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CRR EXTRAS

Friday, April 03, 2009

Lawmakers Resolve to Take All Stimulus Funds

If They Do, Employers' Unemployment Costs Rise Immediately

A multi-million dollar tax increase on every type and size employer in Alabama did not receive floor action this week, but lawmakers approved different resolutions stating the Alabama Legislature will accept ALL unemployment compensation money available from the federal stimulus package, even if the governor won't.

Lawmakers cast their resolution votes along party lines with little to no discussion on how higher unemployment costs already weigh on employers, who carry the load for the state's unemployment compensation system. They also didn't discuss the pounds of pressure further benefit expansions could place on businesses already struggling beneath the weight of recession and record-shattering unemployment.



Here's what did happen: The Senate voted [19-13](#) for its resolution Tuesday, the House approved a different resolution ([HJR 454](#) by [Rep. Mary Moore, D-Birmingham](#)) to achieve the same goal Tuesday on a voice vote; and Wednesday, when the Senate resolution reached the House, the lower chamber substituted its resolution for the Senate version on a vote of [53-41](#) and then essentially approved its original resolution again on a recorded vote of [55-42](#). With the exception of [Rep. Richard J. Laird, D-Roanoke](#), all the 'yes' votes came from Democrats and all the Republicans voted 'no.' **ARA and the Business Associations' Tax Coalition, a group of 30 business and trade associations committed to responsible tax policy, are grateful to all the legislators who stood up for business and industry and said 'NO' to a tax increase on jobs that can ONLY be paid by Alabama employers.**

TOP ISSUES

- [Ephedrine correction on House consent calendar](#)
- [Punitive data security breach bills back this year](#)
- [Tell Senate and House Democrats to say 'no' to unemployment compensation tax increase](#)
- [House to take break from food sales tax ban debate](#)
- [Senate cuts smoking ban, then delays vote](#)

BILLS

- [HB 116](#)
- [HB 183](#)
- [HB 490](#)
- [HB 797](#)
- [HJR 454](#)
- [SB 047](#)
- [SB 115](#)
- [SB 130](#)
- [SB 130 Amendment 1](#)
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- [SB 407](#)
- [SB 450](#)
- [SB 460](#)

The House-revised [SJR 86](#) by [Sen. Rodger Smitherman, D-Birmingham](#), now is back before the Senate. The resolution has been carried over at the call of the presiding officer; consequently, **it could resurface in the Senate at anytime.**

Call your senator today and explain that accepting this money

will tax employers for years to come!

URGE YOUR SENATOR TO VOTE 'NO' ON SB 460 and SJR 86

Should the Legislature approve [SB 460](#), Smitherman's bill expanding benefits, a resolution would still be necessary to accept the federal stimulus money if Gov. Bob Riley maintains his stance against taking the money. The lawmakers simply want to get the resolution out of the way before debating the bill.

In order for Alabama to accept the \$100 million in question - about a third of the federal stimulus money available to Alabama for unemployment compensation (the other two-thirds already has been accepted and is being spent) - Congress has mandated the Alabama Legislature approve legislation that would expand unemployment benefits to about 20,000 Alabamians who currently don't qualify for unemployment, immediately **costing Alabama businesses \$22 million more annually in unemployment taxes.**

Simple common sense tells us, if more benefits are given, more benefits must be paid. And, in Alabama, the only means of paying for more benefits is more taxes paid by employers into the state's Unemployment Compensation Trust Fund. **The increased charges will start when employers receive their first quarter 2010 unemployment compensation tax bills in January**; and if Smitherman's legislation and resolution pass, the **cost ramifications will continue for five to 10 years and maybe longer.**

SB 460 extends benefits to cover workers who have been in the work force at least two out of the four most recent quarters, those seeking part-time work (at least 20 hours a week) rather than full-time jobs, people in job-training programs who have exhausted their normal benefits, and workers who leave their jobs because of domestic violence, all conditions set by Congress for accepting the stimulus money.

Republican leaders have vowed to filibuster to block this legislation, which means it will take 21 votes in the Senate and three-fifths of those present in the House, which would mean 63 votes if every representative is present, to stop debate on the bill once it reaches the floor. **Now is the time**

- [SB 545](#)
- [SJR 086](#)

IN THE NEWS

- [Resolution passed needed for the Legislature to accept, over Gov. Riley's objection, \\$99 million in federal money for expanded jobless benefits](#)
- [Mobile residents convicted of unemployment compensation fraud](#)
- [Vote to remove state sales tax from groceries fails for third time in Alabama House](#)
- [Alabama House aims to debate removal of grocery sales tax](#)
- [Senate panel can't reach agreement on grocery tax](#)
- [Senate delays vote on bill to ban smoking in public and work places after amendments gut bill](#)
- [Bill pushes right to bear arms at work](#)
- [Alabama Legislature approves housing stimulus bill](#)
- [ARA joins state business alliance against union card-check bill](#)
- [Associations join forces against card checks](#)
- [Alabama lawmaker says bill on removing taxes on groceries isn't dead yet](#)

For more stories concerning legislative action and news of interest to retailers, go

to persuade Democratic lawmakers that this bill creates a burden that business cannot bear and encourage Republican lawmakers to continue to stand up for business and fight for jobs. Call your lawmakers today!

>> Other News

MORE TAX ISSUES

Grocery Tax Repeal: Three Strikes But Not Out Debate Will Wait While Negotiations Continue

Legislation to eliminate the state's four percent sales tax on groceries has now failed three times to get the number of votes needed to bring the bill up for debate in the Alabama House of Representatives.

