

*From Montgomery  
to Washington,  
ARA is there  
to benefit you!*

*Thursday, May 22, 2008*

**CRR EXTRAS**

**2008 Regular Session:**

**Anti-Business Forces Held at Bay**

More Than \$1 Billion in Additional Taxes Avoided

Retailers and business in general weathered a gale of anti-business legislation during the Alabama Legislature's 2008 regular session. Among the more than 1,500 bills introduced, not a single bill that would harm business received final approval during the entire 30 legislative days stretched over three and a half months. Legislative inactivity assisted in that accomplishment, but the achievement is also a testament to the tenacity of your ARA lobbyists and those of other business interests in our state. In fact, the **Alabama Retail Association** and other business groups worked together throughout the session to **keep at least \$1 billion in new taxes from being imposed on Alabama businesses**.



While the Legislature has to return in a special session to approve an education budget and related measures, ARA and other business interests did manage some success in the regular session:

- *More than \$1 billion in new taxes, including a \$700 million potential hit from unemployment taxes, were averted;*
- *an all-out, six-bill assault on workers' compensation was thwarted; and*
- *attempts to require extra labeling requirements on fish and seafood, prevent pharmacists from dispensing generic drugs and place the bulk of liability for computer data security breaches on retailers were deflected.*

A status report on select bills among the more than 100 that

**BILLS**

- [HB 32](#)
- [HB 40](#)
- [HB 93](#)
- [HB 118](#)
- [HB 144](#)
- [HB 168](#)
- [HB 169](#)
- [HB 170](#)
- [HB 181](#)
- [HB 232](#)
- [HB 244](#)
- [HB 274](#)
- [HB 286](#)
- [HB 295](#)
- [HB 335](#)
- [HB 350](#)
- [HB 361](#)
- [HB 427](#)
- [HB 428](#)
- [HB 429](#)
- [HB 444](#)
- [HB 455](#)
- [HB 502](#)
- [HB 542](#)
- [HB 547](#)
- [HB 576](#)
- [HB 577](#)
- [HB 578](#)
- [HB 610](#)
- [HB 620](#)
- [HB 704](#)
- [HB 739](#)
- [HB 768](#)
- [HB 796](#)
- [HB 816](#)
- [HJR 597](#)
- [SB 137](#)
- [SB 139](#)
- [SB 142](#)
- [SB 143](#)
- [SB 144](#)
- [SB 147](#)
- [SB 221](#)
- [SB 237](#)

ARA supported, opposed or monitored during the 2008 regular session follows.

## >> Other News

### DOING BUSINESS LESS TAXING FOR RETAILERS

#### \$700 Million in Additional Unemployment Taxes Averted

On May 8, Gov. Bob Riley signed a required correction to the 2005 State Unemployment Tax Act (SUTA) into law. Without this legislation, **Alabama businesses would have had to pay \$700 MILLION in additional taxes**. Federal unemployment taxes for each employee would have gone **from \$56 to \$434 per employee, a \$378 increase** for each employee, had the Legislature not met the mandate from the U.S. Labor Department to get this legislation enacted by the end of the regular session. Last year, the same legislation passed the House but never received a Senate vote.

**The Alabama Retail Association supported [SB 147](#)** by Sen. Roger Bedford, D-Russellville, which the governor signed, and its House companion, **[HB 40](#)** by Rep. Frank McDaniel, D-Albertville.

For much of the session, labor had kept this legislation from getting final approval in the Senate. Business



groups entered into an agreement that included the approval of the SUTA bill, plus moving Alabama in line with 36 other states by granting a one-week waiting period without unemployment benefits. On May 19, the governor signed **[HB 428](#)** by Rep. Frank McDaniel, D-Albertville, into law. This bill puts in a one-week break after the 13th week of unemployment benefits. The total amount of benefits that can be paid, 26 weeks, doesn't change, but workers will collect those benefits over 27 weeks instead of 26. The average stay on unemployment is 11.7 weeks. While many laid-off workers won't be affected by the change, many workers who are still unemployed after 13 weeks end up using their full 26 weeks of eligibility. Consequently, this legislation will save money for those businesses with long-term unemployment obligations. With this new law, Alabama moves ahead of Georgia and Kentucky, which still have no waiting period.

