

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT 2020 REGULAR SESSION · WEEK TWO FEBRUARY 14, 2020

SENATE ADVANCES GENERAL FUND RESERVE ACT

Alabama lawmakers took steps this week to utilize 2021's positive revenue forecast as an opportunity to prepare for leaner years that are sure to come. On Wednesday, the **General Fund Budget Reserve Act** – SB129 by Sen. Clyde Chambliss (R—Prattville) – received a favorable report from the Senate Finance and Taxation Committee on the General Fund. The bill proposes to set aside 20% of the General Fund's remaining balance each year. Initially, these reserve funds could only be withdrawn when revenues fall short of budget projections. The proposal is a scaled-down version of the Education Trust Fund's "rolling reserve," created nearly a decade ago.

The 2020 General Fund budget appropriated \$2.2 billion to operate most non-education functions of state government. An additional \$400 million is available for 2021, largely driven by upticks in online sales and use taxes and the insurance premium tax. In the context of recent decades, this level of General Fund growth is exceedingly rare, and legislative analysts cautioned budget-writers to avoid committing to new, recurring expenditures.

While there is no clear picture of the budget-writing schedule this session, the **Permanent Legislative Committee on Reapportionment** is set to meet next week. When 2020 Census data is available, lawmakers must take up their duty to redraw political districts, and the committee is expected to hear an update on a pending voting rights lawsuit challenging the state's current Congressional districts.

Many House committee meetings were cancelled this week due to the funeral of Tom Collins, husband of Rep. Terri Collins (R—Decatur), a longtime legislator.

MEDICAL MARIJUANA LEGISLATION INTRODUCED

Sen. Tim Melson, M.D., (R—Florence) filed the Compassion Act this week to establish a comprehensive **medical marijuana program** in Alabama. SB165 would form the Alabama Medical Cannabis Commission to regulate and administer the program – issuing medical cannabis cards to patients and licensing each phase of the supply chain. This year's legislation grew out of the work of the Medical Cannabis Study Commission. As introduced, it contains provisions important to employers. One concern that has been voiced is ensuring that the bill facilitates Alabama farmers' access to the industry so their opportunity to participate in the market is maximized. Another concern is

making sure regulatory duties are handled responsibly and fairly.

The bill is scheduled for a **public hearing and vote** next Wednesday in the Senate Judiciary Committee.

OCCUPATIONAL TAXES

HB147 by Rep. Chris Sells (R—Greenville) to limit the establishment of new **occupational taxes** in the state passed the House this week after substantial debate. The bill is first on the agenda when the Senate Governmental Affairs Committee meets Tuesday. Sen. Andrew Jones (R—Centre) introduced a similar measure, SB173, on Tuesday.

MILITARY STABILITY COMMISSION'S RECOMMENDATIONS ON TAP TUESDAY

Lt. Gov. Will Ainsworth, the Senate's presiding officer, heads up the state's Military Stability Commission, and the upper chamber is expected to take floor votes on commission recommendations Tuesday. The package includes:

- SB143 by Sen. Donnie Chesteen (R—Geneva) to clarify when military dependents can enroll in **virtual schools**. The bill received a favorable report from the Senate Veterans and Military Affairs Committee this week;
- SB51 by Sen. Tom Whatley (R—Auburn) to offer **in-state tuition rates** to children of military families;
- Two proposals from Sen. Will Barfoot (R—Pike Road) to expand school options for military families – SB105 regarding **magnet schools** and SB106 regarding **charter schools**;
- SB99 by Sen. Tom Butler (R—Madison) to bolster **land use protections** around military installations; and
- SB53 by Sen. David Burkette (D—Montgomery) to authorize a city or county to establish a **local redevelopment authority for property contiguous to an active U.S. Air Force installation**. Its companion bill, HB66 received a favorable report by the House Ways and Means Committee on the General by Rep. Thad McClammy (D—Montgomery).

OTHER ISSUES TO WATCH

TRANSPORTATION

Damaging or surveilling **critical infrastructure** would carry enhanced penalties under SB45 by Sen. Cam Ward (R—Alabaster). The bill would specify what constitutes illegal drone activity, make changes to the criminal trespass law and clarify that pipelines and mining operations are critical infrastructure. The bill as substituted received a favorable report from the Senate Transportation and Energy Committee this week. The companion is HB36.

INTERNET CONNECTIVITY

Wireless providers would be authorized to install **small wireless facilities on the public right-of-way** for the purpose of deploying 5G technology under SB172 by Sen. Arthur Orr (R—Decatur). The bill was introduced Tuesday and brought up Wednesday in the Senate Fiscal Responsibility and Economic Development Committee, where it was carried over.

ETHICS

A lengthy revision of the state **ethics law** and the **Alabama Ethics Commission's** role could get its first deliberation next week, when the House Ethics and Campaign Finance Committee takes up HB179 by Rep. Mike Ball (R—Madison).

SCHOOL SPORTS

The Gender is Real Legislative (GIRL) Act to ban **transgender athletes** was the subject of a public hearing in the House State Government Committee this week. However, HB35 by Rep. Chris Pringle (R—Mobile) did not come up for a vote.