HB 116 by [Rep. John Knight, D-Montgomery](#), was the top item on Wednesday's and Thursday's House agendas. Thursday, the vote was 55-44 to bring the bill up for debate, five votes short of the votes needed. Wednesday, the vote was 60-43, two votes short. Last week, the proponents were three votes short of the affirmative votes needed to debate the bill before the state budgets. The number of votes needed is three-fifths of the representatives present at the time of the vote, so the target number fluctuates based on how many representatives are in chambers.



Knight said he will ask the House Rules Committee not to bring the bill back for a fourth time next week to allow time for negotiations. Should the bill ever get enough votes to be considered, it would take 63 votes in the 104-member House to pass, as it is a proposed constitutional amendment.

Knight's constitutional amendment would, with the approval of the state's voters, remove the state portion of sales tax from groceries, excluding candy and soft drinks, and limit the exemption for federal income taxes paid. The Senate has similar legislation in line for consideration, **SB 115** by [Sen. Hank Sanders, D-Selma](#).

Bill to Allow Localities to Drop Sales Tax on Food Back Next Week

The Senate Governmental Affairs Committee is scheduled to vote at next week's Tuesday meeting on **SB 450** by [Sen. Arthur Orr](#).

to [In the News](#)

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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:

[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.

[R-Decatur](#), which would give city or county officials the authority to drop local sales taxes from food. The committee held a public hearing on the bill this week, but did not vote.

Several at the hearing questioned allowing local governments to make different determinations of what is food. Under the bill, food can either be defined in the same manner as is outlined in food stamp regulations or as defined by the county commission or municipal governing body.

ARA LEGISLATIVE AGENDA IN ACTION

House Consent Could Give Ephedrine Correction Final Passage

An **ARA-supported correction to state law regulating the sale of ephedrine or pseudoephedrine** is on the House consent calendar for Tuesday, April 14, the 20th legislative day of the 2009 regular session. **[SB 47](#)** by **[Sen. Lowell Barron, D-Fyffe](#)**, has been placed on the calendar of noncontroversial legislation taken up each day before the special order calendar of bills for the day. The consent calendar is set at least two legislative days before consideration and once a bill is on the consent calendar, it cannot be amended or substituted on the floor except by a committee substitute.

Consent bills generally are considered without discussion and approved. The House's consideration April 14th of the Senate bill will be its final consideration. The full House already has approved the companion legislation, **[HB 183](#)** by **[Rep. Frank McDaniel, D-Albertville](#)**, which continues to await consideration by the Senate Judiciary Committee.

This legislation 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 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.

[This legislation is a part of the ARA 2009 State Legislative Agenda.](#)

DATA SECURITY

Lawmakers Introduce Retailer-Punitive Data Breach Bills

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

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:

For the second year, [Sen. Roger Bedford, D-Russellville](#), and [Rep. Tammy Irons, D-Florence](#), have introduced legislation that creates new, private causes of actions a financial institution can use against retailers responsible for a security breach. [SB 545](#) and [HB 797](#) were both introduced Tuesday. A public hearing on the House bill has been set for 9 a.m. Wednesday before the House Government Operations Committee in Room 622 of the Alabama State House. The Senate bill awaits action by the Senate Finance and Taxation General Fund Committee.

The Alabama Retail Association

opposes this legislation for the same reasons ARA opposed similar legislation offered in last year's regular and special sessions. They create new causes of action even though financial institutions can sue now without this legislation. **ARA has requested public hearings on both bills.**



The credit union industry is pushing this legislation in an attempt to make a state issue out of a matter of national importance and application, which is better left to federal control. This legislation also attempts to bring retailers into disputes that really are between the financial institutions and the credit-card companies.

This legislation **HOLDS A RETAILER LIABLE** to a financial institution for the 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 in connection with:

- contacting any account holder affected by the breach;
- the cancellation or reissuance of any credit, debit, or other access device issued by any financial institution;
- the closure of any deposit, transaction, or other account and any action to stop payments or block transactions with respect to the account;
- the opening or reopening of any deposit, transaction, or other account for any customer of the financial institution subsequent to action taken as a result of the breach;
- or any refund or credit made to any customer of the financial institution as a result of unauthorized transactions.

SMOKING/TOBACCO

Smoking Ban Gutted; Vote Delayed

Thursday, the Alabama Senate heavily amended a statewide

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 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

ban on smoking in public places and the workplace to the point the sponsor asked the bill be carried over because she did not wish to see it passed in its present form.

SB 130 by **Sen. Vivian Figures, D-Mobile**, would ban smoking in public places, including bars, restaurants and retail stores. When the Senate started debate, besides the places already mentioned, the bill banned smoking in enclosed workplaces and indoor areas open to the public such as malls, convention facilities, sports arenas and health-care facilities. The legislation exempts private residences and cigar bars, and also allows smoking in private clubs, hotel rooms and nursing home facilities under certain conditions.



Over the objections of the sponsor, the proposal was amended multiple times on the floor, including an amendment to exclude bars and tobacco manufacturing companies. The proposal at one point was amended to allow restaurants to continue operating with a smoking and a non-smoking section at the discretion of the owner, but a later amendment removed that provision. Another amendment would allow those who own a business to smoke in their private offices. If the bill comes back up, debate will resume with that amendment.

After a lengthy discussion over the rules by which the Senate had agreed to conduct debate, a frustrated Figures asked that the bill be carried over.

A similar House bill, **HB 490**, by **Rep. Mary Sue McClurkin, R-Pelham**, awaits action by the House Government Operations Committee.

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.

may [email them to Alabama Jobs Commission](#)

or join the conversation on Facebook at

facebook.com/speakersjobscommission