

Arise Bills of Interest

2015 Regular Session

June 16, 2015

*The Alabama Legislature adjourned sine die on June 4, ending the 2015 regular session. During the session, 1,692 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 or implemented through regulations.*

Adequate state budgets

ETF and GF budget bills:

HB135 (Clouse) – FY 2016 General Fund budget. Passed the House and Senate but was vetoed by the governor. The House voted to override the veto, but the bill died because the Senate adjourned sine die before it could vote to override.

HB155/SB179 (Poole/Pittman) – FY 2016 Education Trust Fund budget. HB155 is no longer significant. SB179 was enacted as Act 2015-281.

Health care:

HB247 (Todd) – Allows redistribution of certain unused HIV drugs. Passed the House and Senate but died when the governor declined to sign it. (Note: An adviser attributed the decision to a technical error in the bill and said the governor supports the bill's intent.)

HB585/SB431 (Weaver/Reed) – Provides certain Medicaid long-term care services through regional care organizations and creates a citizens' advisory committee including representatives of groups that are part of Alabama Arise or the Disabilities Leadership Coalition of Alabama. HB585 is no longer significant. SB431 was enacted as Act 2015-322.

HB630/SB464 (Weaver/Reed) – Exempts Medicaid regional care organizations from all state and local taxes. **HB630 was enacted as Act 2015-349. SB464 is no longer significant.**

SB75 (Beasley) – Expands Medicaid eligibility under the Affordable Care Act. Died in the Senate Finance & Taxation General Fund Committee.

SJR34 (Pittman) – Expresses the Legislature's intent that Alabama should not expand Medicaid eligibility under the Affordable Care Act. Passed the Senate but died in the House Rules Committee.

SJR41 (Ross) – Expresses Democratic and independent legislators' intent that Alabama should expand Medicaid eligibility under the Affordable Care Act. Passed the Senate but died in the House Rules Committee.

Other budget measures:

HB129 (Sells) – FY 2016 Children First Trust Fund budget. **Enacted as Act 2015-454.**

HB251 (Todd) – Requires the executive branch to report annually to the Legislature about economic incentives. Died in the House Economic Development & Tourism Committee.

HB322 (Poole) – Includes ETF payments to the Prepaid Affordable College Tuition (PACT) program in the Rolling Reserve spending cap and changes the distribution of revenues above the cap. *Passed the House but died on the Senate calendar.*

HB330/SB281 (Boothe/Holley) – Increases the ETF Rolling Reserve spending cap. *HB330 died in the House Ways & Means Education Committee. SB281 died in the Senate Finance & Taxation Education Committee.*

HB379/SB414 (Henry/Allen) – Adopts a compact to urge a nationwide convention to add a balanced budget amendment to the U.S. Constitution. *HB379 was indefinitely postponed in the House. SB414 passed the Senate but died on the House calendar.*

HB490 (Clouse) – Delays the repayment of \$437 million borrowed from the Alabama Trust Fund in 2012 to help avoid General Fund budget cuts. *Indefinitely postponed in the House.*

HB533 (Ainsworth) – Reallocates numerous earmarked fees to the General Fund. *Died in the House Ways & Means Education Committee.*

HB542 (Moore, B.) – Pays non-elected agency heads a bonus for reducing their agencies' budgets. *Died in the House State Government Committee.*

HB642 (Shedd) – Replaces the state Department of Senior Services with the Bureau of Senior Services within the state Department of Public Health. *Died in the House Children & Senior Advocacy Committee.*

HB656/SB12 & SB424 (Ainsworth/Sanford) – Creates a new formula for distributing recurring revenues to the ETF and General Fund. *HB656 died in the House Ways & Means Education Committee. SB12 and SB424 died in the Senate Finance & Taxation Education Committee.*

HB700/SB502 (Mooney/Dial) – Unifies the Education Trust Fund and General Fund and eliminates all state earmarks (CA). *HB700 died in the House Ways & Means Education Committee. SB502 was indefinitely postponed in the Senate.*

HJR112 (Johnson, K.) – Calls for a convention to propose amendments to the U.S. Constitution regarding term limits and federal spending and jurisdiction limits. ***Enacted as Act 2015-222.***

