

# FINE GEDDIE

GOVERNMENT RELATIONS

## THE FINE GEDDIE REPORT

2022 REGULAR SESSION

· S I N E D I E ·

APRIL 8, 2022

### WITH BUDGETS DONE, LEGISLATURE ADJOURNS ONE DAY EARLY

Alabama legislators adjourned *sine die* at midnight Thursday, and work had been so productive that they ended the session a day early, allowing many to get back to the campaign trail. With the heavy lifting of budgets completed Wednesday, the final day included some ceremonial aspects honoring law enforcement, retiring legislators and staff. Otherwise, the GOP leadership in both chambers prioritized floor time for a few remaining hot-button issues.

The Senate began its last workday with HB322 by Rep. Scott Stadthagen (R—Hartselle) to require **transgender students in public, K-12 schools** to use school bathrooms and locker rooms corresponding to their biological sex at birth. There, Republicans voted cloture to cut off a filibuster by Democrats, and the bill passed Thursday and gained a floor amendment adding language that would prohibit classroom instruction or discussion on sexual orientation or gender identity for students in kindergarten through fifth grade. The revised bill returned to the House, where Democrats filibustered until Republicans voted to cut off debate and then agreed with the Senate version. The bill is pending with the governor.

The House started its working agenda with SB184 by Sen. Shay Shelnett (R—Trussville) and Rep. Wes Allen (R—Troy) to **criminalize transgender medical treatment for minors**. Democrats filibustered until Republicans clotured them to cut off debate, and the bill passed the House and has been transmitted to the governor.

Lawmakers had already completed their work on the state's operating budgets for the upcoming year. The **\$8.26 billion Education Trust Fund budget** went to the governor's desk Wednesday after the House concurred with Senate changes. Going back as far as the governor's recommendation, the education budget has had a 4% pay raise for teachers and a one-time bonus for retirees, but the Senate incorporated additional raises to reward and retain veteran teachers. Proposed education appropriations exceed current year spending by \$589 million. Last week, legislators sent a **\$2.74 billion General Fund budget** to the governor, who signed it Thursday. State employees would get a 4% pay raise with a one-time bonus for retirees. Total appropriations increased modestly, up from \$2.69 billion this year. The strong revenue picture made it possible for lawmakers to pass **multiple tax cuts** this year, benefiting individuals and the business sector.

All 140 seats of the Alabama Legislature are up for election this year, with party primaries set for May 24. There's talk of a special session this summer that would reunite this group of legislators. Otherwise, state lawmakers will not convene again until after the November general election.

## OVERVIEW OF THE WEEK

### TRANSPORTATION

- **Motor vehicle dealers** would gain flexibility to sell and deliver vehicles to customers at their home or place of business without needing a supplemental license under HB205 by Rep. Chris Blackshear (R—Phenix City), which passed the Senate on Tuesday. Sen. Jabo Waggoner (R—Vestavia Hills) was the Senate sponsor. The bill is pending with the governor.

### STATE RETIREMENT

- The **State Employee Retirees' Trust Fund**, a permanent investment account to fund periodic bonus checks for retired state employees, would be established by HB352 by Rep. Charlotte Meadows (R—Montgomery) and Sen. Greg Albritton (R—Atmore). It passed the Senate Wednesday and is currently pending with the governor.

### ENERGY

- **Motor fuel retailers** would be shielded from discriminatory mandates or prohibitions at the local government level by SB182 by Sen. Steve Livingston (R—Scottsboro) and by Rep. Wes Kitchens (R—Guntersville), which passed the House on Tuesday. It is pending with the governor.
- Criminal penalties would be established for **improperly connecting a portable electrical generator** under SB305 by Sen. Chris Elliott (R—Fairhope) and Rep. Nathaniel Ledbetter (R—Rainsville). An improper connection can back-feed electricity onto the electrical distribution system. The bill, which passed the House Tuesday, is pending with the governor.

### TOBACCO

- Procedures for **purchasing tobacco products for resale** would be revised pursuant to SB216 by Sen. Bobby Singleton (D—Greensboro), which is pending with the governor.

### EDUCATION

- The **Alabama Numeracy Act** proposes a range of interventions to improve math instruction in public K-12 schools while also prohibiting use of Common Core standards. SB171 by Sen. Arthur Orr (R—Decatur) and Rep. Alan Baker (R—Brewton) has been signed, becoming Act 2022-249.
- HB307 by Rep. Alan Baker (R—Brewton) to streamline **alternative paths to teacher certification** has been signed into law, becoming Act 2022-239.
- During the session's final week, lawmakers passed a pair of bills focused on the

**reading skills of public school students.** SB200 by Sen. Rodger Smitherman (D—Birmingham) would delay **implementation of the Alabama Literacy Act’s third-grade retention requirements** for two years. It passed the House Tuesday with a floor amendment. The Senate concurred with the change, and the bill is pending with the governor. A separate proposal would amend the administration of the Literacy Act (HB220 by Rep. Terri Collins (R—Decatur)). This bill, which adds a task force on the **selection of assessment vendors**, passed the Senate Tuesday with a floor amendment. The House concurred with the change, and the bill is pending with the governor.