A third bill in this package, **[HB 427](#)** by Rep. Jack Page, D-Gadsden, which the governor also signed on May 19, raises the maximum weekly unemployment benefits from \$235 to

- [SB 300](#)
- [SB 302](#)
- [SB 307](#)
- [SB 334](#)
- [SB 382](#)
- [SB 389](#)
- [SB 399](#)
- [SB 403](#)
- [SB 405](#)
- [SB 431](#)
- [SB 489](#)
- [SB 544](#)

#### IN THE NEWS

- [Riley may call special session by month's end on education](#)
- [Special session likely next week, Riley says](#)
- [What's up for special session?](#)
- [School dispute dooms state education budget](#)
- [Democrats want tax rebate bill included in Riley's special session](#)

*For more stories concerning legislative action and news of interest to retailers, go to [In the News](#)*

#### ARA CONTACTS

[Rick Brown](#)  
President

[Alison Wingate](#)  
Vice President

[Nancy Dennis](#)  
Dir. of Public Relations

[Brett Johnson](#)  
Member Relations Mgr.

#### LEGISLATIVE CONTACTS

To contact members

\$255 after July 6 and then to \$265 after July 5, 2009. Even with these increases, Alabama's unemployment compensation benefits will remain among the lowest in the nation.

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### Another \$300 Million in New Taxes Stopped

Hard economic times made it tempting in the 2008 regular session for the Alabama Legislature to add taxes to balance the budgets. ARA played a part in stopping some of these revenue-raising measures, including:

- **[HB 350](#)** by Rep. Richard Lindsey, D-Centre, which at its worst, would have meant almost **\$100 million** in new taxes on business. This legislation will be among the bills considered in the upcoming special session but is expected to be altered to correct every major objection the business community had to this bill, which rewrites the state's 2001 add-back statute concerning corporate income taxes.
- **[HB 768](#)** by Rep. Jeff McLaughlin, D-Guntersville, which called for unitary combined reporting, meaning not only companies doing business in Alabama would have been taxed but also their affiliated companies doing business anywhere in the United States and in certain foreign countries. **ARA thanks House Speaker Seth Hammett, D-Andalusia, and Rules Committee Chairman Ken Guin, D-Carbon Hill, for keeping this legislation off the House Special Order Calendar**. This legislation only would have kicked in if while auditing prior years' tax returns, the Alabama Department of Revenue decided the Alabama portion of a multi-state or international business hadn't paid enough income tax. No other state uses this arbitrary method of determining which companies file unitary returns. This legislation would have put Alabama way outside the mainstream. **ARA and the Business Associations' Tax Coalition**, a 30 association group to which ARA belongs, **vehemently opposed this bill**.
- **[HB 455](#)** by Rep. Terry Spicer, D-Enterprise, would have denied Alabama business taxpayers the additional depreciation deductions and the increased ability to expense called for under the Economic Stimulus Act of 2008 on their state income tax returns, an estimated loss of **\$59 million** in deductions. ARA had supported this bill when it simply waived state income taxes on federal tax rebates, which Alabamians began receiving in mid-May. However, ARA withdrew its support when the bill was amended to take away the business deductions.

of the Alabama Legislature:

#### WRITE:

Alabama State House  
11 South Union Street  
Montgomery, AL 36130

#### CALL:

HOUSE: (334) 242-7600  
SENATE: (334) 242-7800

#### E-MAIL:

Most representatives can be reached through the House e-mail system by using the following format:

[firstname.lastname@alhouse.org](mailto:firstname.lastname@alhouse.org).

Those without e-mail addresses can be reached through the general e-mail address:

[house3@alhouse.org](mailto:house3@alhouse.org)

There is no general e-mail address for senators. [Click here](#) for a roster of the state senators with their complete contact information.

#### LINKS GO TO CONTACT INFO:

The link to each lawmaker mentioned in this publication goes to their individual websites, which have contact information. You can also find out whose legislative district you live or work in under [Find Your Lawmaker](#) in the [Political Affairs](#) section of [alabamaretail.org](http://alabamaretail.org).



