

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

Friday, February 20, 2009

CRR EXTRAS

ARA LEGISLATIVE AGENDA IN ACTION

House Invites Movie Industry Back to Alabama

ARA-Supported Legislation Heads to the Senate for Consideration

On a vote of 102-0 and with 74 members signing on as co-sponsors, the Alabama House of Representatives on Tuesday sent the Entertainment Industry Incentive Act of 2009 to the Alabama Senate for consideration. [HB](#)



[69](#) by [Rep. Richard Lindsey, D-Centre](#), which is part of the **Alabama Retail Association's 2009 State Legislative Agenda**, seeks to once again bring movie and television productions to our state. Alabama's film industry incentives expired in 2006. The Senate Finance and Taxation Education Committee has yet to act on the Senate companion, [SB 148](#) by [Sen. Roger Bedford, D-Russellville](#). The House bill has now been assigned to that same Senate committee.

ARA supports this legislation because of the increased sales expected for retailers should Alabama attract movie and TV productions. In the first three years after enacting a film industry incentive program in Louisiana, production companies spent almost \$350 million annually in that state. Alabama is one of only four states that currently don't offer incentives.

The Entertainment Industry Incentive Act of 2009 provides:

- exemptions on sales, use and lodging taxes for production companies operating in Alabama;
- incentives equal to 25 percent of production expenses, excluding payroll and benefits paid to Alabama residents;
- a 35 percent rebate of all payroll. Rebates would be available to qualified companies when expenses range from a minimum of \$500,000 to a maximum \$10 million;
- incentives for production expenditures related exclusively to soundtracks. Those expenses must be least \$50,000 and not exceed \$300,000;

BILLS

- [HB 056](#)
- [HB 069](#)
- [HB 116](#)
- [HB 144](#)
- [HB 175](#)
- [HB 183](#)
- [HB 193](#)
- [HB 346](#)
- [HB 373](#)
- [HB 411](#)
- [HB 448](#)
- [HB 450](#)
- [HB 475](#)
- [HB 484](#)
- [HB 490](#)
- [HB 496](#)
- [HB 517](#)
- [HB 548](#)
- [HB 551](#)
- [HB 567](#)
- [SB 047](#)
- [SB 115](#)
- [SB 115 FITP Amendment](#)
- [SB 115 Intent Amendment](#)
- [SB 130](#)
- [SB 132](#)
- [SB 148](#)
- [SB 200](#)
- [SB 203](#)
- [SB 203 Amendment](#)
- [SB 263](#)
- [SB 316](#)
- [SB 316 Amendment](#)
- [SB 326](#)
- [SB 326 Amendment](#)
- [SB 358 Amendment](#)

- total tax exemptions and tax rebates to film production companies that locate in Alabama of up to \$5 million in 2009, \$7.5 million in 2010 and up to \$10 million in 2011 and beyond.

To pay for the incentives, the bill requires that partnerships and limited liability companies file composite returns on behalf of their nonresident partners/members and remit the income tax that would be owed by the nonresident partner on his/her share of the earnings. The Alabama Department of Revenue estimates this change will generate between \$3 million and \$4 million annually. The Legislative Fiscal Office was unable to determine how much would be taken from the state treasury annually because of the incentives offered in this legislation. The sponsors predict the bill will be revenue neutral.

>> [Read ARA's full 2009 Legislative Agenda](#)

>> Other News

Senate Panel Walks Security Freeze Bill Out

At ARA Request, House Panel Carries It Over

The House Banking and Insurance Committee on Wednesday carried over [HB 496](#) by [Rep. Allen Treadaway, R-Morris](#), which would allow a consumer to place a security freeze on his or her credit report by sending a written request to a consumer credit reporting agency.

The Alabama Retail Association had worked with the Alabama Bankers Association, Automobile Dealers Association and American Association of Retired Persons to develop a substitute for Treadaway's bill. Unfortunately, the Senate Economic Expansion and Trade Committee on Tuesday had "*walked out*" the Senate companion, [SB 203](#) by [Sen. Lowell Barron, D-Fyffe](#). Under this procedure, a committee does not meet, yet bills are "*signed*" out of committee. In this case, no notice was posted that the Senate Economic Expansion and Trade Committee would meet.

