

# PUBLICATION

---

## Alabama Legislative Update - Week 8: Steady Movement in Both Houses as Session Moves Towards Close

March 11, 2014

There are eight legislative days remaining in the 2014 Session. Everyone in Montgomery who is involved in the annual legislative process, or who watches it, is talking about the unusual "spirit" in both Chambers this year. Unlike previous years, there have been very few harsh words exchanged on the floor and certainly not daily as has been the case in the past.

In a meeting this week, House Majority Leader Micky Hammon, R-Decatur, discussed the new level of legislator behavior and respect. Rep. Hammon said that when a bill is being debated that some find controversial, he personally asks each of the Members who oppose the legislation if they want to speak about the bill. The Republican supermajority in both Chambers, invokes cloture and there is no more discussion allowed. With Speaker Hubbard and Leader Hammon making certain that all who want to speak publically for or against a bill, tensions are lessened, mutual respect is established and the legislative process overall is greatly improved.

### In the Alabama Senate

**HB 384**, The Alabama Future Workforce Initiative bill, sponsored by Representative Mac Buttram, R-Cullman, passed. By a 33-1 vote on Tuesday, the Senate gave final approval to the legislation allowing businesses and individuals to receive tax credits for donations made directly to a scholarship fund for career-technical dual enrollment programs across Alabama.

The bill authorizes a tax credit of 50 percent of a taxpayer's personal or corporate donations to a dual-enrollment scholarship program for high school students who take skill-training or academic courses at two-year schools. The tax credit is not to exceed 50 percent of a taxpayer's income tax liability. Donors could also direct or earmark up to 80 percent of their donation to a specific training program.

The legislation would cap the scholarship fund at \$10 million and will allow 9,542 new students to participate in Alabama's dual-enrollment program. In 2013, only 2,100 students - 6.7 percent of the eligible 31,500 students - could participate. The legislation is one of the priority bills of the Republican majority, who say it is a way to provide a continuing skilled workforce in the state while preparing workers for higher paying jobs. The bill was sent to Governor Bentley who is expected to sign it into law.

**SB 267**, by Senate President Pro Tem Del Marsh, R-Anniston, passed and will provide a one-time bonus to retired state employees or their beneficiaries. Beneficiaries would receive a \$300 lump sum and retirees \$2 for every month of state employment. A 20-year retiree would receive \$480 and a 30-year retiree \$720. Some 40,000 retired employees would receive the bonuses in October. There was a prolonged debate between Democrats who wanted higher bonuses and Republicans who said there would only be funds for the \$2 per month bonus.

**SB 262**, by Senator Shadrack McGill, R-Woodville, passed on a 24-2 vote. The bill would exempt all individual tangible assets, excluding real property, with an original acquisition cost of \$100 or less from ad valorem

taxation. The bill was sent to the House where it was assigned to the Commerce and Small Business Committee.

**SB 443**, by Senator Scott Beason, R-Gardendale, was introduced last Tuesday and would give local school boards the right to opt out of, add to or alter the Alabama College and Career Standards adopted by the Alabama State Board of Education in 2010 for math and English. Currently, academic standards which tell teachers what concepts students should master by each grade are set by the State School Board only. The bill would allow local school systems to set their own academic standards, provided they meet the requirements in place prior to 2010.

Senator Beason's bill has drawn sharp opposition from the Business Council of Alabama, whose president and CEO William J. Canary issued a strongly worded call to action and a statement on the bill. Canary asserted that the bill is political and even the Alabama Association of School Boards opposes the legislation, along with a coalition of parents, teachers, businessmen, military officials and civic organizations. A public hearing is expected this week in the Senate Education Committee.

**SB 1**, by Senator Gerald Dial, R-Lineville, passed and will provide schools with up to \$100 million to convert from paper textbooks to digital textbooks by allowing the state to borrow the funds through bond sales for schools to purchase laptops, tablets and electronic versions of textbooks. After the 19-1 vote, the bill was sent to the House, where it will be reviewed in the Finance and Taxation Education Committee.

**SB 291**, by Pro Tem Del Marsh, R-Anniston, passed and will amend the existing Landlord and Tenant Act to provide for refund of deposits, the termination of a lease for noncompliance with a rental agreement, and issues regarding abandonment of the property. The bill has been assigned to the House Commerce and Small Business Committee.

**SB 235**, by Senator Bryan Taylor, R-Prattville, passed and will change the last day for voter registration from 10 days prior to an election to 14 days prior to an election. It received a 24-7 vote and has been sent to the House Constitution, Campaigns and Elections Committee.

