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**CRR EXTRAS**

*Friday, January 29, 2010*

### ARA-Backed Late Fee Bill Ready for Debate

#### House or Senate Could Consider Modest \$8 Increase

Affected Retailers: Ask Your Law makers to Bring Bills to the Floor

The Alabama Senate and House Banking and Insurance committees this week approved an \$8 increase in late fees for delinquent consumer credit payments, a modest increase that ARA has advocated since 2007. While this legislation received committee approval in 2007 and 2008 (the bill wasn't introduced in 2009), neither the Senate nor the House has ever taken a vote on increasing the fee from \$10 to \$18. The difference this year is the legislation appears to have momentum. Alabama retailers who sell merchandise on credit and know the need for this increase should contact their senator or representative and ask them to do what they can to make sure these bills come to a floor vote.



*Mitchell*



*Ford*

>> [ARA Issue Brief on Late Fees](#)

*(use this information when talking to lawmakers)*

Wednesday, nine members of the Senate Banking and Insurance Committee voted in favor of [SB 253](#) by [Sen. Wendell Mitchell, D-Luverne](#), with [Sen. Ben Brooks, R-Mobile](#), voting against it and [Sens. Zeb Little, D-Cullman](#), and [Lowell Barron, D-Fyffe](#), abstaining. **Thanks to [Sen. Roger Bedford, D-Russellville](#), for making the motion to approve the bill and [Sens. Bobby Denton, D-Muscle Shoals](#); [Bobby Singleton, D-Greensboro](#); [Scott Beason, R-Gardendale](#); [Kim Benefield, D-Woodland](#); [Patricia Dunn, D-Bessemer](#); [Jim Preuitt, D-Talladega](#); [Harri Anne Smith, R-Slocomb](#); and the sponsor for giving it a favorable report.** The bill now is in line for consideration by the full Senate.

#### TOP ISSUES

[Say No to Senate Proposed Job Tax](#)

[Urge Lawmakers to Bring Late Fee to the Floor](#)

[Country-of-Origin Subject of Public Hearing](#)

[Bill to Expand Where Port Wine Can Be Sold](#)

[RetailPAC-endorsed Governor Candidate Wins Straw Poll](#)

#### BILLS

- [HB 034](#)
- [HB 429](#)
- [SB 011](#)
- [SB 253](#)
- [SB 281](#)
- [SB 284](#)

#### IN THE NEWS

[State's unemployment fund in debt](#)

[ARA-member senator target of robo calls](#)

[Alabama Senate panel approves state constitutional convention](#)

[Coastal insurance reform bills begin moving through state Legislature](#)

**HB 034** by [Rep. Craig Ford, D-Gadsden](#), companion legislation to SB 253, was the first bill considered this year by the House Banking and Insurance Committee. It received unanimous approval on a voice vote.

The House bill now awaits consideration by all the representatives. **Thanks to House Banking and Insurance Committee Chairman [Lesley Vance, D-Phenix City](#), for giving this legislation such a high priority in his committee.**



Vance

Both committees agreed that adoption of this legislation essentially is an issue of fairness. In 2007, the late fee was increased to \$18 under the Alabama Small Loan Act, which applies to businesses that make loans of less than \$1,000. Mitchell's and Ford's legislation simply applies the same fee to the Alabama Consumer Credit Act, also known as the Mini Code, which governs loans of \$1,000 to \$2,000. Their legislation would put transactions in which consumers buy on credit on the same late fee schedule as small loans.

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 13 years and because of inflation, that \$10 really only carries a value of \$6.38. The \$8 increase is still low compared to what out-of-state banks and credit-card companies can assess for late payments. **The fee change is part of ARA's 2010 State Legislative Agenda.**

>> [Read ARA's full 2010 Legislative Agenda](#)

## >> Other News

### TAXES

#### Contact Your Senator About \$42 Million Annual Tax Increase

Thank you to all of the state's retailers who called their senators this week and told them to **vote "No" on the job tax**, **SB 11** by [Senate President Pro Tem Rodger Smitherman, D-Birmingham](#). Keep it up. The Senate left Thursday without finishing its debate on the \$1 billion road and bridge construction bill. Several senators have suggested the proposed **ANNUAL \$42 million unemployment compensation tax increase** will be next on the Senate's agenda.

[Alabama bill aims to help brewpubs through deregulation](#)

[Sen. Hank Sanders won't retire after all](#)

[Alabama gets federal funding for rail study](#)

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

### ARA CONTACTS

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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

*If you haven't talked with your senator, do so NOW!* Only one vote in the Alabama Senate kept this legislation from being brought up for a vote in 2009. Every senator's vote is important.

Much of the Senate debate so far this session has centered on creating jobs for the 225,596 unemployed Alabamians. When you talk with your senator, explain how increasing unemployment compensation taxes will affect hiring at your business. One retailer, who contacted ARA this week, related how the current level of unemployment compensation taxes in Alabama already makes it hard for this retailer to hire new employees for his newly expanded business. Another unemployment compensation tax increase for employers, who currently are paying UC taxes at the highest rate schedule possible, only makes it impossible for this retailer and other business owners to hire or rehire any employees anytime soon.