Instead of the agreed-on substitute, the "*walked-out*" Senate bill contained an amendment to allow either local district attorneys or private attorneys under contract through the Alabama attorney general to enforce the act. That amendment was not part of our agreement. **The Alabama Retail Association has since learned that AARP and Alabama's trial lawyers association requested the amendment.**

Barron has agreed to meet with ARA to discuss and try to

- [SB 359](#)
- [SB 377](#)
- [SB 381](#)
- [SB 388](#)
- [SB 414](#)
- [USHR 1](#)

IN THE NEWS

- [Finally, progress on film bill](#)
- [Poole filibusters state Senate a second time](#)
- [Alabama Senate panel OKs plan to remove tax from some groceries](#)
- [Alabama Senate panel OKs broad statewide smoking ban](#)
- [Senate committee passes ban on smoking](#)
- [Smoking in public places should be restricted, but is this the right time?](#)
- [Committee passes Free the Hops bill](#)
- [Few lawmakers toast beer bill](#)
- [ABC Board forcing Sunday alcohol sales issue](#)
- [ABA president, judge debate judicial elections](#)
- [Alabama waits for stimulus portion](#)
- [First round of stimulus money could be spent on Alabama interstate paving projects](#)
- [State to get money for Medicaid, roads, schools](#)
- [Alabama to get 52,000 jobs through stimulus](#)
- [Alabama in line for billions from stimulus](#)
- [Alabama reacts to stimulus package](#)

work out our concerns. Because of Tuesday's Senate actions, [Rep. Lesley Vance, D-Phenix City](#), chairman of the House Banking and Insurance Committee, **carried the House version over to the call of the chair at ARA's request**.

The agreed-on substitute, which has yet to be presented to a legislative committee, is part of the **ARA's 2009 State Legislative Agenda**. If it becomes law, Alabama will become one of the last states in the nation to allow security freezes on consumer credit reports.

Under the legislation ARA supports:

- a consumer can ask that the security freeze be temporarily lifted to allow a third-party to review the record for such purposes as a credit check.
- the credit reporting agency can charge a consumer up to \$5 for placing, removing or temporarily lifting a freeze. Thirty-two states have higher fee provisions in their security freeze laws.
- those 65 and older cannot be charged a fee for the initial placing or removing of a freeze. Only 10 other states have such a provision.
- the effective date is Jan. 31, 2010. At that time, a reporting agency would have 15 minutes to temporarily lift a freeze if it receives an electronic request from the consumer during normal business hours. Only 19 other states have that provision.



Pseudoephedrine Correction on Hold One-Man Senate Filibuster Keeps Correction from Consideration

Angry at the Alabama Senate for unanimously approving legislation he opposed when he was absent Tuesday, [Sen. Phil Poole, D-Moundville](#), took the microphone Thursday and kept the upper chamber from considering legislation, including **an ARA-supported correction to state law regulating the sale of ephedrine or pseudoephedrine**.

SB 47 by [Sen. Lowell Barron, D-Fyffe](#), deletes a prohibition in current law against the sale of any product containing ephedrine or pseudoephedrine unless the product is manufactured so that those active ingredients cannot be extracted to be used in the production of methamphetamine. When the law was written, it was



- [Shelby: Some good in stimulus package](#)
- [State's stimulus on the fast track](#)
- [Stimulus provides money for federal government to compare medical treatments](#)
- [Lead law throttles youth powersports](#)

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

ARA CONTACTS

[Rick Brown](#)
President

[Aison Wingate](#)
Vice President

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

[Brett Johnson](#)
Member Relations Mgr.

LEGISLATIVE CONTACTS

To contact members 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](#).

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

thought the technology would exist by the Oct. 1 effective date to prevent the extraction of the ingredients used in methamphetamine production. Such technology has not yet been developed.

Barron's bill was 10th on the Senate's special order calendar when Poole began speaking. This is the second time this session that Poole has stopped Senate debate.

Meanwhile, the House Judiciary Committee on Wednesday approved the House companion, [HB 183](#) by [Rep. Frank McDaniel, D-Albertville](#), putting it in line for consideration by the full House.

Benefield Introduces Energy Efficient Sales Tax Holiday Bill

Tuesday, [Sen. Kim Benefield, D-Woodland](#), introduced [SB 388](#), which would add energy-efficient furnaces, refrigerators and other energy-efficient appliances to the list of items included in Alabama's annual sales tax holiday. The tax exclusion would apply to appliances costing less than \$1,500 dollars for personal, noncommercial use that have been certified as ENERGY STAR® appliances. 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. Benefield's bill has been assigned to the Senate Finance and Taxation Education Committee. The House companion, [HB 193](#), by [Rep. Greg Wren, R-Montgomery](#), has been assigned to the House Education Appropriations Committee. Both are part of the [ARA's 2009 State Legislative Agenda](#).

