarily and pass three general bills before adjournment. Sunset legislation will be back on the floor for consideration when they return next week.

Despite the delay, the Senate passed SB 139 by Senator Clay Scofield. This bill would limit the civil liability of a contractor for work performed on a highway, road, bridge or street, including repairs, construction or maintenance on behalf of the Alabama Department of Transportation (ALDOT), the county or local government, unless it is shown by a preponderance of evidence that physical injury, property damage or death is caused by the contractor's performance or inability of the contractor to recognize a dangerous condition.

On Wednesday, the Senate Health Committee approved SB 283, sponsored by Senator Cam Ward. This bill would require health benefit plans to include coverage for treatment of Autism Spectrum Disorder for children age nine or under. That same day, the Senate Health Committee also approved SB 198, by Senator Vivian Figures, the pervasive ban of smoking in public places, including bars, restaurants, hotels and motels, stores, schools and sports arenas. The bill includes fines of as much as \$50 per smoking violation, and a 15-foot restriction from smoking around banned locations. The bill now goes to the full Senate after a unanimous vote in committee.

SB 342, sponsored by Senator Phil Williams, would codify case law as it relates to a real property owner's duty of care to certain trespassers on his property. Under existing law, a land possessor owes no duty of care to a trespasser, except in very narrow and well-defined circumstances. The legislation would preempt courts from adopting a more liberal provision that would expand trespassers' rights to sue land possessors by imposing a broad new duty on land possessors to exercise reasonable care for all entrants on their land, including unwanted trespassers. This bill passed unanimously out of the Senate Agriculture, Conservation and Forestry Committee.

The Senate Finance and Taxation-Education Committee approved HB 39, which was already passed by the House. The bill would provide tax incentives for job creation in the aircraft industry by providing an exemption

from sales and use taxes on parts, components and systems that are incorporated into the refurbishment of certified military, governmental or commercial transport aircraft or rotary wing aircraft.

On Thursday, the House adopted a ten-minute calendar (each bill has ten minutes to pass or it is carried over) and passed 16 non-controversial bills.

The Alabama State Public Policy Team will continue to monitor all proposed and pending legislation and maintain a presence in the State House throughout the legislative session.