For committee assignments and clerk

- [HB 118](#) by Rep. Patricia Todd, D-Birmingham, would have doubled the caps on the business privilege tax, costing businesses an estimated **\$10 million**. **ARA opposed this legislation**, which never made it out of committee.
- [HB 704](#) by Rep. Lesley Vance, D-Phoenix City, which would have required soft drink manufacturers, bottlers, distributors, or importers who sell their product in Russell County to pay a 5-cent tax on every 12 ounces of soft drinks and a \$1 tax on each gallon of soft drink syrup. **ARA also opposed this tax**, which the county's voters would have had to approve in a referendum.

Rep. Todd also introduced [HB 361](#), which would have increased the tax on cigarettes from 26 cents a pack to 75 cents a pack. ARA monitored this legislation, which never made it out of committee.

Taxes that other groups blocked from making it through the legislative process included:

- [HB 274 / SB 431](#) by Rep. John Knight, D-Montgomery, and Sen. Hank Sanders, D-Selma, which would have ended the deduction Alabama taxpayers take for the federal income tax they pay and drop the state sales tax on food. The state's more than 200,000 Subchapter S corporations, partnerships and limited liability companies would have been hard hit by the loss of the federal income tax paid deduction. The income from these small to mid-sized businesses is taxed to the individual owners. The federal deduction loss would have cost taxpayers an estimated **\$345 million** annually and would have added that amount to the state's education revenue. Legislative fiscal experts estimated the loss of the food sales tax would have depleted \$320 million annually from the education fund, for a net gain to state coffers of \$25 million.
- [HB 796](#) by Rep. John Knight, D-Montgomery, which would have levied a 6 percent tax on the sale of natural gas by energy companies and for six years would have levied a 6 percent surcharge on the sale of oil or gas produced from 18,000 feet or deeper. This tax would have generated an estimated **\$40 million**;
- [HB 232](#), also by Rep. Todd, which would have raised the state sales and use tax for motor vehicles; and
- [HB 577](#) by Rep. Marcel Black, D-Tuscumbia, which would have taxed electronic bingo games at the dog tracks in Mobile County and Birmingham at 20 percent of the gross revenue after paying out winnings. Legislative fiscal experts estimated an eventual **\$55**

contacts for the Alabama Legislature, see [ARA's 2011 Legislative Roster](#).

## BENEFIT FROM THE VALUE

### Now, Even More Benefits from ARA



### Your Business Can Save Thousands

ARA constantly strives to increase the Value its members received from membership. Many members have been using our low-cost workers' comp program for years, but were asking for more. In January, we announced more savings. ARA members now have access to:

#### Cost-Saving Credit Card Processing:

Through a partnership with Huntsville-based **CHECKredi**, ARA members get rates normally reserved for only the largest stores.

#### Discounted Inbound and Outbound Shipping:

Through our arrangement with **PartnerShip** ARA members can save up to 27% on FedEx services and up to 70% on other shipping needs.

#### Budget Friendly Email Marketing:

**Constant Contact** brings ARA members cutting edge e-mail marketing technology for as low as \$15 a month; members save up to 25%

### [Find Out More Today](#)

million would have been generated by this tax.

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**IMPORTANT EVENT  
THIS WEEK**

## THE BEST OFFENSE IS A GOOD DEFENSE

### Business Unites to Stop Attack on Workers' Compensation Act

Six bills proposed during the regular session would have rewritten the Alabama's Workers' Compensation Act in such a manner that they would have erased every bit of economic progress we've accomplished in our state in the past decade. The bills would have removed benefit caps, increased employers' liability, made it easier to sue employers and forced employers to relinquish control of medical costs.

**Thanks to an outcry from retailers and other business owners throughout the state, these six bills died before even getting a committee hearing :**

- **PERMANENT PARTIAL DISABILITY BENEFITS:**
  - **SB 403** by Sen. Rodger Smitherman, D-Birmingham, would have removed the \$220 cap on weekly workers' compensation benefits and allowed recovery to extend past 300 weeks for the "duration of the disability." Under this bill, that cost for a "permanent" partial disability could have been as high as \$1 million. The bill also would have allowed the court to consider evidence of vocational disability in virtually every case, even when the employee had returned to work earning more money. It eliminated scheduled member injury awards in any case where an employee sustained a loss of earning capacity.
  - **HB 578** by Rep. Joseph Mitchell, D-Mobile, would have removed the \$220 weekly cap for partial disabilities and expanded recovery beyond the schedule for partial disability if the effect of an injury to a single body part extended to other parts of the body.
- **CO-EMPLOYEE AND EXCLUSIVITY: SB 405** by Sen. Roger Bedford, D-Russellville, would have destroyed the exclusivity protection currently afforded to employers. Employers would have faced both workers' compensation and tort claims virtually whenever an employee suffered an on-the-job injury based on the doctrine of respondeat superior. This bill also would have made it virtually impossible for an employer to obtain a summary judgment against a retaliatory discharge claim.
- **RETALIATORY DISCHARGE: SB 139**, also by