**SB 4**, sponsored by Senator Gerald Dial, R-Lineville, passed and will require funds which have been set up to distribute proceeds from class action lawsuits to develop plans to send leftover funds to the Department of Child Abuse and Neglect Prevention. The bill passed 27-0 and has been assigned to the House Ways and Means General Fund Committee.

**SB 334**, sponsored by Senator Vivian Davis Figures, D-Mobile, related to the tobacco settlement by implementing the Master Settlement Agreement, as adopted in 2012, thus avoiding the loss of \$90 million to the General Fund. The bill had 23 sponsors and passed 23-1, with one abstention.

**SB 178**, The Administrative Rule Change Act by Senator Jimmy Holley, R-Elba, would increase the time for consideration of a proposed state administrative rule change from 35 days to 60 days. The 23-7 vote sent the bill to the House.

### **In the Alabama House of Representatives**

As expected, the House began the week debating four abortion bills which dominated the legislative agenda. For six hours, the debate continued and only ended when the Republican leadership invoked cloture after all members who wanted to comment had spoken. The bills passed on party lines.

**HB 490**, The Fetal Heartbeat Act, sponsored by Representative Sue McClurkin, R-Indian Springs, would ban abortion when the fetal heartbeat is detected. The bill further provides that if a physician fails to check for a heartbeat or performs an abortion after a heartbeat is detected, they would face Class C Felony charges and have his or her medical license revoked. The bill has 27 co-sponsors, passed 73-29 and has been sent to the Senate Health Committee.

**HB 493**, The Perinatal Hospice Information Act, sponsored by Representative Kurt Wallace, R-Maplesville, would require that hospice information be given to women seeking an abortion when an unborn child has been diagnosed with a fatal condition, and that no abortion can be performed until a physician has informed the woman in person that perinatal hospice services are available as an alternative to abortion. The bill passed 73-24 and has been assigned to the Senate Health Committee.

**HB 494**, The Strengthened Parental Consent Requirement for Minors Seeking An Abortion Act, sponsored by Representative Mike Jones, R-Andalusia, would change the process for minors who seek abortions without parental consent. The bill specifically provides for identification and documentation requirements when a minor seeks to have an abortion with the consent of a parent or legal guardian when the consent form is signed by both the minor and/or parent or guardian in the presence of the physician. The bill further provides that a parent may not coerce a minor into undergoing an abortion. The bill has been transmitted to the Senate.

**HB 489**, Woman's Right to Know Act, sponsored by Representative Ed Henry, R-Hartselle, increases the required wait time prior to performing an abortion from 24 to 48 hours. During the waiting period, required information about abortion, including an ultrasound, is provided to the woman seeking the procedure. The bill now goes to the Senate.

**HB 289**, The Grandparents Rights Act, sponsored by Representative Harry Shiver, R-Bay Minette, would establish procedures by which certain grandparents can petition for visitation rights with their grandchildren. It requires the petitioning grandparent to prove they have an existing relationship with the grandchild and that the visitation is in the best interest of the child. The bill passed and now moves to the Senate.

**HB 108**, sponsored by Representative Greg Wren, R-Montgomery, would create an online electronic filing system that will allow businesses to file annual business personal property tax returns at no charge to the taxpayer or to the taxing jurisdiction. The bill also would allow small-business taxpayers to file a non-itemized short form if:

1. The taxpayer has previously filed an itemized business personal property return showing the cost of the personal property assets totaling less than or equal to \$10,000, and,
2. The total cost of any personal property assets acquired during the current year results in the total amount of the entity's personal property assets being less than or equal to \$10,000. Then the taxpayer must agree to a business personal property tax liability that is based on total personal property assets being equal to \$10,000.

The vote was 99-0 and the bill is now in the Senate.

**HB 49**, sponsored by Representative Alan Boothe, R-Troy, would codify the Alabama Drought Assessment and Planning Team process that has been in place through executive order for more than a decade. The bill also would require the development of drought plans for water utilities and the State of Alabama. The bill has been transmitted to the Senate Agriculture, Conservation and Forestry Committee.

**HB 292**, The Landfill Act, sponsored by Representative Alan Baker, R-Brewton, would amend The Solid Waste Law to require a local governing body to affirmatively approve a new permit application for a solid waste

disposal facility within 120 days, or the application would be deemed denied. The bill now moves to the Senate.