SB67 (Ward) – Requires numerous prison reforms, including changes in community corrections, sentencing, probation and parole, and repeals the state's SNAP and TANF eligibility bans for people with a felony drug conviction. ***Enacted as Act 2015-185.***

SB98 (Ross) – Repeals the ETF Rolling Reserve Act and re-enacts the ETF proration prevention account. *Died in the Senate Finance & Taxation Education Committee.*

SB99 (Ross) – Creates a universal preschool program. *Died in the Senate Finance & Taxation Education Committee.*

SB119 (Hightower) – Requires annual state tax expenditure reports to estimate how much revenue Alabama forgoes because of each tax break. ***Enacted as Act 2015-237.***

SB248 (Pittman) – Writes the ETF Rolling Reserve Act into the constitution and bases the spending cap on growth in the highest 14 of the previous 15 years (CA). *Indefinitely postponed in the Senate.*

SB373 (Pittman) – Extends the state school bus replacement schedule from 10 years to 12 years, or 15 years with a waiver. *Died in the Senate Finance & Taxation Education Committee.*

SB375 (Orr) – Allows state agencies to un-earmark funds not distributed pursuant to federal law, the state constitution or court order. **Enacted as Act 2015-327.**

SB476 (Marsh) – Caps state Medicaid and corrections funding at 10 percent and 5.5 percent, respectively, of total combined Education Trust Fund and General Fund spending unless 60 percent of lawmakers vote to override those limits (CA). *Died in the Senate Finance & Taxation General Fund Committee.*

SB496 (Orr) – Moves additional use tax revenues from the Education Trust Fund to the General Fund. *Indefinitely postponed in the Senate.*

SJR43 (Ward) – Renews the state Prison Reform Task Force for another year. **Enacted as Act 2015-276.**

Tax reform

Grocery tax and FIT deduction bills:

HB475 (Knight) – Ends the state’s federal income tax deduction (CA). *Died in the House Ways & Means Education Committee.*

HB476 (Knight) – Creates a state earned income tax credit and increases standard deductions and personal exemptions to federal levels, contingent on HB475. *Died in the House Ways & Means Education Committee.*

HB478 (Knight) – Ends the state sales tax on groceries and over-the-counter medicines and repeals the state’s federal income tax deduction (CA). *Died in the House Ways & Means Education Committee.*

HB569 (Knight) – Ends the state sales tax on groceries. *Died in the House Ways & Means Education Committee.* (Note: Arise supports ending the state sales tax on groceries and replacing the education revenue.)

HB570 (Knight) – Ends the state sales tax on groceries over a four-year period. *Died in the House Ways & Means Education Committee.* (Note: Arise supports ending the state sales tax on groceries and replacing the education revenue.)

Other tax bills:

HB45 (Todd) – Increases the state cigarette tax to 75 cents per pack. *Died in the House Ways & Means General Fund Committee.*

HB57 (Beech) – Expands tax credits related to hiring veterans and to creating jobs in rural counties. **Enacted as Act 2015-41.**

HB58 (Baker) – Creates new jobs tax credits, repeals many current incentives and requires partial repayments of credits from businesses that fail to meet job, wage or investment requirements. **Enacted as Act 2015-27.**

HB59 (Lee) – Creates reinvestment tax incentives for existing businesses and extends abatement periods for certain tax breaks. **Enacted as Act 2015-24.**

HB139 (McMillan) – Increases state taxes on cigarettes and other tobacco products. *Died in the House Ways & Means General Fund Committee.*

HB142 (Hill, M.) – Like HB455, requires “combined reporting,” treating parent corporations and subsidiaries as one entity for corporate income tax purposes. *Died in the House Ways & Means Education Committee.*

HB201 (Greer) – Repeals the sales tax credit allowed on financial institution excise tax returns. *Died in the House Ways & Means General Fund Committee.*

HB224 (McMillan) – Applies the state tobacco tax to consumer vapor products like electronic cigarettes. *Died in the House Ways & Means General Fund Committee.*

