

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT for the Alabama Society of CPAs 2019 REGULAR SESSION · WEEK FOUR APRIL 5, 2019

LOTTERY, ETHICS AND OPEN RECORDS INTRODUCED

A productive and relatively routine three-day week in the Alabama Legislature included introductions of another state lottery proposal, a comprehensive ethics reform bill and a revision of the open records law. Also, a critical economic development proposal and the General Fund budget progressed.

Sharp divisions were evident during public hearings on **competing lottery proposals** in the Senate Tourism Committee chaired by Senate President Pro Tempore Del Marsh (R—Anniston). Sen. Marsh is cosponsoring SB220, introduced this week by Sen. Greg Albritton (R—Atmore), and the bill would authorize a traditional state lottery using paper tickets if approved in a statewide referendum. A statewide vote would also be necessary for the version (SB116 and SB130) offered by Sen. Jim McClendon (R—Springville), which would authorize video lottery terminals in certain locations, in addition to paper lottery tickets.

This week, Sen. Albritton introduced a far-reaching **ethics reform** measure, SB230, that drew prompt criticism from Attorney General Steve Marshall and the Alabama Ethics Commission. Among the provisions, the 65-page bill would change definitions and/or enforcement of the ban on personal gain by public officials and employees, conflicts of interest, bribery, thing of value and principals. Meanwhile, a separate and tightly focused ethics proposal is on the fast track. In Thursday's floor vote, House members overwhelmingly supported HB289 by Rep. Alan Baker (R—Brewton), a bill to exempt **economic development** professionals from lobbyist registration in certain cases.

Alabama's succinct **open records** law would be repealed and replaced with a vastly broader statute under SB237, sponsored by Sen. Cam Ward (R—Alabaster). The proposal was developed in cooperation with the state's news media organizations, and questions have surfaced about potential impact on existing open records exemptions. *The bill is likely to undergo substantial revision, and clients are encouraged to contact Fine Geddie with any specific concerns.*

GENERAL FUND BUDGET MOVES IN THE HOUSE

A \$2.15 billion **General Fund budget** for the upcoming year advanced in the House, where the committee-approved version largely followed Governor Kay Ivey's recommendations. It is slated to be debated on the House floor on

Tuesday of next week, along with other related matters. Meanwhile, a Senate committee approved SB126 by Sen. Clyde Chambliss (R—Prattville) to limit the maximum annual General Fund appropriations. Chambliss’s proposal parallels the “rolling reserve” law in place for the Education Trust Fund budget. Ambitious budget reforms have also been introduced in the House, where Rep. Bill Poole (R—Tuscaloosa), Chairman of the House Ways and Means Committee on the Education Trust Fund, has proposed a four-bill package (HB294, HB295, HB296 and HB297) to shift the state to biennial budgeting.

OTHER ISSUES TO WATCH

- Rep. Connie Rowe (R—Jasper) filed the Protect Alabama Small Business Act yesterday. HB352 would regulate franchisers in an effort to protect **franchisees** from unfair business practices. A similar proposal, HB134 by Rep. Andrew Sorrell (R—Muscle Shoals), has not advanced.
- Strong legislative interest in **hemp and marijuana** continued this week with two proposals from Sen. Tim Melson (R—Florence). SB225 would bring Alabama into alignment with the federal Hemp Farming Act of 2018, and SB236 is an identical companion to comprehensive medical marijuana legislation previously introduced in the House.
- The House passed a substitute version of HB41 by Rep. Shane Stringer (R—Citronelle) to regulate **alternative nicotine products**.
- This week the House also passed a modified version of HB101 sponsored by Rep. Kerry Rich (R—Guntersville) regarding **data breaches in the insurance industry**. The revised Senate companion, sponsored by Sen. Shay Shelnutt (R—Trussville), received a favorable floor vote in the upper chamber. The bill was amended for technical clarity purposes.
- HB17, Rep. Rowe’s bill on appeals and reinstatements of **pistol permits**, garnered unanimous support on the House floor. Rep. Sorrell introduced HB336 to eliminate the need for **concealed carry permits**.
- The focus on **purchasing** decisions by state government was sustained this week. The Senate sent Sen. Orr’s SB80 regarding the Contract Review Permanent Legislative Oversight Committee on to the House for consideration, and Sen. Jimmy Holley (R—Elba) filed an identical bill. In the House, a committee amended Rep. Baker’s HB109 focused on purchasing by the Department of Corrections.
- Employers will be following a pair of bills to reduce **unemployment compensation** – Sen. Orr’s SB193 and HB364 by Rep. Danny Garrett (R—Trussville). Another bill of interest – Sen. Orr’s SB71 relating to **E-verify** – won committee approval this week.

The House and Senate will reconvene on Tuesday, April 9. There are 23 meeting days remaining in the 2019 Regular Session.