

# FINE GEDDIE

GOVERNMENT RELATIONS

## THE FINE GEDDIE REPORT 2017 REGULAR SESSION · WEEK THREE

### *ALABAMA HOUSE BEGINS WORK ON A CONTINUING CALENDAR*

This week, the Alabama Legislature met for the fifth and sixth legislative days. The House adjourned early on Tuesday after convening to entertain a few non-controversial issues and later convened for a joint session with the Senate to honor special guests. On Thursday, the House began a continuing special order calendar and passed a measure that would require the Education Department to develop an **electronic notification system for school safety** purposes (Rep. Baker, R—Brewton) and a bill to **lower the age of majority** from 19 to 18 in certain instances (Rep. Poole, R—Tuscaloosa). They also approved a bill by Rep. Givan (D—Birmingham) that would give probate courts the discretion to require court costs to be paid upon filing of the pleading or to charge a security deposit for court costs. This upcoming Tuesday, the House is expected to continue on the same special order and consider the **Revised Uniform Fiduciary Access to Digital Accounts** legislation (HB138 by Rep. Givan (D—Birmingham)); that bill includes negotiated language stating that a custodian's ability to seek or require a court order to clarify whether access to assets should be granted is not limited.

### *EDUCATION TAX CREDIT BILL TAKES CENTER STAGE IN SENATE*

The Senate passed a bill to further incentivize private donations to the **Alabama Accountability Act scholarship program**. The measure would allow taxpayers to apply the tax credit to their utility gross receipts tax liability. \$19.9 million in tax credits were claimed through the AAA in FY2016, down roughly \$5m from the \$25.8m in credits claimed in 2015. The tax credits are capped at \$30m under the current law. Senator Marsh is attempting to make it easier to contribute to the scholarship program, but there are a substantial number of legislators who opposed the scholarship program aimed at allowing students to transfer from failing schools. The vote was very close, passing on a margin of 17-15. Voting in favor were 17 Republicans. Seven Republicans joined the Democrats and the lone Independent in opposition.

Among the other bills approved by the Senate this past week were a bill to establish the **Alabama Community College System** as a body corporate and a constitutional amendment that would require the Chief Justice of the Alabama Supreme Court to **recompile the State Constitution** to omit the provisions no longer in force (but no other changes). Additionally, the Senate carried over a bill by Sen. Ward (R—Alabaster) to address **trafficking of Fentanyl** and like substances.

### *LONGITUDINAL DATA BILL FAILS PRELIMINARY VOTE*

The Senate also debated legislation to establish the **Alabama Network of Statewide Workforce and Education Related Statistics** (ANSWERS), but the bill failed to receive enough support to be considered during the preliminary vote over concerns with how government might use data collected on students. Senate President Pro-Tem Marsh (R—Anniston) encouraged lawmakers opposed to the measure to meet with proponents and work out differences. The data

system would be designed to collect certain data related to student demographics, enrollment, retention, GPA, remediation, credential attainment and courses taken, as well as information about the state workforce. The data will be used to assess return on investment for education and workforce programs, as well as to better inform students about potential career paths. SB153 is sponsored by Sen. Singleton (D—Greensboro) and the companion bill HB97 is sponsored by Rep. Collins (R—Decatur).

### *ACCOUNTING NEWS*

HB263 by Rep. K. Johnson (R—Moulton) related to the apportionment formula for the financial institutions excise tax was approved by the House Financial Services Committee this week, as amended.

This week, both versions of legislation to require tax preparers to include their federal preparer identification number on all Alabama income tax returns were approved by the committees in their house of origin. Additionally, the bill directs Alabama Business Privilege Tax return due dates to correspond with federal income tax return dates; for financial institutions, the return due date shall be the same as the excise tax return.

HB46 by Rep. Scott was approved by the House State Government Committee. A substitute version of SB128 by Sen. Melson was approved by the Senate Fiscal Responsibility and Economic Development Committee. It appears to resolve technical drafting issues.

*The House and Senate will reconvene on Tuesday, February 28. There are 24 meeting days remaining in the 2017 Regular Session.*