The House approved **Senate Joint Resolution 36**, sponsored by Senator Gerald Dial, R-Lineville, to create the Alabama-Georgia Joint Legislative Committee. The committee would work with peers in Georgia to discuss and consider issues common to both states. The resolution passed both houses and has been sent to Governor Bentley for his consideration.

## Committee Actions

The House Ways and Means Education Committee held a public hearing on the Senate version of the 2015 Fiscal Year Education Trust Fund Budget, **SB 184**, sponsored by Senator Trip Pittman, R-Montrose. As reported last week, the budget totals \$5.91 billion and is \$75.7 million less than requested by Governor Robert Bentley in January. It is \$114 million less than is budgeted for the current fiscal year.

One of the major issues to be resolved with the 2015 budget is how to handle a bonus or pay increase for public education employees. The Senate budget includes a one-time bonus for educators and no new funds to increase Public Employees' Health Insurance Program (PEEHIP). The Education budget approved by the Senate drew a response from the Governor.

In an unprecedented method on communication between branches of state government - @GovernorBentley tweeted, "The Education Budget I presented is good & balanced. I'm asking the Legislature to pass my 2% raise for teachers & fully fund PEEHIP." He added in his next tweet, "If the Legislature doesn't include my 2% pay raise for teachers & full funding for PEEHIP I'll send the budget back w/ an Exec. Amendment." The House Ways and Means Committee will meet this week to craft its own version of the budget. Given the financial constraints and the requests for increased funding, this week will be pivotal in the budget process, with only eight legislative days remaining.

**SB 355** by Senator Cam Ward, R-Alabaster, and **HB 475** by Representative Jim Carnes, R-Birmingham, received favorable reports in their respective committees, the Senate Energy and Natural Resources Committee and the House Commerce and Small Business Committee. These Regulatory Relief Acts would authorize counties or municipalities that are subject to the U.S. Environmental Protection Agency municipal separate storm sewer system program to carry out requirements of the municipal separate storm sewer system program and the option to establish intercooperative public corporations for efficient compliance with applicable federal and state laws and other regulations. Both bills are in position to be considered by their respective houses.

**SB 11**, The Legislative Oversight Reorganization Act, sponsored by Senator Jimmy Holley, R-Elba, would reduce the size of the joint House-Senate Legislative Council from 32 members to 20 members (10 from each chamber) and replace three standing legislative committees with the new 20-member Legislative Council. A public hearing was held in the House Internal Affairs Committee last Wednesday, but no vote was taken. This powerful council oversees House and Senate operations, sets employee pay and oversees general legislative administrative services. A substitute bill is expected.

Two bills addressing payment of bills owed to contractors and subcontractors working on public projects are moving forward. **HB 547**, Subcontractors Timely Payment of Bills Act, sponsored by Representative John Rogers, D-Birmingham, would require contractors on public works jobs to pay their subcontractors within 10 days of the contractor getting paid for completion of a portion of the contract. This bill passed the House Commerce and Small Business Committee and now goes to the full House.

Related **HB 24**, sponsored by Representative Bill Roberts, R-Jasper, passed the House 96-0 on February 26 and requires public agencies to pay contractors within 35 days after the contracting agency has approved payment. Both of these bills are expected to gain final passage.

**SB 12**, The Regulation of Wind Energy Conversion Systems bill, sponsored by Senator Phil Williams, R-Rainbow City, passed the Senate on a vote of 24-6 on February 27 and is up for consideration in the House Commerce and Small Business Committee, chaired by Representative Jack Williams, R-Birmingham. The House companion bill, HB 106, sponsored by Representative Becky Nordgren, R-Gadsden, is also in Williams' committee.

Teacher seniority could not be used as the most significant factor in employee cutbacks, under bills passed Wednesday by House and Senate committees. The legislation, **SB 353**, sponsored by Senate President Pro Tem Del Marsh, R-Anniston, and **HB 478**, sponsored by Representative Ed Henry, R-Hartselle, covers teacher cutbacks due to lack of funding, known as reduction-in-force. The bills allow school systems to retain effective teachers regardless of the years they have put into the system by specifically mandating that seniority could not be used as the most significant factor. Future reductions in force would have to be based on "statistically reliable measures" of student progress as measured under a system currently under development by the Alabama Department of Education. The bills received favorable reports in the Senate Finance and Taxation Committee and the Education Policy Committee respectively and are now in position to be on calendars.

The House convenes Tuesday at 1 p.m. and the Senate convenes Tuesday at 2 p.m. 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.