TAXES

House or Senate Could Consider Food Sales Tax Elimination

House and Senate committees have now approved a constitutional amendment to remove the 4 percent state sales tax from groceries, excluding candy and soft drinks, beginning Jan. 1, 2011. After amending the provision that limits the deduction for federal income taxes paid, the Senate Finance and Taxation Education Committee on Wednesday gave its blessing to [SB 115](#) by [Sen.](#)

[Hank Sanders, D-Selma](#).

Sanders' bill can now be considered by the full Senate.

The House companion, [HB 116](#) by [Rep. John Knight, D-](#)



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.



For committee assignments and clerk 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

[Montgomery](#), already has been sent to the full House for consideration. Knight has held his bill from the House agenda in order to make further adjustments and told reporters he supports the changes made in Sanders' bill and would accept them in his proposal.

The Senate committee rewrote the [mechanism](#) intended to recoup the revenue lost through the elimination of the sales tax on groceries. Under the revised bill for all tax years beginning after Dec. 31, 2010, single taxpayers with an annual adjusted gross income of \$100,000 or less and married couples making \$200,000 or less could continue to deduct all of the federal taxes they pay from their state income taxes. The thresholds in the House bill are \$50,000 and \$100,000, respectively. In both versions, the percentage of the deduction allowed would decrease gradually based on income until it is eliminated altogether for single taxpayers making more than \$200,000 and married couples making more than \$400,000. The Senate committee amendment changed the amount that deduction would be reduced by to 1 percent for every \$1,000 of income for single taxpayers and by 1 percent for every \$2,000 of income for married taxpayers filing jointly. Under the House version, the deduction is reduced by 1 percent for every \$1,500 and \$3,000, respectively. Legislative fiscal experts told the committee the Senate bill will raise tax revenue for the state by an estimated \$15 million annually (\$380 million raised by the adjustment to federal income tax paid deduction minus \$364 million of loss revenue from elimination of the sales tax). The House version would put \$62 million more into state coffers.

An estimated 3.7 percent of state income tax filers, about 78,000 out of 2.1 million individuals or couples filing jointly, would pay more income tax under the revised bill, according to legislative fiscal experts. All other state income tax filers would save money, paying the same amount of state income tax but less state sales tax if they bought groceries. This legislation does not affect city and county sales taxes on food, which can run as high as 6 percent combined.



The Senate Finance and Taxation Education Committee also added an [amendment](#) that the intent of the Legislature is to make the legislation revenue neutral. Sanders, who chairs the committee, assured committee members that he would continue to adjust the legislation in an effort to attain that goal.

The committee's three Republican members, Sens. [Larry Dixon of Montgomery](#), [Jimmy Holley of Elba](#) and [Jabo Waggoner of Vestavia Hills](#), voted against Sanders' bill. All

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](#)

IMPORTANT EVENT THIS WEEK

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

nine of the Democrats on the committee voted to give Sander's bill a favorable report. The Republicans expressed support for [SB 377](#) by [Sen. Scott Beason, R-Gardendale](#), which would remove the state sales tax on groceries without changing the current 100 percent deduction for federal income tax paid for all Alabama income taxpayers. The committee adjourned before getting to Beason's bill, which had been scheduled for a public hearing. Sanders said Beason's bill will get a public hearing next week.

The Republicans, however, weren't the only ones questioning the content of Sander's bill. Sen. Roger Bedford, D-Russellville, asked the sponsor why candy and soft drinks have been excluded from the definition of food in the bill. Sanders' said the reasoning is because those items cause health-related problems.

That provision also complicates the legislation for retailers. It may be beyond the capacity for many small retailers to separate out candy and soft drinks as well as the state sales tax from local sales taxes at their cash registers. While larger grocery stores may be able to handle the reprogramming and label reading involved, the many varied retailers who sell food, including service stations, department stores and bowling alleys could find the provision overly complicated. **ARA is interested in your feedback on the candy and soft drink exclusion in this legislation, please let [ARA Vice President Alison Wingate](#) know how this provision would affect your business.**

Sanders' and Knight's plans rewrite the state constitution. So if it were to pass the Legislature, this legislation would take effect only if approved by a majority of state voters in 2010. At least 21 of the 32 state senators and 63 of the 105 House members would have to approve this legislation for it to go to voters. **ARA will continue to monitor this legislation.**

