

PUBLICATION

Alabama Legislative Update - Week 4: Getting Down to Business

February 11, 2014

In The Alabama Senate

The Alabama Senate is required to vote on sunset legislation by the tenth legislative day and, under current procedures, each sunset bill has to be individually considered by the Senate. Tuesday was the tenth legislative day and was filled with debate by Senators speaking at length on the three bills, which had to be acted on, before any other bills could be considered. The Senate voted approvals of **SB 133**, **SB 134** and **SB 135**, all sponsored by Senator Paul Bussman, (R – Cullman). Respectively, the bills extend the Department of Insurance and Public Service Commission through 2016, and the State Board of Podiatry through 2017. More information is available below regarding related legislation dealing with the overall sunset bill approval process (see the last item in the "Senate Committee Action" section).

In one of the more lively Senate debates this session, Senators passed an amended **SB 36, also known as the Revolving Door Act**, sponsored by Senate President Pro Tem Del Marsh, (R – Anniston), which bans lawmakers from lobbying either chamber of the legislature for two years after they depart; bans the Governor and members of the Governor's family from lobbying four years after they leave; further regulates lawmakers' access to tickets to sporting events; extends the ban on "double-dipping" to family members of lawmakers and prohibits the employers of state officials from contributing to their employees' campaigns. The original intent of the bill was to close a lobbying loophole, but it came out of the Senate on Tuesday as a sweeping piece of legislation addressing everything from the Governor's activities after leaving office to obtaining tickets to, for example, Alabama and Auburn football games. The Senate approved an amendment by Senator Hank Sanders, (D – Selma), to significantly expand the original bill language. The 33 to 0 vote on Thursday came after the sponsor warned that the changes could undermine the bill's original intent and that he may seek changes in the House, where the legislation will be considered next in the Ethics and Campaign Finance Committee.

Senate Committee Action

The Senate Children, Youth Affairs and Human Resources Committee approved **SB 87** by Senator Bryan Taylor, (R – Prattville), proposing that Alabama not seek waivers from work requirements for able-bodied adults with no dependents in the food stamp program. The work requirements portion of the law has been in place since Congress passed welfare reform in 1996. Alabama and other states have received waivers from the requirements since Congress passed the stimulus bill in 2009 in response to the recession. The bill is now in position to be considered by the full senate.

The Senate Finance and Taxation – General Fund Committee approved **SB 267** by Senate President Pro Tempore Del Marsh, (R – Anniston), to give a one-time pension bonus to retired state employees of \$2 for each month of a retiree's state service. For example, a retiree who worked 25 years would receive \$600. Pro Tem Marsh pointed out that \$2 per month was "about as much as the state can afford" when Senator Roger Bedford, (D – Russellville), offered an amendment to double the bonus to \$4 per month. The Senate takes up the measure next.

The Senate Finance and Taxation – General Fund Committee approved **HB 48, The Adoption Tax Credit Act**, by Rep. Paul Lee, (R – Dothan), which provides a \$1,000 tax credit for families who adopt a child in Alabama through the state's foster care program or through a private adoption agency in Alabama. The House previously passed this bill and with committee approval, it is now positioned for final legislative action when voted on in the Senate.

The Senate Job Creation and Economic Development Committee favorably reported **HB 108** by Representative Greg Wren, (R – Montgomery). **The Business Personal Property Streamlining Act** instructs the Department of Revenue to create an online electronic filing system that will allow businesses to electronically file annual business personal property tax returns at no charge to the taxpayer or to the taxing jurisdiction. It also provides that a ten-member, state-local advisory committee, including local tax officials and representatives from the business community, be appointed to review the design and operation of the new online filing system.

The Senate Finance and Taxation – Education Committee approved **SB 71** by Senator Paul Sanford, (R – Huntsville), to exempt income tax payments on health savings account contributions similar to the federal government exemption. The bill now goes to the Senate.

