

Arise Bills of Interest

2015 Second Special Session

Sept. 25, 2015

The Alabama Legislature's second special session began Sept. 8 and adjourned Sept. 16. During the session, 149 bills and resolutions were introduced. Arise followed legislation related to our legislative priorities throughout the session. "(CA)" indicates a proposed constitutional amendment. Measures in **blue** are Arise priority legislation. Measures in **yellow** were enacted. Measures in **red with white text** are Arise policy priorities that were enacted.

Adequate state budgets

GF budget bills:

HB1 (Clouse) – FY 2016 General Fund budget. **Enacted as Act 2015-540.**

HB6/SB18 (Clouse/Orr) – FY 2016 General Fund budget. HB6 and SB18 are no longer significant after the enactment of HB1.

SB8 (Holtzclaw) – FY 2016 General Fund budget. No longer significant after the enactment of HB1.

Health care:

SB19 (Beasley) – Expands Medicaid eligibility under the Affordable Care Act. Died in the Senate Finance & Taxation General Fund Committee.

Other budget measures:

HB10 (Beckman) – Moves all state use tax revenues to the General Fund. Died in the House Ways & Means Education Committee.

HB22 (Shedd) – Creates the Priority Budgeting and Responsibility Fund to provide for distribution of new revenue passed during the 2015 second special session. Died in the House Ways & Means General Fund Committee.

HB29 (Poole) – Reduces the Education Trust Fund's Budget Stabilization Fund from 20 percent to 10 percent of prior-year spending, changes the distribution of revenues above the Rolling Reserve spending cap, and bases the cap on growth in the highest 14 of the previous 15 years. **Enacted as Act 2015-538.**

HB30 (Poole) – Moves additional use tax revenues from the Education Trust Fund to the General Fund. **Enacted as Act 2015-539.**

HB38/SB1 (Ainsworth/Sanford) – Creates a new formula for distributing recurring revenues to the ETF and General Fund. HB38 died in the House Ways & Means Education Committee. SB1 died on the Senate calendar.

HJR33 (McCutcheon) – Creates the Joint Legislative Committee on Taxpayer Accountability. Lost in the House when it failed to receive the 2/3 majority required during a special session to pass legislation not in the governor's call.

SB2 (Bussman) – Makes a one-time transfer from the Education Trust Fund's Budget Stabilization Fund to the General Fund. Died in the Senate Finance & Taxation General Fund Committee.

SB4 & SB37 (Pittman & Orr) – Moves \$50 million of use tax revenue from the Education Trust Fund to the General Fund. *SB4 and SB37 died on the Senate calendar.*

SB5 (Livingston) – Makes a one-time transfer from the Education Trust Fund’s Budget Stabilization Fund to the General Fund and repays the transfer with money from the BP Deepwater Horizon lawsuit settlement. *Died in the Senate Finance & Taxation General Fund Committee.*

SB6 (Pittman) – Reduces the Education Trust Fund’s Budget Stabilization Fund from 20 percent to 10 percent of prior-year spending, changes the distribution of revenues above the Rolling Reserve spending cap, and bases the cap on growth in the highest 14 of the previous 15 years. *Died on the Senate calendar.*

Tax reform

HB3 (Rowe) – Increases the state cigarette tax by 25 cents per pack. ***Enacted as Act 2015-535.*** (Note: *Arise supports a larger cigarette tax increase to help reduce smoking.*)

HB8 (Beech) – Increases the state pharmacy privilege tax. ***Enacted as Act 2015-537.***

HB9 (Beckman) – Limits state income tax deduction for FICA and self-employment taxes. *Died in the House Ways & Means General Fund Committee.*

HB12 (Clouse) – Increases the state nursing home privilege tax. ***Enacted as Act 2015-536.***

HB13 (Greer) – Increases the maximum business privilege tax from \$15,000 to \$25,000 and makes other changes to the tax. *Died in the House Ways & Means General Fund Committee.*

HB14 (Ingram) – Raises the state auto title fee. *Passed the House but died in the Senate Finance & Taxation Education Committee.*

HB15 (Sells) – Raises the state auto rental tax. *Passed the House but died in the Senate Finance & Taxation General Fund Committee.*

HB17 (Williams, J.D.) – Creates state and local excise taxes on certain sexually oriented materials. *Died on the House calendar.*

HB21 (Hill, M.) – Increases the maximum business privilege tax from \$15,000 to \$30,000, exempts companies with less than \$10,000 of state taxable net worth, and makes other changes to the tax. *Died on the House calendar.*

HB24 (Shedd) – Creates an excise tax on soft drinks. *Died in the House Ways & Means General Fund Committee.*

HB28 (McCutcheon) – Raises the state gasoline and diesel taxes by 5 cents per gallon and increases them annually if certain criteria are satisfied. *Died on the House calendar.*

HB32/SB7 (Beckman/Sanford) – Creates a state lottery, for multistate games only, to help fund General Fund services (CA). *HB32 died in the House Economic Development & Tourism Committee. SB7 died in the Senate Tourism & Marketing Committee.*

HB34 (Ford) – Creates a state lottery to help fund college scholarships and education (CA). *Died in the House Economic Development & Tourism Committee.*

HB42/SB35 (Collins/Pittman) – Repeals certain insurance premium tax credits. *HB42 died in the House Ways & Means General Fund Committee. SB35 died on the Senate calendar.*

HJR8 (Rogers) – Creates Flat Tax Study Commission. *Passed the House but died on the Senate calendar.*

SB10 (Figures) – Raises state property tax by 1 mill to help fund General Fund services (CA). *Died in the Senate Finance & Taxation General Fund Committee.*

SB12 (Coleman) – Requires “combined reporting,” treating parent corporations and subsidiaries as one entity for corporate income tax purposes. *Died in the Senate Finance & Taxation Education Committee.*

SB13 (Pittman) – Ends ad valorem tax deferrals on certain new motor vehicles. *Enacted as Act 2015-556.*

Other subjects

HB27 (Faulkner) – Forbids cities and counties to create their own minimum wage. *Died on the House calendar.*

For the full text of these bills and others introduced during the Alabama Legislature’s 2015 second special session, go to <http://alisondb.legislature.state.al.us/acas/ACASLoginFire.asp>.