

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT 2021 REGULAR SESSION · WEEK FIVE MARCH 5, 2021

BROADBAND EXPANSION IN FOCUS DURING ANOTHER PRODUCTIVE WEEK

This week the Senate passed a sweeping, multi-pronged proposal from Sen. Del Marsh (R—Anniston) to **expand broadband access** in Alabama. As it passed the Senate, SB215 creates a new state agency to oversee expansion and award grants, an advisory board to guide the effort, a research alliance of higher education and a finance corporation, authorized to issue up to \$250 million in bonds annually.

Another highlight of the week came with introduction of the proposed **Alabama Rural, Agribusiness and Opportunity Zone Jobs Act**. HB473 by Rep. Danny Garrett (R—Trussville) would establish a \$112.5 million pool of capital that must be invested in small businesses in rural and economically impoverished (opportunity zones) communities. It would also set targets for investing in minority-owned businesses. The state would award tax credits to eligible fund managers to raise capital for the fund, which would in turn be invested by the fund managers into small businesses with growth potential. Access to capital has been found to be one of the primary barriers faced by entrepreneurs in rural and impoverished areas and for minority businesses.

The House also made **significant progress on the budget front**. The House Ways and Means Committee on the General Fund gave a favorable report to HB309 by Rep. Steve Clouse (R—Ozark), approving a \$2.472 billion spending plan for the upcoming year. The General Fund supports most non-education functions of state government, and, as substituted, the budget represents a \$12 million increase over prior year appropriations. It includes funding to give state employees a 2% raise. In related action, a one-time bonus for retired state employees would be paid in December with passage of SB229 by Sen. Del Marsh (R—Anniston); it received a favorable report this week from the Senate Finance and Taxation Committee on the General Fund.

In other news, Gov. Kay Ivey extended Alabama's mask order through April 9, stating that it would not be extended again. Some other restrictions were eased in recognition of improving COVID-19 stats.

Next week, the Senate is expected to consider the gaming proposal. The House is expected to take up the General Fund Budget. The pace of legislative work is expected to moderate slightly next week, with a plan to go into formal session for only two days with a third day of committee work after back-to-back three-day weeks.

OTHER ISSUES TO WATCH

HEALTHCARE & PUBLIC HEALTH

- **Optometrists' scope of practice** would be expanded under SB174 by Sen. Tom Whatley (R—Auburn); the bill received a favorable report from the Senate Governmental Affairs Committee on Tuesday.
- State law governing **pharmacy benefits managers** would be revised by HB492, introduced this week by Rep. Nathaniel Ledbetter (R—Rainsville). A public hearing will be held in the Senate Banking and Insurance Committee on the Senate companion bill, SB227 by Sen. Tom Butler (R—Huntsville).
- SB240 by Sen. Jim McClendon (R—Springville) would abolish the **State Board of Health, State Health Officer and State Committee of Public Health** and reconstitute the Alabama Department of Public Health and its duties. It received a favorable report Wednesday from the Senate Healthcare Committee as amended.
- A multi-faceted **vaccine exemption** bill from Sen. Arthur Orr (R—Decatur) received a favorable report Wednesday from the Senate Healthcare Committee. SB267 would repeal municipal authority to compel vaccinations, establish exemptions to future mandatory vaccinations with an override provision during an epidemic and task the Board of Medical Examiners with implementation.
- Some **public mental health programs and facilities** would codify well-settled case law extending to them civil liability caps for public corporations with SB289, introduced this week by Sen. Greg Albritton (R—Atmore).
- **Transgender treatment for minors** would be criminalized pursuant to SB10 from Sen. Shay Shelnett (R—Trussville). The proposal passed the Senate on Tuesday.

ALCOHOLIC BEVERAGE MARKETPLACE

- **Home delivery of beer, wine and spirits** would be legalized under SB126 by Sen. Jabo Waggoner (R—Vestavia Hills). The bill and its pending committee amendment were scheduled for consideration on the House floor Thursday, but representatives adjourned before reaching SB126. It is rescheduled for debate next week.
- The **Alcoholic Beverage Control Board** would phase out retail sales under SB287, which was introduced by Sen. Arthur Orr (R—Decatur) this week. The bill received a favorable report from the Senate Tourism Committee on Thursday.
- Small farm wineries could sell directly to consumers and sell and deliver to licensed retailers with passage of SB294, introduced this week by Sen. Andrew Jones (R—Centre). The bill received a favorable report Wednesday from the Senate Agriculture, Conservation and Forestry Committee.
- **Direct shipment of wine** would be authorized by HB437 from Rep. Terri Collins (R—Decatur), and this week the bill received a favorable report as substituted from the House Economic Development and Tourism Committee.