WHAT: **Birmingham Business Leadership Exchange**  
WHEN: **6 p.m. Wednesday, April 6**

WHERE: Regions Center  
Upper Lobby Auditorium,  
1900 5th Avenue North

*Complimentary parking available at Regions Center deck via 19th St. North*

The Speaker's Commission on Job Creation is partnering with the Birmingham Business Alliance to invite business owners of companies across the industrial spectrum to attend a "Business Leadership Exchange," and share their ideas about how to improve the business climate in the state. If you have any questions, please **contact the office of House Speaker Mike Hubbard at 334-242-7668**. If you are unable to come to the Birmingham exchange but would like to submit ideas and recommendations, you may [email them to Alabama Jobs Commission](#)

or join the conversation on Facebook at

[facebook.com/speakersjobscommission](https://facebook.com/speakersjobscommission)

Smitherman, would have destroyed the "*Employment-At-Will*" doctrine by making it easier for employees to file retaliatory discharge suits that claim they were terminated from their jobs for filing workers' compensation claims. If passed, the bill would have forced employers to spend millions to defend against a flood of new litigation.

- **MEDICAL BENEFITS AMENDMENTS:** Under [SB 389](#) by Sen. Zeb Little, D-Cullman, employers would have lost all control over medical treatment and costs. Employees would have had the right to choose their own physicians, resulting in conflicting medical opinions regarding causation, treatment plans, impairment and degree of disability, and return to work issues. The courts could designate a new treating physician upon the employee's motion. In addition, employers would have been required to pay for the purchase of any "*apparatus*" which might assist or enhance the employee's enjoyment of daily activities, including spas, whirlpools, specially equipped vans and vehicles, all of which currently are denied. The bill also would have imposed significant money penalties on employers who, for any reason at all, contested the cost of medical treatment.
- **PHYSICIAN SELECTION :** [HB 502](#) by Rep. James Gordon, D-Saraland, also reduced employers' control over medical treatment and costs by allowing employees to select their treating physician, with the amount of fees paid being equal to the amount that would have been paid to the physician chosen by the employer. This bill, in combination with SB 389, would have overturned the most significant medical treatment cost control provision of Alabama workers' compensation laws.

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### **ARA Again Puts COOL on Ice**

Neither country-of-origin labeling for all fish nor for catfish exclusively swam through the legislative process in 2008. This is the sixth year ARA has been effective in keeping mandated



country of origin labeling from being considered. **ARA will continue to oppose mandatory country of origin labeling, or COOL, at the state level on products such as seafood, meat, fruits, vegetables and peanuts.** [SB 221](#) by Sen. Jim Preuitt, D-Talladega, received Senate approval, but at ARA's request, Rep. Thomas E. Jackson, D-Thomasville, chairman of the

House Agriculture and Forestry Committee, never put it on his committee's agenda. The House indefinitely postponed the companion bill, [HB 335](#) by Rep. Spencer Collier, R-Mobile. These bills would have required labeling of all fish.

Neither the full House nor the full Senate took up the more restrictive bills that would have mandated labeling for catfish only - [HB 576](#) by Rep. A.J. McCampbell, D-Linden, and [SB 399](#) by Sen. Bobby Singleton, D-Greensboro.

**ARA supports more positive, voluntary customer-driven programs** such as the "[Eat Alabama Wild Shrimp Campaign](#)," which promotes domestic shrimp among retailers, wholesalers and consumers. Retailers would rather see positive programs such as this that benefit everyone rather than punitive legislation. ARA has pledged to work with the Alabama catfish industry to promote its products with Alabama retailers.