HB240/SB504 (Johnson, K./Shelnutt) – Repeals the income tax withholding exemption for certain employers. *HB240 was indefinitely postponed in the House. SB504 was indefinitely postponed in the Senate.*

HB267 (Clouse) – Raises the state auto rental tax. *Indefinitely postponed in the House.*

HB268 (Clouse) – Increases the state sales tax on automobiles and redirects more of the revenues from the ETF to the General Fund. *Died in the House Ways & Means General Fund Committee.*

HB276 (England) – Requires municipal utility corporations to pay the state license tax. *Died in the House Ways & Means General Fund Committee.*

HB277 (Knight) – Repeals certain credits against the insurance premium tax. *Died in the House Ways & Means General Fund Committee.*

HB304 (Williams, P.) – Creates a corporate income tax credit for certain research expenses. *Indefinitely postponed in the House.*

HB368 (Black) – Creates state tax credits for certain small business investment companies. *Indefinitely postponed in the House.*

HB414 (Johnson, K.) – Creates a state tax credit for any business with 50 or fewer employees that creates new jobs. *Indefinitely postponed in the House.*

HB416 (Pringle) – Expands HB 58’s tax incentives for hiring veterans and creates credits to urge greater use of the State Port and other economic development activities. *Passed the House but died in the Senate Finance & Taxation Education Committee.*

HB437 (Whorton, R.) – Creates a state income tax credit for employing an apprentice. *Indefinitely postponed in the House.*

HB455 (Lindsey) – Like HB142, requires “combined reporting,” treating parent corporations and subsidiaries as one entity for corporate income tax purposes. *Died in the House Ways & Means Education Committee.*

HB471 (Ford) – Creates a state lottery to help fund Medicaid (CA). *Died in the House Constitution, Campaigns & Elections Committee.*

HB472 (Ford) – Creates a state lottery to help fund college scholarships (CA). *Died in the House Constitution, Campaigns & Elections Committee.*

HB572 (Todd) – Increases the state cigarette tax by 25 cents a pack. *Indefinitely postponed in the House.* (Note: *Arise supports a larger cigarette tax increase to help reduce smoking.*)

HB576 & HB577 (Williams, P.) – Creates a state tax credit for donations to groups that provide digital learning grants to schools. *Died in the House Ways & Means Education Committee.*

HB581 (Beech) – Increases the maximum business privilege tax and exempts companies with less than \$10,000 of state taxable net worth. *Indefinitely postponed in the House.*

HB587 (Collins) – Applies the state sales tax to lubricating oil products. *Indefinitely postponed in the House.*

HB593/SB501 (Johnson, K./Chambliss) – Applies sales tax to automobile sales to residents of states that do not let Alabamians buy an auto there without paying tax to that state. *HB593 was indefinitely postponed in the House. SB501 passed the Senate but died on the House calendar.*

HB595 (Faulkner) – Collects an annual fee on the privilege of owning coin-operated entertainment machines. *Indefinitely postponed in the House.*

HB651 (Ford) – Creates a state lottery to help fund college scholarships and General Fund services (CA). *Died in the House Ways & Means Education Committee.*

HB660/SB437 (Scott/Pittman) – Allows companies not subject to taxation in Alabama to collect state use tax on sales to Alabamians and retain a share of that money. *HB660 is no longer significant. SB437 was enacted as Act 2015-448.*

HB698/SB507 (Beech/Smitherman) – Increases the state pharmacy privilege tax. *HB698 was indefinitely postponed in the House. SB507 was indefinitely postponed in the Senate.*

SB216 (Dial) – Allows state agencies to increase earmarked fees periodically based on the Consumer Price Index. *Enacted as Act 2015-441.*

SB227 (Singleton) – Allows an 8.5-mill state property tax increase for K-12 education (CA). *Died in the Senate Finance & Taxation Education Committee.*

SB393 (Ross) – Creates a state income tax credit for employers that hire people released from incarceration. *Died in the Senate Finance & Taxation Education Committee.*

SB409 (Hightower) – Creates a single state income tax rate for individuals and corporations, eliminates most individual income tax breaks and preserves most corporate income tax breaks (CA). *Died in the Senate Finance & Taxation Education Committee.*

