

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT

2018 REGULAR SESSION · WEEK TWO · JANUARY 19, 2018

SLOW WEEK DUE TO WINTER WEATHER

The Alabama Legislature convened for a productive Tuesday afternoon, but was closed for committee business on Wednesday due to winter weather conditions. Nonetheless, lawmakers returned to the Statehouse on Thursday for rescheduled committee meetings. The House debated bills related to the Examiners of Public Accounts, technical revisions to the Partnership Act and restrictions to the right to redeem foreclosed property.

TRANSPORTATION NETWORK COMPANY LEGISLATION APPROVED BY SENATE COMMITTEE

SB143, to establish a **statewide regulatory framework for transportation network companies**, was approved by the Senate Tourism Committee on Thursday. The bill is sponsored by Senator Singleton (D—Greensboro). The bill was approved in its original form, as introduced, but a substitute version of the bill will be presented on the Senate floor to reflect extensive negotiations between rideshare companies and stakeholders, primarily the major metropolitan areas of the state where rideshare companies operate currently. At present, individual municipal ordinances govern TNCs, which limit a TNC's ability to expand operations beyond specific municipal boundaries when demand is there. The anticipated substitute reflecting a compromise between the municipalities and the rideshare companies is significant, as previous efforts to pass similar legislation stalled in large part due to opposition from those cities.

The statewide regulatory framework is expected to generate increased revenue to those cities and creates the potential for new revenue streams in areas where rideshare companies do not currently operate. Under the present ordinances, the rideshare companies pay flat permit fees to operate but the revenue stream proposed by the legislation would be based on usage and is projected to grow.

Economic impact reports consistently show that ridesharing activity increases over time as people become more familiar with and dependent on the ability to call a ride on demand. In addition to direct revenue stemming from the increasingly popular activity, ridesharing indirectly contributes to increased economic activity in many ways as the ability to get from place to place becomes more seamless by eliminating factors such as parking and intoxicated driving.

The House companion bill, HB190 by Rep. David Faulkner (R—Birmingham) is expected to be in the House Commerce Committee next week, at which time a committee substitute reflecting the changes discussed above is

expected to be adopted. A scheduled committee hearing for HB190 was cancelled this week due to weather. Notably, the City of Montgomery had requested a public hearing on the bill but has since pulled that request because its concerns with the legislation have been resolved.

LEGISLATIVE ACTIVITY THIS WEEK

The Senate Committee on Finance and Taxation General Fund held a public hearing on legislation by Sen. Pittman (R—Fairhope) to revise the parameters of the **Simplified Sellers Use Tax program**. SB130 would remove the affiliate restriction and allow eligible sellers with such an affiliate to participate in the program and clarify that certain sales of tangible personal property cannot be reported under the program and are subject to sales tax. The City of Mobile and League of Municipalities expressed opposition to the legislation.

SB29 by Sen. Holley (R—Elba) related to **public accountancy** was approved by the Senate Government Affairs Committee. Its companion, HB82 by Rep. Coleman-Evans (D—Birmingham), was rescheduled to be considered by the House Boards, Agencies and Commissions Committee next week. The bills would amend the makeup of the Alabama State Board of Public Accountancy; authorize the board to classify a public accountant as retired; and shorten the time period after which the board may determine a licensee to be inactive or take disciplinary action against a licensee for failure to apply for a permit. SB 29 is pending consideration by the full Senate.

A bill to **prohibit smoking in a vehicle when a minor is present** was approved by the House Judiciary Committee this week. HB26 is sponsored by Rep. Hollis (D—Birmingham).

The Senate Confirmations Committee approved the appointments of William Britt Sexton and Kenneth Vandervoort to the **University of Alabama Board of Trustees**.

Constitutional amendments to clarify the structure of the **University of Alabama Board of Trustees** were proposed this week. HB240 by Rep. Garrett (R—Birmingham) and SB194 by Sen. Reed (R—Jasper) clarify that the congressional districts from which trustees are appointed will continue to reflect those as constituted on January 1, 2018. They also propose the removal of the 70-year age cap for trustees to conform with an amendment previously approved by the Legislature and ratified by voters.

The Senate Confirmations Committee approved the Governor's appointment of Charles Murphree to the **Manufactured Housing Commission Advisory Board**.

Legislation to establish a tax credit program to **incentivize investment in rural agribusiness** ventures was introduced in the House. HB252 is sponsored by

Rep. Rowe (R—Jasper). The bill has been assigned to the House Ways and Means Committee on the Education Trust Fund.

A bill to **“ban-the-box”** was introduced in the House. HB257 by Rep. Givan (D—Birmingham) would limit a public employer’s ability to inquire into a prospective employee’s criminal history during the job application/interview process. The bill has been assigned to the House Judiciary Committee.

HB231 by Rep. Whorton (R—Valley), related to **firearm restrictions**, was introduced this week. The bill has been assigned to the House Public Safety Committee.

A bill to **authorize bonds for Alabama Transportation Rehabilitation and Improvement Projects (ATRIP)** was approved by Senate Transportation and Energy Committee. The bill further provides that any new levy of gasoline or diesel fuel tax would be used to pay debt on such bonds. SB86 is sponsored by Sen. Dial (R—Lineville). Sen. Dial has been one of the leading proponents of a gasoline and diesel excise tax increase to support road projects for years.

SB148 by Sen. Scofield (R—Guntersville) to establish an economic incentive program for **rural broadband development**, is scheduled to be considered by the Senate Fiscal Responsibility and Economic Development Committee next Wednesday. The proposed program would exempt private investors from taxation for 10 years, offer a sales and use tax exemption on equipment used as facilities and provide for a tax credit in the amount of 10% of the investment. The program would be administered by the Alabama Department of Economic and Community Affairs.

HB4 by Rep. Hanes (R—Bryant), which would limit **the ability of certain commercial vehicles to pass on interstates and four-lane highways**, was the subject of a public hearing and later carried over by the House Transportation Committee

The House and Senate will reconvene on Tuesday, January 23. There are 26 meeting days remaining in the 2018 Regular Session.