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### **Retailer-Punitive Data Breach Bills Multiply, Then Disappear**

[SB 544](#) by Sen. Roger Bedford, D-Russellville, and [HB 816](#) by Rep. Tammy Irons, D-Florence would have created new, private causes of actions by a financial institution against retailers responsible for a



security breach. It would have **held a retailer liable** to a financial institution for that institution's reasonable costs to protect the personal information and account information of the customer or to continue to provide financial services to the customer, including, but not limited to, any cost incurred as a result of a potential or actual breach of data security.

This bill, pushed by the state credit unions, attempted to make a state issue out of a matter of national importance and application, which is better left to federal control. It also would have brought retailers into disputes that really are between the financial institutions and the credit card companies.

Bedford introduced identical legislation as [SB 489](#), and Sen. Parker Griffith, D-Huntsville, introduced it as [SB 382](#). Irons original bill was [HB 542](#).

None of these four bills received even committee consideration.

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## **Pharmacists Can Substitute Anti-Epileptic Drugs with Generics**

For the second year, neither the House nor the Senate voted on legislation that would have prohibited pharmacists from substituting any anti-epileptic therapeutic product without notifying the prescribing physician and patient.

[HB 429](#) by Rep. Ron Johnson, R-Sylacauga, and its companion,

[SB 302](#) by Sen. Linda Coleman, D-Birmingham, are unnecessary because physicians already can direct pharmacists to dispense drugs as written on the prescription, simply by making a note on the prescription.

**Both the Alabama Retail Association and the Alabama Pharmacy Association opposed these bills. A special thanks goes to Sen. Wendell Mitchell, D-Luverne, for his pledge to work with business before considering this bill in his committee.**

Pharmacist substitution of brand name drugs with FDA-approved, generically equivalent drugs saves money for patients, employers and insurance carriers. Despite the savings, Tennessee, Hawaii and Utah have passed similar legislation and more than 20 states have introduced similar legislation, creating obstacles to the existing generic substitution practices for prescription drugs used to treat epilepsy.

This issue will return in 2009. The Legislature created the Epilepsy Patients and Medication Interchange Joint Interim Legislative Commission, which is to report its recommendations to the Legislature no later than the fifth legislative day of the 2009 regular session. The governor signed [HJR 597](#), a resolution by Johnson setting up this commission to study the issue, into law on Monday, May 19.

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## **Alabama's Right to Work Law Intact**

Once again, Rep. Rod Scott, D-Fairfield, tried to repeal Alabama's Right-to-Work law, and once again the legislation didn't make it out of committee.

**ARA-opposed [HB 610](#)** would have required non-union employees to reimburse unions for their representation in a grievance arbitration process. The resulting effect would be to force non-union employees to join the union.

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## **ARA Helps Deflect Multiple Challenges to Judicial Elections**

**The Alabama Retail Association, as a member of the Alabama Civil Justice Reform Committee, opposed** a spate of bills that could have revamped how Alabama selects its appellate judges.

**ARA opposed these bills and will oppose any other measure that would strip Alabama voters of their right to elect judges or change the current judicial election**



**system.** ARA's opposition to such bills was part of its 2008 Legislative Agenda.

None of these bills received approval by either legislative chamber:

- **[HB 169 / SB 144](#)** would have provided for a separate ballot for the nonpartisan election of candidates for state appellate judicial office. These bills were authored by Rep. Marcel Black, D-Tuscumbia, and Sen. Rodger Smitherman, D-Birmingham.
- **[HB 170 / SB 137](#)** would have done the same but also sought a retention election, rather than a contested election for appellate judges standing for re-election. In a retention election, the only issue would be whether the judge should be retained in office. These bills were also by Black and Smitherman.
- **[HB 168 / SB 142](#)**, a constitutional amendment also by Black and Smitherman, called for all state judicial office vacancies to be filled through a nominating committee system. Pushed by Alabama Supreme Court Chief Justice Sue Bell Cobb, these bills would have turned the decision of who will or will not be a judge in Alabama over to the state bar.
- **[HB 181 / SB 143](#)** by Rep. Chris England, D-Tuscaloosa, and Smitherman and also supported by the chief justice, would have limited campaign contributions to candidates for the Alabama Supreme Court, Court of Civil Appeals, Court of Criminal Appeals, circuit courts and district courts to \$500 per election, which for a primary, runoff and general election would have totaled \$1,500. In even-numbered years that limit would have increased in \$50 increments based on increases in the consumer price index.
- **[HB 547](#)** by Rep. Joseph Mitchell, D-Mobile, a constitutional amendment that would have required Alabama Supreme Court justices, appellate judges, circuit judges and district judges, all be elected from districts. The Supreme and other appellate judges