ALCOHOLIC BEVERAGES

SB48 by Sen. Chris Elliott (R—Fairhope) regarding **entertainment districts** received a favorable report as substituted and amended from the Senate Governmental Affairs Committee on Tuesday and then a third reading on the Senate floor Thursday.

HUMAN RESOURCES

- Composition of the **Employees' Retirement System Board of Control** would be altered with HB172 by Rep. Reed Ingram (R—Mathews), and the bill received a favorable report from the House County and Municipal Government Committee this week.
- The Teacher Recruitment and Retention Act – HB76 by Rep. Alan Baker (R—Brewton) – received a favorable report in the House Ways and Means Committee on Education this week. It would create an **enhanced, Tier III retirement benefit for educators**.
- Intentionally restricting enforcement of **immigration** laws would become a crime in certain situations under SB108 from Sen. Arthur Orr (R—Decatur), which received a favorable report this week on a split vote by the Senate Fiscal Responsibility and Economic Development Committee.

COMMUNITY DEVELOPMENT

- A proposal that would have linked eligibility for **Alabama Department of Economic and Community Affairs grants** to compliance with **municipal plan** requirements was heavily revised in committee this week. As

amended, SB124 by Senate President Pro Tempore Del Marsh (R—Anniston) increases accountability and reporting related to municipal plans, and it received a favorable report from the Senate Fiscal Responsibility and Economic Development Committee.

- **Community development districts** would be possible in dry counties with passage of SB133 by Sen. Steve Livingston (R—Scottsboro), which received a favorable report from the Senate Fiscal Responsibility and Economic Development Committee this week.

PROCUREMENT

State procurement of supplies and services would be thoroughly modernized under a proposal introduced this week: SB182 by Sen. Arthur Orr (R—Decatur) and its companion, HB239 by Rep. Danny Garrett (R—Trussville). The legislation, which originated with a committee of the Alabama Law Institute, has no impact on local governments or the legislative and judicial branches.

MISCELLANEOUS

- **Reinsurance** regulations would be revised by SB54 by Sen. Shay Shelnett (R—Trussville), a bill that received a favorable report from the Senate Banking and Insurance Committee this week. The companion is HB70.
- State agencies would be prohibited from **selling personal information** of Alabama residents under HB54 by Rep. Laura Hall (D—Huntsville). The proposal was debated and then carried over in the House State Government Committee this week.
- SB140 to create a **Statewide Emergency Notification System** made progress this week, receiving a favorable report from the Senate Governmental Affairs Committee on Tuesday and passed the Senate on Thursday. The bill is by Sen. Bobby Singleton (D—Greensboro).
- Known as the **Alabama State of Emergency Consumer Protection Act**, SB135 by Sen. Randy Price (R—Opelika) was inspired by home repair fraud in the wake of natural disasters. The bill, backed by Attorney General Steve Marshall, would make it a felony offense for unlicensed contractors to perform certain construction-related services on homes and businesses damaged in a declared disaster. The bill received a favorable report from the Senate Governmental Affairs Committee this week.
- The **definition of a landfill** would be clarified by SB117 from Sen. Greg Albritton (R—Atmore), and the bill received a favorable report from the Senate Fiscal Responsibility and Economic Development Committee this week. The House companion – HB 140 by Rep. Alan Baker (R—Brewton) – also received a favorable report this week from the House County and Municipal Government Committee.
- SB134 by Sen. Steve Livingston (R—Scottsboro) would benefit certain participants in the **Judicial Retirement Fund** with prior years in the

Employees' Retirement System or Teachers' Retirement System. It received a favorable report this week from the Senate Fiscal Responsibility and Economic Development Committee.

- Violators of the **Memorial Preservation Act** would be subject to increased penalties under SB127 by Sen. Gerald Allen (R—Tuscaloosa), which was the subject of a public hearing in the Senate Governmental Affairs Committee this week.
- In an effort to combat **elder abuse**, new legislation this week would grant **financial institutions** authority to delay or refuse certain transactions involving accounts of elderly or vulnerable adults. HB207 was introduced by Rep. Chris Blackshear (R—Phenix City), and the companion is SB166 from Sen. Shay Shelnett (R—Trussville).
- Pursuant to HB158, **private auditing or tax collecting firms** working on behalf of a county or municipality would be barred from recovering certain costs from taxpayers. The bill from Rep. Paul Lee (R—Dothan) received a favorable report this week from the House State Government Committee. The companion is SB130.
- A **student nurse apprenticeship program** would be established under the umbrella of the state Board of Nursing if HB101 from Rep. April Weaver (R—Alabaster) becomes law, and this week the bill received a favorable report from the House Boards, Agencies and Commissions Committee. The companion is SB101.
- Three members of the **Auburn University Board of Trustees** received Senate confirmation this week. Gov. Kay Ivey had reappointed James Pratt, B.T. Roberts and Clark Sahlie.
- Concerns continue to grow about SB57 by Sen. Cam Ward (R—Alabaster), which would overhaul Alabama's **open records** law. The bill, supported by the Alabama Press Association, remains pending in the Senate Governmental Affairs Committee, and it does not appear on the committee's agenda for next week.

The House and Senate will reconvene on Tuesday, February 18. There are 26 meeting days remaining in the 2020 Regular Session.