The Senate Judiciary Committee approved **SB 174** by Senator Paul Sanford, (R – Huntsville), to legalize cannabidiol (CBD), an oil-derived extract from marijuana plants for certain medical treatments. The bill would allow parents of children with certain neurological and epileptic disorders to possess CBD, which does not produce any intoxicating effects. The bill further provides a defense of necessity when a defendant has been diagnosed, by a physician, as having a debilitating medical condition and the possession of the extract CBD is likely to provide therapeutic or palliative relief to the condition. The bill goes to the Senate. The House companion bill, **HB 174** is sponsored by Representative Mike Ball, (R – Madison). He is a well-respected former state trooper and served in the Major Crimes Unit of the Alabama Bureau of Investigation. Parents of afflicted children have been requesting legislative action, and this week they were in Montgomery to push for approval of the legislation.

The Senate Governmental Affairs Committee voted 6 for, 3 against and 1 abstention and passed **SB 16** by Senator Phil Williams, (R – Cherokee), approving **The Legislative Economy Act**. If enacted, it would change the current procedures for the review and approval process for continuing scores of state boards, agencies and commissions. Currently, the Sunset Committee recommends individual bills to the Senate dealing with whether or not to continue each state entity in whole or in part. The bill would allow the Senate to vote on an omnibus sunset bill that includes entities that are to be continued as they are, together in a single bill. The bill sponsor stated, "We need to make better use of the 'legislative economy' that members must deal with: a limited time in which to make a lot of decisions." Minority party members have used the sunset process to stall legislation since the sheer number of boards, commissions and agencies having to be continued by Senate approval allows the overall legislative process to grind to a halt if just a few Senators want to use the process for unrelated matters. The committee's action sends the bill to the full Senate. If enacted, this legislation will reduce the amount of time spent listening to Senators "filibustering."

In The Alabama House of Representatives

Returning to normal after a week dominated by winter weather, representatives passed several pieces of legislation:

HB 25, sponsored by Representative Kurt Wallace, (R – Maplesville), would limit liabilities for landowners who allow motorized, off-road vehicle activities on their properties. This bill was transmitted to the Senate where it was assigned to the Judiciary Committee.

HB 19, sponsored by Representative Paul DeMarco, (R – Homewood), would require the State Auditor to develop and maintain a searchable inventory database of all state personal property for each department and agency and is now in the Senate Fiscal Responsibility and Accountability Committee.

HB 20, sponsored by Representative Paul DeMarco, (R – Homewood), would require the Revenue Department to develop and maintain an inventory of all facilities and lands owned, leased, rented or maintained by any agency of the state.

HB 93, sponsored by Representative Steve McMillan, (R – Bay Minette), would require animal shelters to report the total number of animals that have entered the facility and the disposition of the animals, and to make that report available to the public. The Senate Agriculture, Conservation and Forestry Committee will now consider this proposal.

HB 33, sponsored by Representative Bill Poole, (R – Northport), would authorize police to arrest someone without warrant under certain conditions for trespassing on the property of an education institution. The Senate Judiciary Committee will next act on this bill.

HB 26, sponsored by Representative Mary Sue McClurkin, (R – Pelham), proposes a Constitutional Amendment that would prohibit unfunded mandates for school boards unless enacted by a two-thirds vote of the Legislature. The Senate Constitution, Campaign Finance, Ethics and Elections Committee will now debate the bill. In the same week the House Education Policy Committee approved the Senate companion bill, **SB 7** by Senator Dick Brewbaker, (R – Pike Road), and it is ready for full House action. Once either SB 7 or HB 26 is enacted, voters will see the Constitutional Amendment on their General Election ballot in November.

HB 71, sponsored by Representative Howard Sanderford, (R – Huntsville), would remove the requirement to publish certain lists of registered voters, inspectors, clerks and election notices in newspapers. The bill would also require that information be posted on the website of the county or Association of County Commissioners and that a display advertisement identifying where those lists and notices are available be published in the newspaper of general circulation in the county. If enacted, this proposal will save considerable taxpayer dollars being used to publish the information. The Senate Constitution, Campaign Finance, Ethics and Elections Committee will now debate the bill.