- Public officials and employees would be prohibited from spending **public funds to advocate for or against ballot measures** pursuant to SB313 by Sen. Arthur Orr (R—Decatur), which passed the House Constitution, Campaigns and Elections Committee this week and then passed the House Thursday with a floor amendment. The Senate concurred with the change, sending the bill on to the governor.
- HB123 by Rep. Nathaniel Ledbetter (R—Rainsville) would require a **mental health service coordinator in all public school systems**, and Sen. Rodger Smitherman (D—Birmingham) sponsored companion legislation. The bill passed the Senate Thursday with a floor amendment, and a conference committee was necessary to sort out a conflict with existing law. Both chambers endorsed the conference committee report, and the bill is pending with the governor.

## TAX REFORM

- HB391 by Rep. Steve Clouse (R—Ozark) and Sen. Tom Butler (R—Madison) would **reduce the minimum business privilege tax** from \$100 to \$50 and eliminate the tax by the end of 2023, saving Alabama businesses an estimated \$23 million annually. It has been signed into law, becoming Act 2022-252.
- A **tax break for retirees** won final passage this week. Up to \$6,000 of taxable retirement income would be exempted from state income tax for Alabamians 65 or older under HB162 by Rep. Lynn Greer (R—Rogersville) and Sen. Arthur Orr (R—Decatur). Greer’s bill passed the Senate Tuesday with an amendment, and the House concurred with the change. The bill is now pending with the governor.
- A **break for payers of individual income tax** totaling \$13 million the first year also won final passage this week. HB163 by Rep. Lynn Greer (R—Rogersville) would increase the dependent exemption and several standard deductions. It passed the Senate Finance & Taxation Committee on Education on Wednesday and then passed the Senate on Thursday. The bill is pending with the governor.

## HEALTHCARE

- **Telemedicine** would be regulated by SB272 by Sen. Dan Roberts (R—Birmingham), which passed the House on Tuesday. The companion bill was sponsored by Rep. Paul Lee (R—Dothan), and Roberts’ bill is pending with the governor. The bill sets no limits on the number of telehealth visits a patient is permitted. Instead, it says that if a patient sees a physician via telehealth more than four times in a 12-month period for the same condition without resolution,

the physician must see the patient in person within the next 12 months or refer the patient to another physician who can provide in-person care within the next 12 months.

- The **scope of practice for certified registered nurse anesthetists** would be revised under HB268 by Rep. Wes Kitchens (R—Arab), which was negotiated in conference committee. The committee’s recommended compromise was approved in the House last week and in the Senate on Tuesday. The bill is now pending with the governor.
- In response to a disease outbreak, **orders of the state health officer** would have the full force of law if approved by the governor and filed with the secretary of state under SB255 by Sen. Arthur Orr (R—Decatur), but the bill was eventually defeated 40-53.
- **Podiatrists would have gained an expanded scope of practice** to include the foot and ankle with SB101 by Sen. Linda Coleman-Madison (D—Birmingham), which was defeated on the Senate floor this week by a vote of 11-15.
- HB230 by Rep. Rolanda Hollis (D—Birmingham) **would limit the use of restraints on female inmates who are pregnant** or in the immediate postpartum period. It passed the Senate Thursday with a floor amendment, and the House agreed to the Senate’s change. The bill is pending with the governor.
- **Optometrists’ scope of practice** would have been expanded under SB120 by Sen. Del Marsh (R—Anniston). It was defeated in the House Health Committee after a public hearing Wednesday.

## GENERAL BUSINESS

- **Online marketplaces** would be required to collect specific information from their **high-volume, third-party sellers** in order for those sellers to remain active under HB318 by Rep. Gil Isbell (R—Gadsden). It passed the Senate Thursday with a floor amendment and then received House concurrence. It is pending with the governor.
- In addition to the millions of COVID-19 relief dollars appropriated already, SB191 by Sen. Greg Albritton (R—Atmore) makes a **\$98 million supplemental appropriation from the American Rescue Plan Act – State Small Business Credit Initiative Fund**. The governor signed the bill Wednesday, making it Act 2022-255.
- A **sales tax exemption** for certain agricultural products would be extended to **producer value added products** under SB274 by Sen. Steve Livingston (R—Scottsboro) and Rep. Van Smith (R—Billingsley). This week, it passed the House Ways and Means Committee on Education as amended and passed the House. The Senate concurred with the House-passed version on Wednesday, and the bill is pending with the governor.
- HB400 by Rep. Wes Kitchens (R—Arab) and Sen. Larry Stutts (R—Tuscumbia) would **exempt grain bins from property tax**. It passed the Senate Wednesday and is pending with the governor.
- HB415 by Rep. Gil Isbell (R—Gadsden) and Sen. Tom Butler (R—Madison)

would prohibit counties from charging farmers a **license fee for the sale of farm products**. It passed the Senate Wednesday and is pending with the governor.

