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CRR EXTRAS

Friday, April 24, 2009

Governor Won't Sign Unemployment Resolution

Lawmakers Have Until 2011 to Make Decision on Changing Law

Gov. Bob Riley has refused to sign [SJR 86](#) by [Sen. Rodger Smitherman, D-Birmingham](#), a meaningless resolution stating Alabama's lawmakers want all unemployment funding available from the federal stimulus package, and they are willing to change state law to get it.

This particular money from the federal stimulus package, about \$100 million, only becomes available to Alabama if the Legislature actually changes the law by expanding unemployment benefits, a federally mandated condition for receiving the money that would result in a multi-million-dollar tax increase on employers. While the resolution has no teeth, a bill ([SB 460](#)) is pending before the Alabama Senate to make those mandated permanent changes to receive temporary funds. [Sen. Lowell Barron, D-Fyffe](#), who chairs the Senate's agenda-setting Rules Committee, told the [Birmingham News](#) this week that SB 460 has a 50-50 chance of being considered in the seven remaining legislative days of the 2009 regular session.



ARA and the other 29 associations in the Business Associations' Tax Coalition continue to stand in unified opposition to SB 460. If you haven't already, please contact your lawmakers to let them know **retailers SIMPLY CAN'T AFFORD for the Legislature to pile on more unemployment compensation expenses onto your tax bill and the tax bills of other hardworking employers in your community.**

"The only reason Alabama may not receive some stimulus funds related to unemployment benefits is because Alabama does not qualify for them," the governor said in a [statement](#) issued by his office Thursday. "The Legislature

TOP ISSUES

- [Ephedrine correction now law](#)
- [Restaurateur wins Senate GOP nomination](#)
- [Small town alcohol option bill in governor's hands](#)
- [Riley balks at signing unemployment stimulus resolution](#)
- [Exemption of prescription drugs from business license taxes heads to Senate](#)
- [Bills would conceal facts from unemployment compensation cases in other proceedings](#)

BILLS

- [HB 175](#)
- [HB 183](#)
- [HB 567](#)
- [HB 746](#)
- [HB 943](#)
- [SB 047](#)
- [SB 381](#)
- [SB 460](#)
- [SB 570](#)
- [SB 624](#)
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must change state law in order for the state to qualify. Legislators acknowledged this fact when they passed a different resolution, Senate Joint Resolution 68, last month. [SJR 68](#) asks Congress to 'rescind those portions of the federal law (the federal stimulus law) that require changes in our state unemployment compensation law in order to receive additional unemployment compensation incentives.'



The governor also made it clear that Alabama already has received and has begun to pay out \$250 million in federal stimulus funds through a \$25 a week increase for the more than 90,000 Alabamians who currently

receive unemployment benefits and an extension of the length benefits are paid from a maximum of 26 weeks to a maximum of 59 weeks. In fact, the state through last week had paid more than \$16 million from that federal stimulus money to the unemployed in Alabama, Alabama Department of Industrial Relations Director Tom Surtees ([pictured](#)) said this week. "Unemployment benefits currently are putting \$22 million into the Alabama economy each week," Surtees said.

Surtees and [House Speaker Seth Hammett, D-Andalusia](#), also pointed out to business lobbyists that the state has until Sept. 30, 2011, to make any decision about expanding its unemployment compensation benefits to receive the \$100 million of federal funds that come with those strings attached. "We have a couple of years to make this decision," Surtees said.

SB 460 would extend benefits to an additional 20,000 the unemployed who have been in the work force at least two out of the four most recent quarters, have sought part-time work (at least 20 hours a week) rather than full-time jobs, are in job-training programs but have exhausted their normal benefits, and who have left their jobs because of domestic violence, all conditions set by Congress for accepting the stimulus money. **The price tag for those extended benefits, which only employers can pay, is \$22 million each year into perpetuity.**

[>> Read 'The Facts About SB 460'](#)

>> Other News

ARA LEGISLATIVE AGENDA IN ACTION

[Governor Signs Ephedrine/Pseudoephedrine Law Correction](#)

IN THE NEWS

- [Governor refuses to sign resolution regarding unemployment benefits in the federal stimulus law](#)
- [Unemployment benefits, jobless rates see increase](#)
- [Bill that would allow Shelby County restaurants to continue Sunday alcohol sales awaits decision from Alabama Gov. Bob Riley](#)
- [Legislature OKs allowing small towns to go wet](#)
- [Wet-dry vote a step toward home rule](#)
- [Colbert County draft beer bill up to Riley](#)
- [Scottsboro residents nearer vote on draft beer](#)
- [Alabama House of Representatives OKs operating budget, general fund](#)
- [Alabama lawmakers hustle to curb school layoffs](#)
- [Education budget moving toward final passage](#)
- [Stimulus funds boost state budgets](#)
- [Alabama Senate OKs education budget for next year that should save state-funded teacher and support worker jobs](#)
- [Sanford beats pal Givhan](#)

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

ARA CONTACTS

Gov. Bob Riley has signed into law **an ARA-supported correction to state law regulating the sale of ephedrine or pseudoephedrine**. State law (**Act 2009-283**) no longer contains a prohibition 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. With this prohibition deleted, pharmacies can continue to sell ephedrine and pseudoephedrine products in the same way they have since state and federal changes were made to those type sales in 2004.

When the ephedrine/pseudoephedrine law originally was written, it was thought the technology to prevent extraction of the ingredients used in methamphetamine production would exist by the Oct. 1 effective date of the prohibition, which was written into the original law. Such technology does not exist.