House Committee Action

The Alabama Future Workforce Initiative Act, HB 384 by Representative Mac Buttram, (R – Cullman) passed on a voice vote Thursday in the House Ways and Means Education Committee. The legislation, that now goes to the full House for consideration, would authorize limited tax credits for personal or corporate donations to a dual-enrollment scholarship program for high school students who take career-technical courses at two-year schools. The legislation would cap the scholarship fund at \$10 million, an amount that would allow 9,542 new students to participate in Alabama's dual-enrollment program. In 2013, only 2,100 students, or 6.7 percent of the eligible 31,500 students, could participate. Business Council of Alabama CEO Billy Canary issued a statement in support of the program during the public hearing on the bill, "Through career-technical dual enrollment, students are ready to transition seamlessly into Alabama's workforce in a high-paying, high-demand job – in less than two years," Canary said. "Creating a scholarship program to increase the number of Alabama students who can participate in dual enrollment is a no-brainer."

The House Technology and Research Committee gave approval to an amended **SB 121 The Anti-Patent Trolling Infringement Act**, by Senator Arthur Orr (R – Decatur). The bill prevents so-called patent trolls from exploiting businesses by asserting a claim of patent infringement. The term "patent troll" commonly refers to Patent Assertion Entities (PAEs), or groups that acquire broadly-worded patents with the goal of suing other

companies for illegally infringing on those patents. This bill prohibits a person or company from asserting a claim of patent infringement in bad faith and provides for investigation and prosecution. The amendment clarifies and strengthens the role of the Attorney General. The bill now goes to the full House.

The House Commerce and Small Business Committee approved both the Senate and House versions of The Alabama Workforce Council bill. **SB 217** by Senator Paul Bussman, (R – Cullman), and **HB 34** by Representative Terri Collins, (R – Decatur), would provide for the creation of a 16-member Alabama Workforce Council to be comprised of senior officers from business and industry as proposed by Governor Bentley in his recent State of the State Address. The council will advise state officials on how to best coordinate the state's workforce functions, how to increase awareness of industry career opportunities and how to enhance ongoing programs that provide qualified trainees and workers for newly created jobs in the state. Either of the two bills will be enacted if the full House agrees with the Senate, which previously approved the measure.

The House Ways and Means-General Fund Committee approved the governor's recommendation to provide a cost-of-living raise to state employees of up to four percent, with the raise conditioned on the state taking in more revenue than expected. **HB 367** by Representative Steve Clouse, (R – Ozark) now goes to the full House.

Federal Court Rules Against AEA

On Wednesday, a federal appeals court ruled in favor of Alabama lawmakers, throwing out a three-year-old lawsuit that had protected the primary source of funding for the Alabama Education Association (AEA). Passed by the Alabama Legislature in 2010, the law said no taxpayer money should be used for the automatic collection of dues from a government employee by a membership organization that uses any portion of the dues for political activity. AEA challenged the law in federal court in 2011, arguing the state ban violated the free speech and equal protection provisions of the U.S. Constitution and that AEA was discriminated against based on its political beliefs. The ruling from the 11th Circuit Court of Appeals in Atlanta concluded that the 2010 law does not prohibit private forms of payment and does not infringe on free speech. The court's decision means state law now blocks the state teachers union and other political organizations from receiving dues through payroll deduction.

Special Election Results

Two new Republicans were elected to the Alabama House of Representatives last Tuesday in special elections to complete the terms of Representative Jim Barton, (R – Mobile), who resigned his seat to become a Montgomery lobbyist and Representative Barry Mask, (R – Wetumpka), who resigned his seat when named CEO of the Alabama Association of REALTORS. Replacing the incumbents are Representative Margie Wilcox, (R – Mobile), and Representative Mike Holmes, (R – Redland). Both Representatives were sworn in by Speaker of the House Mike Hubbard, (R – Auburn), on Thursday, February 6, 2014. They have qualified for the June 3 primary election and the general election on November 4, 2014 for terms ending in 2018.

Representative Wilcox won election with 90.5 percent of the vote in Mobile House District 104. She is the owner of Mobile Bay Transportation, Pensacola Bay Transportation and Yellow Cab.

Representative Holmes won with 57 percent of the vote in the portions of Elmore County and Coosa County in District 31. He is a retiree and timber farmer.

In a low-turnout Democratic primary runoff in Birmingham, Anthony "Alann" Johnson defeated Arthur Shores Lee in Jefferson County District 53 with about 56 percent of the vote, setting up an April 1 Special Election with

Republican Willie "W.A." Casey. The winner of that race replaces longtime Representative Demetrius Newton Jr., who died in September.

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.