

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT 2023 REGULAR SESSION · WEEK FOUR APRIL 7, 2023

ECONOMIC DEVELOPMENT: IVEY RELEASES 'GAME PLAN' TO SECURE ALABAMA'S FUTURE

Gov. Kay Ivey and legislative leaders have agreed for months that the state's economic development incentives must be reauthorized and reinvigorated. On Monday, the governor released the Game Plan, a four-bill package to secure Alabama's economic future.

- **Enhancing Alabama's Economic Progress Act** — renews the Alabama Jobs Act and the Growing Alabama program and extends their sunset dates to 2028 while adding strategic enhancements to increase their effectiveness.
- **Site Evaluation and Economic Development Strategy (SEEDS) Act** — allows the State Industrial Development Authority to accelerate development of industry-ready sites at a time when available sites are scarce and other states are expanding their site programs.
- **Innovation and Small Business Act** — aims to supercharge growth in Alabama's innovation economy and support underrepresented businesses and enterprises in rural areas, transforming the state into a hub for technology and innovation.
- **Enhancing Transparency Act** — requires the Alabama Department of Commerce to publish certain incentivized project information on its website.

The following day, a bipartisan group of seven lawmakers introduced corresponding legislation in the House and Senate. The Senate Fiscal Responsibility and Economic Development Committee is set to consider the first two bills on Tuesday afternoon: [SB165](#) by Sen. Arthur Orr (R—Decatur) and [SB151](#) by Sen. Garlan Gudger (R—Cullman). The Senate versions of the remaining bills are [SB152](#) by Sen. Bobby Singleton (D—Greensboro) and [SB164](#) by Senate President Pro Tempore Greg Reed (R—Jasper).

In other significant legislative action this week, the Senate unanimously passed a bill Thursday morning to enhance criminal penalties for **fantanyl trafficking** under HB1 by Rep. Matt Simpson (R—Daphne). Later the same day, Gov. Kay Ivey signed the measure, making [Act 2023-4](#) the first new law of the regular session.

It was also a notable week for tax cuts. Budget Committee Chairman Danny Garrett (R—Trussville) introduced [HB250](#) to **phase out the sales tax on groceries**, and the

House passed about **\$80 million in income tax cuts** Thursday, sending the legislation on to the Senate. Garrett and Sen. Arthur Orr (R—Decatur) developed the targeted income tax proposals together. HB115 would gradually shave 0.05% off the top income tax rate, which stands at 5% until it reaches 4.95%, while HB116 would eliminate the 2% tax on an individual's first \$500 of income.

Lawmakers worked together productively this week, and the pace is expected to continue with plans to again go into formal session three days next week.

OVERVIEW OF THE WEEK

ENERGY & TRANSPORTATION

- **Municipal authority to set speed limits** on county-maintained roads within the municipality would be curbed under SB33 by Sen. Steve Livingston (R—Scottsboro), which passed the Senate Tuesday with an amendment. Additionally, the House Transportation, Utilities and Infrastructure Committee amended and approved the companion bill, HB86 by Rep. Debbie Wood (R—Valley).
- Law enforcement would have a new tool to combat **exhibition driving** under SB58 by Sen. Rodger Smitherman (D—Birmingham). The bill passed the Senate Thursday with three committee amendments (1, 2, 3), and the House version is sponsored by Rep. Allen Treadaway (R—Morris).
- The Legislation Subcommittee of the Joint Transportation Committee met Thursday to address pending changes to the **2019 Rebuild Alabama Act**, which increased fuel taxes to support infrastructure improvements.
- SJR6 by Sen. Gerald Allen (R—Cottondale) expressing support for offshore oil and gas exploration, leasing and development passed the Senate.

CIVIL LIABILITY

- **Contractors working on roads and bridges** would be protected from civil liability in certain situations according to HB249, which Rep. David Faulkner (R—Birmingham) introduced this week. The bill is pending with the House Transportation, Utilities and Infrastructure Committee. The Senate version by Sen. Clay Scofield (R—Guntersville) is assigned to the Senate Judiciary Committee.
- The House Insurance Committee approved a **civil liability bill** this week developed with input from the business community and the plaintiff's bar. SB104 by Sen. Chris Elliott (R—Josephine) would change the standard used by courts to hold **sellers of alcoholic beverages** liable for injuries caused by an intoxicated customer. The committee also approved the companion bill by Rep. David Faulkner (R—Birmingham).