SB453 (Marsh) – Creates a state lottery, authorizes and taxes certain gambling activities at racetracks, and authorizes the governor to negotiate a compact with the Poarch Band of Creek Indians (CA). *Indefinitely postponed in the Senate.*

SB475 (Pittman) – Removes contractors' state tax exemption on gross receipts derived from contracts with cities or counties. *Passed the Senate but died on the House calendar.*

SB497 (Albritton) – Sets standards by which business activity is subject to state income tax. *Passed the Senate but died on the House calendar.*

SJR81 (Hightower) – Creates Flat Tax Study Commission. *Passed the Senate but died in the House Rules Committee.*

Alabama Accountability Act

HB270 (Ford) – Repeals the Alabama Accountability Act. *Died in the House Ways & Means Education Committee.*

SB71 (Marsh) – Makes numerous changes to the Accountability Act, including increasing the cap on tax credits, changing the definition of “failing” schools and limiting scholarship size. **Enacted as Act 2015-434.**

SB329 (Coleman) – Changes the Accountability Act’s definition of “failing school.” Passed the Senate but died in the House Education Policy Committee.

Payday/title lending reform

HB400 (Scott) – Caps annual interest rates on auto title loans at 36 percent. Died in the House Financial Services Committee.

HB417 (Todd) – Requires payday lenders to use a uniform statewide database to help enforce existing law. **The Alabama Supreme Court upheld state Banking Department regulations that create a uniform statewide payday loan database in an April 24, 2015, ruling. HB417 was withdrawn in response.**

HB531/SB335 (Garrett/Blackwell) – Extends the payday loan repayment period to six months. HB531 was indefinitely postponed in the House. SB335 was indefinitely postponed in the Senate.

SB110 (Orr) – Reduces the annual interest rate for payday loans and extends the repayment period for them. Indefinitely postponed in the Senate.

SB446 (Whatley) – Increases the maximum size of payday loans from \$500 to \$1,000. Died in the Senate Banking & Insurance Committee.

Public transportation

Arise did not track any legislation related to this issue during this session.

Housing Trust Fund

HB141 (Todd) – Increases the state mortgage record tax and dedicates a portion of the revenue to the Alabama Housing Trust Fund. Died in the House Financial Services Committee.

Lifting lifetime SNAP and TANF bans

HB118 (Hanes) – Prohibits DHR from seeking a federal waiver of SNAP work requirements for able-bodied adults without dependents. Died in the House State Government Committee.

SB31 (Coleman) – Ends Alabama’s lifetime SNAP and TANF eligibility bans for people who have a felony drug conviction and who have completed their sentence or are successfully serving probation. Died in the Senate Health & Human Services Committee.

SB67 (Ward) – Requires numerous prison reforms, including changes in community corrections, sentencing, probation and parole, and repeals the state’s SNAP and TANF eligibility bans for people with a felony drug conviction. **Enacted as Act 2015-185.** (Note: Arise supports language ending the SNAP and TANF eligibility bans.)

Other subjects

HB42 (Melton) – Creates a state minimum wage and indexes it to the cost of living. *Died in the House Commerce & Small Business Committee.*

HB396/SB327 (Hill, J./Ward) – Increases homestead and personal property exemptions from debt collection. *HB396 is no longer significant. SB327 was enacted as Act 2015-484.*

HB429/SB62 (Coleman-Evans/Sanders) – Imposes a three-year death penalty moratorium. *HB429 died in the House Judiciary Committee. SB62 died in the Senate Judiciary Committee.*

HB433 (Williams, J.D.) – Creates a legal safe harbor for child victims of human trafficking. *Passed the House but died on the Senate calendar.*

HB495/SB403 (Mooney/Albritton) – Forbids cities and counties to create their own minimum wage or paid leave requirements. *HB495 was indefinitely postponed in the House. SB403 was indefinitely postponed in the Senate.*

SB29 (Coleman) – Increases the homestead exemption from debt collection and revises numerous other consumer debt laws. *Died in the Senate Banking & Insurance Committee.*

SB275 (Ward) – Increases homestead and personal property exemptions from debt collection. *Died in the Senate Finance & Taxation General Fund Committee.*

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