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

SMOKING/TOBACCO

Full Senate to Consider Statewide No Smoking Bill

On an 8-2 vote, the Senate Education Committee on Tuesday approved a statewide ban on smoking in public places, including bars, restaurants and retail stores. [SB 130](#) by [Sen. Vivian](#)



[Davis Figures, D-Mobile](#), bans smoking in enclosed workplaces and indoor areas open to the public such as restaurants, bars, stores and other businesses, malls, convention facilities, sports arenas and health-care facilities. It also prohibits smoking within 15 feet of a building's

entrance or exit. Someone smoking in a restricted area would face a \$50 fine per violation. The owner or manager of a business where someone violated the smoking ban first would be warned, then face fines of \$100 for a single violation, as much as \$200 for a subsequent violation within a year and as much as \$500 for each additional violation within a year. The legislation exempts private residences and cigar bars, and also allows smoking in private clubs, hotel rooms and nursing home facilities under certain conditions.

Sens. [Rusty Glover, R-Semmes](#), and [Trip Pittman, R-Daphne](#), voted against the bill. *"It's not the role of government to tell restaurants how they can run their businesses,"* news reports quoted Glover as telling the committee. Pittman said he would propose Senate floor amendments to exempt:

- small businesses where only family members work;
- bars and restaurants after 10 p.m.

The House companion bill, [HB 490](#), by [Rep. Mary Sue McClurkin, R-Pelham](#), has been assigned to the House Government Operations Committee.

ALCOHOL

Stronger Beers and Wine Ready for Debate Bills Ready to Hit the Floor in Both Chambers

Bills that would allow stronger beers and wines to be sold in Alabama have now been approved by House and Senate committees.

The House Tourism and Travel Committee on Wednesday approved:

- [HB 373](#) by [Rep. Thomas Jackson, D-Thomasville](#), which raises the state alcohol content limitations from 6 percent to 13.9 percent, which clears the way for selling stronger imported and gourmet beers. The Senate Tourism and Marketing Committee last week approved the Senate companion, [SB 132](#) by [Sen. Bobby Singleton, D-Greensboro](#).
- [HB 448](#) by [Rep. Greg Canfield, R-Vestavia Hills](#), which would raise the threshold for fortified wine to 16.5 percent alcohol by volume, thus allowing more wines to be sold at stores that sell beer and wine but are not licensed to sell liquor. Current law designates any wine with more than 14.9 percent



alcohol by volume as a fortified wine and any wine with a lower alcohol content as a table wine. The Senate companion, [SB 263](#), by [Sen. Steve French, R-Birmingham](#), received Senate committee approval last week.

Wet-Dry Referendum Bill in Line for House Debate

The House Tourism and Travel Committee on Wednesday also approved [HB 175](#) by [Rep. Jimmy Martin, D-Clanton](#), which would allow any city with more than 500 residents to ask the voters to approve the sale of alcoholic beverages, even if the local government is in a dry county. Similar legislation died in the Senate on the final day of the 2008 regular session.

Martin's bill would give municipalities of more than 500 people the ability to change their classification from dry to wet, or wet to dry, independent of the county designation through a municipal option election.

Current law allows cities in dry counties with 7,000 or more residents to call a wet-dry referendum and allows cities with 4,000 or more residents to vote to go wet if there is already a wet city in the county. Martin's bill requires a petition of 25 percent of the voters for a referendum to be called. The bill now goes to the full House for consideration.

ELECTIONS

Candidates Qualify, Dates Set for Three Senate Races

Special Elections Needed for District 7, 19 and 22 Vacancies

Three Republicans qualified Tuesday to face off April 14 in the race to replace the late Sen. Pat Lindsey, D-Butler. Former state Rep. Greg Albritton, Brewton businessman Danny Joyner and Citronelle businesswoman Judy Belk will battle it out for the GOP nomination and the right to run against state [Rep. Marc Keahey](#), the Democratic nominee for the Senate District 22 seat. The Republican runoff will take place June 2, with the General Election on July 21. If no runoff is needed, the General Election will be June 2.

Last week, Gov. Bob Riley set May 12 as the primary date for the Senate District 19 vacancy, created by the felony conviction of Sen. E.B. McClain, D-Midfield. The deadline for candidates to qualify for that office is 5 p.m. March 13. Primary runoffs, if necessary, will take place June 30 and the special General



Election will be Aug. 18. If no runoffs are necessary, then the special General Election will be June 30.