- The **Alabama Construction Contract Indemnification Interim Study Commission** will be established by SJR83 by Sen. Greg Albritton (R—Atmore), which the governor signed on Thursday. The commission is charged with reviewing the law related to the indemnification provisions in contracts among the parties engaged in construction projects.

## ELECTION REFORM

- **Election officials could not accept private donations** to pay for certain election-related expenses under HB194 by Rep. Wes Allen (R—Troy), a former probate judge. It passed the Senate Thursday after lengthy debate and is pending with the governor.

## CANNABIS

- It would be illegal for **psychoactive cannabinoids** to be sold, marketed or possessed by anyone under 21 years of age under SB326 by Sen. Tim Melson (R—Florence). It passed the House Judiciary Committee on Wednesday but did not come up for a final passage vote on the session's last day.

## FIREARMS

- **Presidential orders infringing on second amendment rights** could not be administered or enforced by state or local government in Alabama unless failure to do so would jeopardize necessary federal funding, according to SB2 by Sen. Gerald Allen (R—Tuscaloosa). The bill was revised this week, and won final passage on Thursday. The bill in its final form is pending with the governor.

## JUDICIARY

- The state **Administrative Office of Courts** would gain some oversight of **municipal courts** under SB203 by Sen. Arthur Orr (R—Decatur), which passed the House Wednesday with a floor amendment. The Senate concurred, sending the bill to the governor for consideration.

## EMPLOYMENT LAW

- SB150 by Sen. Arthur Orr (R—Decatur) related to **designation of independent contractor status with regard to certain marketplace platforms** has been signed into law, becoming Act 2022-197.

## PUBLIC SAFETY

- The attorney general and Alabama Law Enforcement Agency will gain new **wiretapping authority** in felony drug cases under HB17 by Rep. Rex Reynolds (R—Huntsville) and Sen. Tom Butler (R—Madison). It was signed this week, becoming Act 2022-236.

## ARTIFICIAL INTELLIGENCE

- Usage of **artificial intelligence** technology would be regulated with passage of SB56 by Sen. Arthur Orr (R—Decatur), which passed the House last week as

substituted in committee. Rep. Rod Scott (D—Fairfield) is the House sponsor, and the Senate concurred with House changes this week. It is now pending with the governor.

## CONFIRMATIONS

- The Alabama Senate gave final approval to the following confirmations: Steve Smith, **Alabama State Board of Public Accountancy**, and Cristy Andrews, **Alabama Securities Commission**.
- Confirmation of Bryan Taylor, Attorney General Steve Marshall’s appointee to the **Alabama Medical Cannabis Commission** stalled this week. During a meeting of the Confirmations Committee, a motion was made to approve his nomination, but no one seconded the motion.

## PUBLIC WATERWAYS

- SB281 by Sen. Garlan Gudger (R—Cullman) to **regulate wake boarding and wake surfing** on lakes formed by damming rivers already had a pending committee amendment. On Thursday evening, the House added three floor amendments, including one limiting the bill’s application to Smith Lake. The Senate voted to non-concur with those House changes 15 minutes prior to midnight, and the bill died because the conference committee did not resolve the differences.

## WATER & SEWER

- New audit requirements would apply to some **nonprofit corporations providing water service** to the public with SB33 by Sen. Andrew Jones (R—Centre). The bill passed the House Thursday and is pending with the governor.
- A constitutional amendment by outgoing Rep. Rich Wingo (R—Tuscaloosa), HB148 related to private sewer systems that utilize public rights-of way in Tuscaloosa County, was approved by the Senate after it was amended to provide for application in Jefferson County.

## ECONOMIC DEVELOPMENT & PORT-RELATED ISSUES

- Sen. Arthur Orr (R—Decatur) ran out of time to pass SB303, his second attempt this year to revise reporting requirements for certain **tax credits**. On the session’s last day, he introduced SJR117 to form the **Joint Legislative Study Commission on Renewing Economic Development Incentives**. The resolution received final passage and is pending with the governor.

## REAPPORTIONMENT

- Any **legal challenges to statewide redistricting plans** in state courts would be heard by a panel of three circuit judges established by SB190 by Sen. Jim McClendon (R—Springville) – effectively sidestepping trial courts in Montgomery County where Democrats dominate the judiciary. Democrats filibustered the bill on the House floor Thursday, forcing it to be carried over and killing the bill.