The Business Associations' Tax Coalition, 30 business and trade associations committed to responsible tax policy, chaired by ARA President Rick Brown, sent a letter this week to senators explaining why this IS a tax on business. Accepting a one-time federal payment of \$100.5 million while expanding unemployment benefits permanently, as Smitherman's bill proposes, will result in an annual \$42 million tax increase for ALL employers.

>> [Read the BATC letter](#)

Much of the political debate nationally and in our state has turned in recent weeks to job creation. Please impress upon your senator that this bill will NOT help put Alabamians to work. Talk to your senator about your 2010 unemployment compensation taxes and what another increase would mean to your business, so they can use your example as a debate point when this legislation reaches the Senate floor. Hearing from businesses in their districts will help convince lawmakers planning to vote for this legislation to reconsider and solidify the position of those planning to vote against it.

Besides the letter above, BATC has put together a summary of SB 11 to help you when talking with your senator.

>> [Summary of SB 11](#)

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## FOOD SERVICE

### [Hearing Next Week on Country-of-Origin Legislation](#)

Clarification Sought on Bill Approved Last Year

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 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

The Senate Agriculture, Conservation and Forestry Committee will hold a public hearing next week on a bill apparently offered to clarify the intent of legislation enacted last year that requires food service establishments to inform customers of the country-of-origin for the fish they serve.



[SB 284](#) by [Sen. Jim Preuitt, D-Talladega](#), will come before the committee at 9:30 a.m. Wednesday, Feb. 3. The only change Preuitt's bill makes to the law already enacted is to specifically spell out that the state law applies regardless of whether the requirement is already law on the federal level. Since March of last year, grocers and fish markets have had to comply with federal requirements for country-of-origin labeling for fish and shellfish as well as beef, lamb, pork, chicken, goat, perishable agricultural commodities, ginseng, pecans, macadamia nuts and peanuts. The federal law does not apply to restaurants.

The Alabama Legislature approved two country-of-origin bills last year – one for catfish, which has been in effect since August, and a broader bill that applies to all seafood. The Alabama Department of Public Health delayed enforcement of the broader bill because an attorney general's opinion was sought on legislation. The opinion recently was issued and the department has begun to develop rules for food service establishments to follow. Preuitt's legislation does nothing to change the substance of the law that already exists, it would only solidify the department's decision to go forward with the rules.

The state law requires food service establishments to inform customers of the country-of-origin for ALL the seafood they serve, **if customers ask**. Restaurants, cafeterias, grocery delicatessens and any other food service establishment, except hospitals, that serve seafood must place the following disclaimer either on its menu or on an 8.5-by-11 (letter-sized), or larger, placard near its food safety permit: "*Under Alabama law, the consumer has the right to know, upon request to the food service establishment, the country of origin of imported farm-raised or wild fish.*" Once Public Health develops the rules, businesses will have an opportunity to comment on the rules. The State Board of Health will then promulgate the rules and enforcement will begin. Your association will communicate with the affected restaurants, groceries and other food service establishments as that process unfolds.

Under the law, a food service operator in violation of the general seafood labeling requirements will receive a warning

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 spectrum to attend a "Business Leadership Exchange," and share

from the Alabama Department of Public Health on first offense, a \$100 fine on second offense, \$250 fine on the third offense, \$500 fine on the fourth offense, culminating with a \$1,000 fine on the fifth offense within a two-year period. The food service establishment would NOT be subject to penalties if a wholesaler or distributor fails to disclose or mislabels the country of origin of the products.

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## ELECTIONS

### Byrne Outpolls Other GOP contenders in Straw Poll



Alabama RetailPAC -endorsed gubernatorial candidate Bradley Byrne overshadowed his Republican opponents in a straw poll taken following a gubernatorial candidate forum Thursday evening at the Opelika Performing Arts Center. **Byrne received 311 of the**

**528 votes recorded, or 59 percent, outpacing his nearest competitor by 43 percent.**

>> [Read more about the results](#)

>> [View a video of the forum](#)

>> [View video of RetailPAC's endorsement](#)

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## ALCOHOL

### All ABC Licensed Stores Could Sell Ports under Knight Bill

Tuesday, state [Rep. John Knight, D-Montgomery](#), introduced legislation to allow fortified wines to be sold by any Alabama Beverage Control Board licensee. Currently, the sale of port, sherry, vermouth and other fortified or "dessert" wines is restricted to licensed liquor stores. Any wine containing more than 16.5 percent alcohol by volume is considered a fortified, rather than a table wine. ARA is monitoring [HB 429](#), which awaits consideration in the House Government Appropriations Committee.

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## PHARMACY ISSUES

### Yellow Fever Vaccine Hearing is Thursday

The Senate Health Committee will hold a public hearing Thursday, Feb. 4, on a bill authorizing licensed pharmacists to dispense yellow fever vaccines. [Sen. Kim Benefield, D-](#)

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)

Woodland, is the sponsor of SB 281.

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#### **NEXT LEGISLATIVE DAY**

**The Alabama Legislature will meet for organizational purposes beginning Jan. 11, 2011. The Alabama Senate and House will meet in regular session for 30 legislative days between March 1 and June 13, 2011.**

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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)