PROCUREMENT

- HB162 by Rep. Kyle South (R—Fayette) provides a **lease tax exemption** on the

gross proceeds of many motor vehicle lease transactions with government agencies. The bill also removes a prohibition against passing lease taxes on to state or local governments, and it received a favorable report Wednesday from the Senate Finance and Taxation Committee on the General Fund.

GOVERNMENT TRANSPARENCY

- An extensive rewrite of Alabama's **open records law** is expected to be considered in the Senate Judiciary Committee next week. Sen. Arthur Orr (R—Decatur) is sponsoring SB165.
- The Senate voted to continue the operation of the **State Board of Medical Examiners and Medical Licensure, State Board of Pharmacy, Board of Optometry, Manufactured Housing Commission, Board of Examiners of Nursing Home Administrators, Board of Dental Examiners, Board of Nursing and State Board of Midwifery** through 2025. The body also approved continuing the operation of the **Athletic Commission** through 2023.

TRANSPORTATION

- The definition of **construction zone violations** would be expanded and a \$250 minimum fine set under HB245 by Rep. Lynn Greer (R—Rogersville). The bill received a favorable report from the House Transportation, Utilities and Infrastructure Committee on Wednesday. The companion version – SB4 by Sen. Gerald Allen (R—Tuscaloosa) – passed the Senate Thursday with one change to specify distribution of collected fines.
- **Car sharing programs operating at airports** would face new requirements under HB406 by Rep. Andy Whitt (R—Harvest). The House County and Municipal Government Committee conducted a public hearing on the bill Wednesday.

INSURANCE

- Alabama's credit for **reinsurance** regulations would substantially mirror a model law from the National Association of Insurance Commissioners under HB32 by Rep. Kerry Rich (R—Guntersville), and the bill received a favorable report Wednesday from the Senate Banking & Insurance Committee.

EDUCATION

- Publishers would be required to provide evidence of standards correlation, and **textbooks** could be subject to additional review with SB217 by Sen. Tim Melson (R—Florence). His bill received a favorable report as substituted Wednesday by the Senate Education Policy Committee.
- The Senate confirmed the following appointments on Thursday:
 - Alabama Commission on Higher Education** – Ann Sirmon of Mobile, Paul Kennedy of Jasper and Norman A. Crow, Jr., of Tuscaloosa;
 - Career and Technical Education Course of Study Committee for Architecture and Construction, Information and Technology and Transportation, Distribution and Logistics** – Lisa Morales of Anniston, Ann Marie Carr of Kinsey, Stephanie McCulloch of Russellville, Antiqua Cleggett of Anniston, Chandra Scott of Mobile,

Danielle Eaton of Northport and Donna Coleman of Madison.

- HB472, introduced this week by Rep. Steve McMillan (R—Bay Minette), would change the term limits for trustees of the **Alabama Community College System**, stipulating that appointed board members may not serve more than two consecutive full terms on the board.

ECONOMIC DEVELOPMENT & PORT-RELATED ISSUES

- HB219 by Rep. Kyle South (R—Fayette) to extend the \$0.135/ton **coal severance tax** and adjusts the distribution formula received a favorable report this week from the Senate Finance and Taxation Committee on the General Fund.

LOCAL LEGISLATION OF GENERAL INTEREST

- In **Shelby County** only, **privately owned sewer systems** using public rights-of-way would be subject to regulation by the Public Service Commission under SB74 by Sen. Jabo Waggoner (R—Vestavia Hills). The bill proposes a constitutional amendment, so if it passes the Legislature it would then go to a public referendum. This week, the bill, likely to result in higher sewer rates for residents, was the subject of a public hearing in the House Transportation, Utilities and Infrastructure Committee. The chair of the committee, Rep. Lynn Greer (R—Rogersville), urged the interested parties to find common ground.

EMPLOYMENT LAW

- **Concealed carry permits for handguns** would be issued on a lifetime basis, rather than annual, under HB477 by Rep. Proncey Robertson (R—Mount Hope). Introduced Tuesday, the bill received a favorable report with three amendments (1, 2 and 3) from the House Public Safety and Homeland Security Committee on Thursday.
- More people would be eligible for **criminal record expungement** with SB117 by Sen. Linda Coleman-Madison (D—Birmingham). The bill passed the Senate Wednesday, and the Senate-passed version incorporates a substitute and two amendments.

2022 ELECTIONS

- For the 2022 election cycle only, Alabama's **party primaries** would be delayed until July with runoffs in August under legislation introduced this week. U.S. Census results have been delayed, and the Reapportionment Committee chairs expressed concern about completing the redistricting process in time for the usual May primaries. Rep. Chris Pringle (R—Mobile) is sponsoring HB484, and Sen. Jim McClendon (R—Springville) has the companion.

The House and Senate will reconvene on Tuesday, March 9.