currently are elected statewide. Under this bill, one Supreme Court Justice would have been elected from each of eight districts. The Chief Justice would continue to be elected on a statewide basis. The bill also would have divided the five-member courts of Civil Appeals and Criminal Appeals into districts.

- [HB 444](#) by Rep. Jeff McLaughlin, D-Guntersville, would have required all state judicial candidates to run without a party designation. The bill created a separate "Official Nonpartisan Judicial Ballot" specifically for judicial candidates. It called for nonpartisan judicial elections from the Alabama Supreme Court all the way down to the circuit and district court level.

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### Regulation of Lead in Toys Left to the Federal Government

[HB 620](#) by Rep. James Gordon, D-Mobile, would have prohibited the sale of lead-based products marketed for use by a child 7-years-old or younger. The bill also would have required the State Health



Officer to inspect children's products throughout the state and be sure they contain no more than .06 percent lead by weight. This legislation included a three-tiered penalty of fines of \$100 to \$5,000 for a first offense, \$500 to \$25,000 for a second offense, and \$1,000 to \$50,000 for a third offense with those amounts subject to tripling for knowingly violating the act. Under this bill, it would have been left to retailers to provide information to customers on how to determine if products contain lead. **ARA opposed this legislation as unnecessary, since federal legislation to address this same issue is pending.**

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### ARA MADE SOME BILLS BETTER

#### Credit Report Integrity Intact Under Social Security # Removal Bill

[HB 295](#) by Rep. Victor Gaston, R-Mobile, which would have required the removal of Social Security numbers and birthdates from documents recorded in a probate office, exempted federal and state tax liens. **The federal and state tax lien exemption was included at the request of ARA .** Access to original, complete versions of state and federal tax liens are necessary to protect the integrity of credit reports.

The Alabama House of Representatives approved the bill 87-

0 and a Senate committee approved and amended the bill. However, it never made it to the Senate floor or back to the House for concurrence.

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## **ARA WILL RETURN WITH AGENDA ITEMS**

### **Health Insurance Deduction is Doable in Special Session**

When the Alabama Legislature returns for the special session, **ARA and the Business Associations' Tax Coalition will again push for a small business tax incentive for group health insurance.** At the conclusion of the regular session, BATC had negotiated an agreement for a substantial and immediate deduction for the health insurance premiums Alabama businesses with fewer than 25 employees and their employees who earn less than \$50,000 pay.

The purpose of **HB 144** by Jay Love, R-Montgomery, was to make employer-sponsored health insurance more affordable, to enable more hard-working Alabamians to take advantage of employer-sponsored health insurance and reduce the number of uninsured in our state. **ARA** supports all those goals and **included this legislation in its 2008 Legislative Agenda.**

HB 144 was linked to HB 350, the rewrite of the 2001 add-back statute, which produced an integral part of the revenue needed for the state's education budget. Both bills were in line to be considered the Alabama Senate when the Legislature adjourned its regular session and are expected to be part of the governor's call for the special session.

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### **Third Time Could be the Charm for ARA-Backed Late Fee Increase**

For the third time, **a modest \$8 increase in late fees for delinquent consumer credit payments will be on ARA's legislative agenda in 2009 .**

**SB 334** by Sen. Bobby Denton, D-Muscle Shoals, and **HB 32** by Rep. Lesley Vance, D-Phenix City, both received committee approval but did not get considered by their respective legislative bodies.

Currently, a creditor can charge \$10 or five percent of the scheduled payment, whichever is greater up to a cap of \$100, when a credit payment is 10 days late. That has been the case since 1997, when the Alabama Legislature increased the late



charge from \$5. Obviously, the cost to a creditor for collecting delinquent payments has increased in the past 11 years, while the value of the late fee has decreased to \$7.10 based on inflation. ARA asked for an increase to \$18, which is still 38 percent to 54 percent of what out-of-state banks and credit-card companies can assess and can assess sooner.