HEALTHCARE

- A **proposed income tax credit for medical students** who train in rural or underserved areas was carried over by the House Ways and Means Committee on Education this week to allow members more time to review a substitute version of the bill.

HB133 is by Rep. Neil Rafferty (D—Birmingham), and Sen. April Weaver (R—Alabaster) introduced a companion bill this week.

- Public schools and their athletic programs would have new responsibilities aimed at **preventing sudden cardiac arrest** under HB45 by Rep. Jeremy Gray (D—Opelika). The House Children and Senior Advocacy Committee was scheduled to consider the bill this week, but no action was taken.
- Legislation concerning **healthcare facility visitation** passed the House Thursday with an amendment and must return to the Senate for concurrence. SB113 by Sen. Garlan Gudger (R—Cullman) was prompted by concern for citizens who were unable to visit loved ones in hospitals or nursing homes during the pandemic. The original bill, which had been amended twice in the Senate (1, 2), was further amended in the House to address clergy visitation.
- **Minors could not receive vaccines** without consent from a parent or guardian under a bill approved by the House Health Committee this week. HB187 is sponsored by Rep. Chip Brown (R—Mobile).
- **Emergency medical personnel and services** would gain the same liability protections as other health care providers pursuant to SB96 by Sen. Sam Givhan (R—Gurley), which passed the Senate on Thursday. The House version by Rep. Ed Oliver (R—Dadeville) was approved by the House Health Committee this week.
- At present, the Board of Pharmacy has no way to set rules and regulations for **remote work by pharmacists**, a need that emerged during the pandemic. SB16 by Sen. Tom Butler (R—Madison), which would clarify licensing and permitting of this industry, passed the Senate on Tuesday. The House companion — HB78 by Rep. Phillip Rigsby (R—Huntsville) — passed the House Health Committee on Wednesday.
- The **scope of practice for podiatrists** would be revised under SB28 by Sen. Tim Melson (R—Florence), which passed the Senate Wednesday as substituted and amended.

CANNABIS

- **Psychoactive cannabinoids from hemp** could not be sold to anyone younger than 21 under SB66 by Sen. Tim Melson (R—Florence). The bill, as it passed the Senate this week, now sets penalties for underage purchasers, clarifies that it does not apply to medical marijuana and increases the tax levy to 8%.
- The state’s **medical marijuana law** would be extensively revised under HB227 by Rep. David Cole (R—Madison). The bill was introduced Tuesday and has been assigned to the House Health Committee. No companion version has been introduced in the Senate.

MENTAL HEALTH

- **Appointed attorneys in commitment proceedings** could be compensated for certain work that occurs prior to the attorneys’ official appointment under SB44 by Sen. Bobby Singleton (D—Greensboro), which was approved by the House Judiciary Committee on Wednesday. The companion bill is sponsored by Rep. David

Faulkner (R—Birmingham).

STATE RETIREMENT

- **Local governments in the Employees' Retirement System** would have more time to opt in to the provisions of Act 2022-229, which allows for a one-time bonus payment to retirees. SB92 by Sen. Josh Carnley (R—Ino) passed the Senate Wednesday. The House version of the bill, sponsored by Rep. Reed Ingram (R—Mathews), passed the House County and Municipal Government Committee this week.
- **Retired state employees and teachers** can return to work while drawing retirement if their pay does not exceed an inflation-adjusted cap that is \$37,000 at present. HB41 by Rep. Rex Reynolds (R—Huntsville), which would increase the cap to \$52,000 plus an inflation adjustment, passed the House Tuesday. It is pending with the Senate Finance and Taxation Committee on the General Fund, where the Senate version of the bill — by Sen. Sam Givhan (R—Gurley) — had been carried over.
- A pair of similar bills affecting **hazardous duty time** made progress this week. Both would remove the time limit for firefighters, law enforcement and correctional officers in the Retirement Systems of Alabama to purchase hazardous duty time. HB66 by Rep. Joe Lovvorn (R—Auburn) passed the House Tuesday, and SB69 by Sen. Andrew Jones (R—Centre) passed the Senate Thursday.
- A bill to revise the **state police tier II plan** within the Employees' Retirement System passed the Senate Thursday. SB68 is by Sen. Clyde Chambliss (R—Prattville).