ARA thanks Sen Lowell Barron, D-Fyffe, and Rep. Frank McDaniel, D-Albertville, the sponsors of **SB 47** and its companion legislation, **HB 183**, **as well as the governor** for making this correction, which was **part of ARA's 2009 Legislative Agenda**.

ALCOHOL

Lawmakers Pave Way for Small Town Alcohol Referendums Bill on Riley's Desk Also Grandfathers Existing Dual Liquor Licenses

The Alabama Legislature on Tuesday gave final approval to **HB 175** by **Rep. Jimmy Martin, D-Clanton**, which allows any city of more than 500 and up to 1,000 residents, except those in Clay, Randolph, and Blount counties, to ask voters if they want to approve the sale of alcoholic beverages, even if the municipality is in a dry county. The legislation also contains an ARA-supported provision that allows existing businesses operating under dual liquor licenses to continue to do so. Gov. Bob Riley said he would review the legislation before deciding whether or not to sign it into law. Should the governor veto the bill, the Alabama House and Senate would have to override the governor's veto for it to become law.

The Alabama Senate made changes to and then approved HB 175 on a vote of 17-9 Tuesday. The House concurred in those changes later the same day on a vote of 49-23, sending the bill to the governor.

The **ARA-supported amendment** added by the sponsor allows businesses currently operating under a dual club or lounge and restaurant liquor license to continue operating

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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. 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.

under a dual license and be exempt from costly requirements including separate accounting, inventory and entrances.

Late last year, the Alabama Alcoholic Beverage Control Board issued an opinion that dual club and restaurant liquor licenses cannot be issued for the same establishment, even though the board had issued such dual licenses for the previous 13 years. ABC gave 25 restaurants in Shelby County and another 20 in Dothan operating under dual licenses until May to choose whether they would operate under the club or the restaurant liquor license when their licenses are renewed after Sept. 30. If this legislation becomes law before May, those dual licenses would continue, but no new dual licenses would be issued.

Current law allows cities in dry counties with 7,000 or more residents to call such a 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. Should this bill allowing such referendums in smaller cities be enacted, supporters will have to collect signatures equaling 30 percent of the voters in the last general election in the town to get such a measure on the ballot.

BUDGETS

State Spending Plans Get 'Laser' Focus This Week

As House Speaker Seth Hammett ([*pictured*](#)) predicted, Alabama lawmakers put a "laser-like focus on the budgets" this week. The legislative goal for the state's education budget has become for it to get to the governor by Thursday of next week, April 30, so Alabama's school superintendents can avoid sending teachers pink slips after May 1. Lawmakers made such progress on the budgets this week that they decided late Thursday to work two days next week instead of three, as originally planned.



The House is expected to consider the proposed \$6.2 billion Education Trust Fund budget ([SB 570](#) by [Sen. Hank Sanders, D-Selma](#)) on Tuesday of next week. On Wednesday, the House Education Appropriations Committee approved with minor changes, the education budget that all 32 state senators voted for Tuesday.

Thursday, the Alabama House approved with no dissent a \$2.5 billion General Fund budget ([HB 746](#) by [Rep. John Knight](#)).



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:

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Discounted Inbound and

[D-Montgomery](#)), sending it to the Senate Finance and Taxation General Fund Committee for consideration next week.

ELECTIONS

ARA Member Restaurant Owner is District 7 GOP Nominee

[Paul Sanford](#) (*pictured*), owner of [Little Paul's Barbecue](#) in Huntsville, an ARA member since 2002 , is the Republican nominee for the District 7 Senate seat vacated when Democrat Parker Griffith won election to Congress in November. Sanford outpolled real estate lawyer Sam Givhan with 60 percent of the votes (2,961 votes) to Givhan's 40 percent (2,005 votes), according to complete but unofficial returns from Tuesday's runoff. Sanford will face five-term state [Rep. Laura Hall of Huntsville](#), the Democratic Party nominee, in the June 9 General Election for the District 7 seat.



[>> Full Special Election Calendar](#)

PHARMACY

Bill Gives Business License Tax Exemption for Prescription Drugs

House Approves; Bill Heads to Senate Committee

Late Thursday, the Alabama House approved [HB 567](#) by [Rep. Ronald Johnson, R-Sylacauga](#), which exempts prescription drugs from business license taxes based on gross receipts. Current law exempts prescription drugs from gross sales taxes. The bill now goes to the Senate. [Sen. Roger Bedford, D-Russellville](#), this week introduced the Senate companion, [SB 624](#), which was assigned to the Senate Finance and Taxation Education Committee.

LEGAL

Legislation Calls for Concealment of Certain Facts Unemployment Compensation Facts to Be Excluded

On a 5-to-3 vote Wednesday, the Senate Judiciary Committee approved [SB 381](#) by [Sen. Quinton Ross, D-Montgomery](#), which would exclude findings of fact made under unemployment



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

or join the conversation on Facebook at

[facebook.com/speakersjobscommission](#)

compensation statutes from consideration as evidence in other proceedings.

This bill would be detrimental to employers as it would preclude an employer from using an employee's previous statements and findings in court in certain cases. It would keep employers from using the evidence in any proceeding, even if it is the same occurrence or transaction and between the same parties. For instance, it would prohibit the release of a finding that an employee was terminated for cause and not entitled to unemployment. This bill also would prohibit the use of such prior findings in a retaliatory discharge case.

House Speaker Pro Tem [Demetrius Newton, D-Birmingham](#), this week introduced the House companion, [HB 943](#), which has been assigned to the House Commerce 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.

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