In the District 7 seat vacated when Parker Griffith was elected to Congress, eight candidates have entered the race. The six Republican candidates are real estate lawyer Sam Givhan, attorney Mary Scott Hunter, defense contractor Allan Rhodes, economic development specialist Roger Richardson, restaurant owner Paul Sanford and systems engineer Peter Wright. The Democratic candidates are state [Rep. Laura Hall, D-Huntsville](#), and graduate student Anthony Daniels. The primary for the District 7 seat is set for March 3 with a runoff scheduled April 21 and a General Election on June 9. If the party nominations are decided in the primary, the General Election would be April 21.

>> Full [Election Calendar](#)

McLaughlin Seeks Nonpartisan Judicial Elections

[Rep. Jeff McLaughlin, D-Guntersville](#), this week introduced [HB 548](#) to require the nonpartisan election of state judges.

Candidates would pay a filing fee equal to two percent of the annual salary for the judgeship sought to the Secretary of State, who would split the fees between the state's two main political parties. A candidate also could claim indigent status to avoid paying the fee.



McLaughlin's bill, which has been assigned to House Constitution and Elections Committee, is one of several that would change the way Alabama elects its judges. **ARA opposes any legislation that alters the current election process for appellate judges.**

PHARMACY

House Approves Pharmacy Board Changes

Tuesday, the Alabama House of Representatives unanimously approved [HB 346](#) by [Rep. Ken Guin, D-Carbon Hill](#), which would allow the Alabama Board of Pharmacy to:

- adopt rules imposing nondisciplinary administrative penalties for certain violations;
- provide for assistant pharmacist license renewals;
- provide for biennial licenses (every two years) beginning in 2010 for the manufacture or sale of

precursor chemicals, rather than the current annual license;

- allow the board to own real property; and
- allow the board to electronically provide each registered pharmacist with a copy of the board's rules and regulations.

Last week, the Senate Health Committee unanimously approved the Senate companion, [SB 316](#) by [Sen. Tom Butler, D-Madison](#). The House-approved bill has been assigned to the same committee.

Senate Health Gives Physician Assistants Prescribing Authority

On a 5-1 vote, the Senate Health Committee on Thursday approved [SB 359](#) by [Sen. Linda Coleman, D-Birmingham](#). This bill would allow physicians assistants to prescribe certain schedules of controlled substances. The House companion, [HB 484](#) by [Rep. Ronald Johnson, R-Sylacauga](#), has been assigned to the House Health Committee

The Alabama Board of Pharmacy is reviewing this legislation. **ARA is monitoring this legislation.**

Bill Exempts Prescription Drugs from Business License Taxes

Rep. Ronald Johnson, R-Sylacauga, this week introduced [HB 567](#), which exempts prescription drugs from business license taxes based on gross receipts. Current law exempts prescription drugs from gross sales taxes. This bill awaits action in the House Government Appropriations Committee.

Keep Pregnancy Prevention Separate from Abortion Restrictions

Todd's Bill Draws Line Between Contraception and Abortion

[Rep. Patricia Todd, D-Birmingham](#), this week introduced [HB 551](#), which exempts any drug or device approved by the U.S. Food and Drug Administration to prevent pregnancy from state laws concerning abortion. This bill seeks to draw a bright line between abortion procedures and contraceptive devices such as the morning after pill. **ARA will monitor this legislation**, which has been assigned to the House Health Committee.

Hall Seeks to Add Substance to Controlled List

The House Judiciary Committee on Wednesday approved by [HB 475](#) by Rep. Laura Hall, D-Huntsville, which would make salvia divinorum and Salvinorin A Schedule I controlled substances. Salvia divinorum is an herb in the mint family native to Mexico that is chewed or smoked to induce temporary illusions and hallucinations. Salvinorin A is the active ingredient in the plant. This bill now goes before the whole House for consideration.

UNNECESSARY MANDATES

Vance and Little Advance Required Coverage for Prosthetics

The House Banking and Insurance Committee on Wednesday approved [HB 411](#) by Rep. Lesley Vance, D-Phenix City. The Senate Governmental Affairs Committee on Thursday unanimously approved the Senate companion, [SB 326](#), by [Sen. Zeb Little, D-Cullman](#). Under this legislation, individual or group insurance organizations that cover hospital, medical or surgical expenses would be required to provide coverage for prosthetics. **ARA opposes any mandatory healthcare benefits that could further increase the cost of healthcare coverage.**

Bentley Wants to Mandate Insurance Coverage for Dependents

[Rep. Robert Bentley, R-Tuscaloosa](#), wants to require that health benefit insurance plans include coverage for dependents until age 27. **Since ARA opposes mandatory expansions of healthcare coverage that lead to higher costs and because passage of [HB 56](#) could lead to an increase in all health insurance premiums, ARA opposes this legislation.** Several affordable individual health insurance products currently are available for young adults. The bill awaits action in the House Banking and Insurance Committee.