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### **ARA Will Continue to Support the Coalition for Progress**

For the past two years, the Coalition for Economic Progress, including ARA, has united in its support of legislation that would allow the city councils of Alexander City, Anniston, Athens, Decatur, Dothan, Enterprise, Florence, Gadsden, Ozark, Selma, Sheffield, Sylacauga, Talladega and Tuscaloosa to hold referendums on seven-day beverage sales.

[SB 237](#) by Sen. Bobby Singleton, D-Greensboro, and [HB 286](#) by Rep. Mac Gipson, R-Prattville, would have allowed local voters in these communities to decide this question for themselves.

Birmingham, Huntsville, Mobile and Montgomery as well as smaller cities such as Bessemer, Phenix City, Prichard, Auburn, Center Point, Fairfield, Homewood, Mountain Brook, Opelika and Prattville already have this power.

Seven-day beverage sales increase local jobs, expand payrolls, create economic development and bring tourism to towns and cities throughout Alabama. It benefits the bottom line for retailers and it means more revenue for schools, seniors and health care. We expect the coalition to continue their efforts in 2009.

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### **Energy-Efficient Products Sales Tax Holiday to Return**

Even though [SB 307](#) by Sen. Kim Benefield, D-Woodland, and [HB 244](#) by Rep. Greg Wren, R-Montgomery, didn't advance in the 2008 session, ARA will reprise legislation to create a sales tax holiday for certain energy efficient products.

ENERGY STAR® appliances and products valued at \$1,500 or less purchased for home or personal use would have been exempted from sales and use tax during the current sales holiday during the first weekend of August under this legislation. ENERGY STAR® appliances are those that have been designated by the U.S. Environmental Protection Agency and the U.S. Department of Energy as meeting or exceeding each agency's energy-saving efficiency requirements.

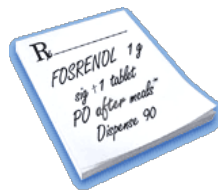
ARA's 2008 Legislative Agenda called for a month-long Energy Savings Month in October, but ARA supported Benefield's and Wren's efforts to add energy-efficient products to the August sales tax holiday.

>> Read ARA's [Issue Brief](#) on this topic  
>> Read more about the [August sales tax holiday](#)

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## ARA Will Again Support Electronic Prescription Legislation

Allowing pharmacies to capture a digital image of a prescription and store it as the original prescription was part of ARA's 2008 Legislative Agenda.



[HB 739](#) by Rep. Cam Ward, R-Alabaster, would have allowed a pharmacy to capture an electronic visual image of a prescription drug order, if its computer system has the capability, and permit that electronic image to constitute the original prescription. Consequently, a written original would not be required.

Technology can capture and store a trove of data on patient outcomes, compliance, drug therapy and other important information. This legislation is worth pursuing as the industry moves to integrate the information internally and among healthcare systems by way of increased use of e-prescribing and electronic medical health records. This proposed statute will allow pharmacies to use this vehicle to populate those records.

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## ARA SUPPORTS OTHERS LEGISLATION

### Governor Signs Medicaid Recovery Bill

On May 8, the governor signed [SB 300](#) by Sen. Linda Coleman, D-Birmingham, which provides a mechanism for the Alabama Medicaid Agency to recoup payments made to a provider if the payment was made for a person already covered by a health plan.

**ARA supported this Medicaid Agency-backed legislation** that requires each health insurer and health benefit plan to provide information to the Agency concerning each insured and dependent covered by the insurer or health benefit plan. It also authorizes civil penalties for violations. The federal government mandated that all states pass some form of this legislation. The House companion was [HB 93](#) by Rep. Ron Johnson, R-Sylacauga.

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## **NEXT LEGISLATIVE DAY**

### **2009 Session Begins in February**

Another Summer Special Session Possible

Lawmakers will return for the **first legislative meeting day of the 2009 regular session at noon Tuesday, Feb. 3, 2009** .

However, the governor could call lawmakers back for another special session later this summer.

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The *Capitol Retail Report* is another **Benefit from the Value** of [Alabama Retail Association](#) membership. For more benefits, go to [www.alabamaretail.org](http://www.alabamaretail.org)