TOBACCO

- **Smoking or vaping in a motor vehicle in the presence of a child** would be banned pursuant to HB3 by Rep. Rolanda Hollis (D—Birmingham), which passed the House this week.

DISTRACTED DRIVING

- It would be **illegal to hold a cell phone while driving** for the purpose of talking or taking a photo/video under HB8 by Rep. Randy Wood (R—Anniston), although it would still be permissible to talk while driving using handsfree technology. The bill was the subject of extended debate on the House floor Tuesday, with a substitute and amendments (1, 2) adopted. HB8 is currently carried over to the call of the chair.

EDUCATION

- High school students would be required to complete a **financial literacy course** in order to graduate with passage of HB164 by Rep. Andy Whitt (R—Ardmore), which was approved by the House Education Policy Committee on Wednesday.
- Terminology used in the **Alabama Accountability Act of 2013** would be overhauled under HB218 by Rep. A.J. McCampbell (D—Gallion), which would change “failing school” to “fully supported school,” for example. The bill was scheduled

for consideration by the House Education Policy Committee on Wednesday but did not make progress.

WORKFORCE

- On Thursday the House passed a comprehensive workforce development bill in HB109 by Rep. Terri Collins (R—Decatur). Among its provisions, the bill would create a 24-member **Alabama Workforce Council Committee on Credential Quality and Transparency** to advise the Alabama Committee on Credentialing and Career Pathways and make credential and competency data publicly available.

INSURANCE

- Disability insurers could offer coverage for **paid family leave** under SB84 by Sen. Shay Shelnett (R—Trussville), which passed the Senate on Thursday. The House version by Rep. Corley Ellis (R—Columbiana) was approved by the House Insurance Committee this week.
- Two bills to **update insurance industry licensure** made progress this week. HB60 by Rep. Corley Ellis (R—Columbiana) to delete requirements for prelicensing courses prior to license exams passed the House on Tuesday, and SB139 by Sen. Shay Shelnett (R—Trussville) was approved by the Senate Banking and Insurance Committee.
- Once again, a measure to **regulate lender-placed insurance on real property** appeared on the House Insurance Committee’s agenda but did not advance. HB58 is by Rep. Corley Ellis (R—Columbiana).
- **Public notice requirements for the Alabama Department Insurance** would be revised pursuant to HB161 by Rep. David Faulkner (R—Birmingham), which was approved by the House Insurance Committee this week. The Senate companion, sponsored by Sen. Shay Shelnett (R—Trussville), was approved this week by the Senate Banking and Insurance Committee.

EXECUTIVE POWERS

- The Senate Fiscal Responsibility and Economic Development Committee approved a clarification to the state’s ban on **price gouging during a state of emergency** this week and would allow the governor to specify if and where price controls should accompany a state of emergency. SB62 is sponsored by Sen. Sam Givhan (R—Gurley). The House version of the bill, by Rep. Jamie Kiel (R—Russellville), was approved by the House State Government Committee on Wednesday.

GOVERNMENT PROCUREMENT

- Multiple **competitive bidding thresholds** in state law would increase with SB108 by Sen. Linda Coleman-Madison (D—Birmingham), which would also establish an inflation adjustment going forward. The bill passed the Senate Thursday.
- With passage of SJR16 this week, the Senate took a step toward establishing a **Joint Interim Study Commission on Responsible Technology Purchases**. The joint resolution, which is now pending in the House, tasks the study commission with

examining the fiscal impact of mass technology purchases by state government and public education, both K-12 and higher education. The group will evaluate the potential benefit of implementing a model total cost of ownership (TCO) matrix or calculator to utilize when making large purchases of technology.