UNEMPLOYMENT COMPENSATION

What is Impact of Excluding Unemployment Facts?

ARA Looking at Ramifications to Other Cases

ARA is reviewing the ramifications of [SB 381](#) by [Sen. Quinton Ross, D-Montgomery](#), which would exclude findings of fact made under unemployment compensation statutes from consideration as evidence in other proceedings. The bill has

been assigned to the Senate Judiciary Committee.

LIMITATIONS ON PRODUCT SALES

Lawmakers Propose Ban on Novelty Lighters

[Rep. Arthur Payne, R-Trussville](#), and Sen. Hank Sanders, D-Selma, this week introduced companion legislation that would ban the sale of novelty lighters in Alabama. Any lighter that resembles cartoon characters, toys, guns, watches, musical instruments, vehicles, toy animals, food or beverages, or that plays musical notes or has flashing lights or other entertaining features is considered a novelty lighter under [HB 517](#) and [SB 414](#). **ARA will monitor this legislation**. HB 517 has been assigned to the House Government Operations Committee, while SB 414 was assigned to the Senate Children, Youth Affairs, and Human Resources Committee.

LABOR

House and Senate Committees Approve Child Labor Law Reform

This week, House and Senate committees approved companion legislation that would revise Alabama's child labor laws so they align more closely with federal regulations.

The House Commerce Committee on Wednesday approved [HB 144](#) by Rep. Frank McDaniel, D-Albertville; meanwhile, the Senate Children, Youth Affairs, and Human Resources Committee on Thursday approved the Senate companion, [SB 200](#) by Sen. Quinton Ross, D-Montgomery.

Under this legislation, businesses would no longer have to apply for a work permit to hire teens. That system would be replaced with a child labor certificate system. Rather than seeking a work permit through the schools, an annual \$15 Child Labor Certificate would be purchased from the Alabama Department of Labor for each location or entity where those age 14 through age 17 work. A Child Labor Certificate will not be required for each minor but rather for the age groups employed. One certificate will be required if 14- and 15-year olds are employed and another certificate is required if the teens employed are 16 and 17.

To be eligible to work, 14- and 15-year-olds would be required to get an "*Eligibility to Work Form*" from their school certifying that they have satisfactory grades and attendance. The teens,

not the business, would be required to get this form. No form would be necessary for teen-agers 16 and older.

Other significant proposed changes to the law include:

- maintaining time records and a personnel file on those younger than 19 for three years, which is the federal regulation now ;
 - verifying a working minor's age using documents recognized by the Federal Employees Identification Laws. Those are the documents under federal law that an employer may use to verify an employee's age (i.e.-documents listed on the I-9 form); and
 - requiring employers to document the already required 30-minute break for 14- and 15-year-olds during a five-hour shift.
-

NEXT LEGISLATIVE DAY

2010 SESSION BEGINS IN JANUARY

Law makers will return for the first legislative meeting day of the 2010 regular session at noon **Tuesday, Jan. 12, 2010**. ARA will keep you informed should the governor call law makers back for a special session between now and then.

FEDERAL

Stimulus Package Now Law

Tuesday, President Barack Obama signed the \$787 billion economic stimulus bill into [law](#). The plan includes:

- a \$400 tax break for most individual workers and \$800 for couples, including those who do not earn enough to pay income taxes.
- financial incentives for people to start buying again, from first homes to new cars.
- increased unemployment benefits and food stamps, as well as subsidies for health insurance for the poor and laid-off workers.

A federal Web site, www.recovery.gov, tracks where the money is being spent. The state also plans a [Web site](#), which should be online by Tuesday linked to from the governor's and state's Web sites. Estimates of how much Alabama will receive from the plan range from \$3 billion to \$7.67 billion. The White House, through the Democratic Policy Committee, says Alabama's share of the package should create 52,000 new jobs in the state. The four largest chunks of money would go

to Medicaid, education and law enforcement, highways and bridges and the program formerly known as food stamps.

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