JUDICIARY

- A bill to create **three new circuit judgeships** in growing areas of the state made slow progress in the House this week. HB183 by Rep. Troy Stubbs (R—Wetumpka) would add a judge in Baldwin County, Madison County and the circuit composed of Autauga, Elmore and Chilton counties. The bill was approved Wednesday by the House Judiciary Committee, where members were sympathetic to burdensome caseloads but wary of causing budget woes for the state. The bill was then referred to a second House committee, the Ways and Means Committee on the General Fund. Similar proposals were scheduled for committee consideration in the Senate but did not advance. SB39 by Sen. Sam Givhan (R—Gurley) is pending with the Senate Judiciary Committee, and SB144 by Sen. Will Barfoot (R—Pike Road) is pending with the Senate Finance and Taxation Committee on the General Fund.

CONFIRMATIONS

- On Wednesday, the Alabama Senate confirmed Sen. Arthur Orr (R—Decatur) and Mac McCutcheon to the **Athens State University board of trustees**. McCutcheon is the former speaker of the Alabama House who now serves as chairman of the Madison County Commission.
- Four people received Senate confirmation to the **Alabama Surface Mining Commission**: Gregory Fanin, Mitchell Mataya, Deidre Tatum and Edward White.
- For the **Alabama Trust Fund board**, the Senate confirmed Alvin Hope II.
- The Senate also confirmed Horace H. Horn to the board for the **Alabama Department of Archives and History**.

MILITARY AFFAIRS

- A bill seeking to expand the **Alabama Job Creation and Military Stability Commission** was approved by the House Military and Veterans Affairs Committee this week. HB44 is by Rep. Chris Blackshear (R—Smiths Station), and Sen. Billy Beasley (D—Clayton) is sponsoring the Senate version.

BANKING

- SB11 by Sen. Will Barfoot (R—Pike Road) would revise the **Alabama Uniform Trust Code** to increase the threshold at which a noneconomic trust can be terminated. It passed the Senate Thursday, and this week the House Financial Services Committee approved the House version by Rep. Cynthia Lee Almond (R—Tuscaloosa).
- The procedures for **redeeming a property sold at a tax sale** would be revised under HB190 by Rep. Tim Wadsworth (R—Arley), which was the subject of a public hearing in the House Judiciary Committee this week. Sen. Sam Givhan (R—Gurley) also introduced a Senate version of the measure this week.

- Many **county and municipal public notices** would shift to online publication with passage of SB71 by Sen. Jack W. Williams (R—Wilmer). The bill was amended and approved by the Senate Banking and Insurance Committee on Wednesday.
- Financing arrangements for the **sale or lease of motor vehicles** would be adjusted under SB15 by Sen. Shay Shelnett (R—Trussville). The bill, which affects insurance of motor vehicle value protection agreements, was approved by the Senate Banking and Insurance Committee this week.

STATE GOVERNMENT

- The **Board of Pardons and Paroles** would change the way it maintains, leases, purchases motor vehicles subject to HB121 by Rep. Randall Shedd (R—Cullman). The bill, which would also affect how the agency disposes of used vehicles, was scheduled for consideration by the House Ways and Means Committee on the General Fund, but it did not advance.

WATER & SEWER

- **Reservoirs used in the collection or storage of water** would become part of a water system under SB134 by Sen. Gerald Allen (R—Cottondale). The bill was scheduled for consideration Wednesday by the Senate State Governmental Affairs Committee, but it did not advance.
- Customers of **community water systems** would be charged a new environmental fee according to SB112 by Sen. Greg Albritton (R—Atmore). The Senate Finance and Taxation Committee on the General Fund rejected the bill this week.

ECONOMIC DEVELOPMENT

- A bill to adjust **property tax abatements** granted to industrial or research enterprises was introduced midweek. HB259 by Rep. Margie Wilcox (R—Mobile) is scheduled for consideration by the House State Government Committee on Wednesday.

*The Alabama Legislature will reconvene on Tuesday, April 11,
for the 8th of 30 possible working days in the regular session.*