

May 27, 2011

Tell Senate Rules to Put HB 365 on Calendar **Goal Line Press to Stop Internet Advantage**

Amazon.com and its lobbyists have duped some far right Republicans into believing the consumer use tax notification bill, **HB 365** by **Rep. Jamie Ison, R-Mobile**, creates a new tax. Your ARA communicated this week with county Republican leadership in key districts to set the record straight, but we need your help to push Ison's bill over the legislative goal line.

The bill has cleared the Alabama House and a Senate committee. Now it is up to the Senate Rules Committee to place it on the Senate agenda. Four days remain in the 2011 regular session, plenty of time for final passage.

Call Senate Rules Committee members, especially **Chairman Scott Beason, R-Gardendale**, and ask that the committee place HB 365 on the calendar for debate in the final full week of the 2011 regular session.

>>>Senate Rules contact information

"It all rests on Senator Scott Beason's shoulders," said ARA President Rick Brown. The Rules Committee determines what legislation comes before the entire Senate. *"Senator Beason controls the fate of this legislation. We have the votes to pass it on the Senate floor. We find out next week if Senator Beason sides with his local merchants or Amazon.com."* Amazon has hired numerous contract lobbyists in an effort to kill this legislation.

Besides contacting Rules Committee members, **impress upon your senator and representative one more time how important this bill**

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

CRR EXTRAS

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TOP ISSUES

Final Week Bills

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PSE Products

Healthcare Conscience

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Sunday Alcohol Sales

Entertainment Districts

is to you and other retailers in your community.

HB 365 takes three simple steps in its goal to educate Alabama consumers about taxes due when they buy goods over the Internet, by phone or by catalog.

It requires an Internet retailer to notify Alabama consumers at the time of purchase that it isn't collecting sales tax.

It makes the Internet retailer provide the consumer with a year-end summary statement totaling tax-free purchases during the preceding year.

It changes Alabama's personal income tax return to allow state taxpayers to voluntarily remit city, county and state use taxes.

Under this bill, Internet sellers lose their "*no-tax advantage*" once consumers realize a tax is due. Small, hometown retailers can't compete with perceived tax-free Internet sales, especially when combined city, county and state sales taxes in our state reach as high as 10 percent. Tell your lawmakers it is like giving Tennessee 10 points against Alabama or Auburn in the SEC championship game.

[>>>More on what to say about this legislation to your lawmakers](#)

TORT REFORM

House Sends Governor Two Tort Reform Bills; Two Others on Deck Tuesday

In a week that also saw final passage of the state's two budgets, the Alabama House of Representatives on Thursday sent two of the four bills in tort reform package supported by the Alabama Civil Justice Reform Committee (ACJRC) and ARAtO Gov. Robert Bentley for his signature.



On a vote of 71 to 22 and minimal debate, the House approved [SB 212](#) by [Sen. Clay Scofield, R-Guntersville](#), which prohibits forum shopping of wrongful death actions by requiring that such lawsuits can only be brought in the county where the deceased could have filed suit. [Rep. Ron Johnson, R-Sylacauga](#), sponsored the House companion. ACJRC has been seeking this legislation since it first championed a three-bill tort package in 1999.

[Brewpubs](#)

[Tobacco License Fees](#)

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BILLS

HOUSE

- [HB 3](#)
- [HB 17](#)
- [HB 56](#)
- [HB 60](#)
- [HB 178](#)
- [HB 193](#)
- [HB 195](#)
- [HB 230](#)
- [HB 305](#)
- [HB 312](#)
- [HB 313](#)
- [HB 355](#)
- [HB 365](#)
- [HB 365 Amend](#)
- [HB 427](#)
- [HB 430](#)
- [HB 434](#)
- [HB 505](#)

[SB 207](#) by [Sen. Cam Ward, R-Alabaster](#), which changes the rate of interest on judgments in Alabama from 12 percent to 7.5 percent, passed on a vote of 70-19. The Southeast average is 8 percent. [Rep. Greg Canfield, R-Vestavia Hills](#), sponsored the House companion.

The House will vote Tuesday on the remaining two bills in the tort package :

- [SB 184](#) by [Sen. Ben Brooks, R-Mobile](#), which restricts product liability lawsuits to the makers of a hazardous product. The bill prohibits such suits against retailers, wholesalers and distributors who merely sold a product that somehow caused the owner harm. The bill is second on the House's special order calendar for Tuesday. [Rep. Wes Long, R-Guntersville](#), sponsored the House companion.
- [SB 187](#) by [Sen. Ben Brooks, R-Mobile](#), which requires Alabama to apply a stricter standard for determining whether to admit scientific expert testimony. It is third on Tuesday's calendar. [Rep. Steve McMillan, R-Bay Minette](#), sponsored the House version.

BUDGETS ALSO ON GOVERNOR'S DESK

Earlier in the week, the Legislature gave final approval to the state's two operating budgets. The \$5.6 billion education budget cleared the House 67-31 Tuesday night, while the Senate worked all night before approving it 19-6 shortly before 8 a.m. Wednesday. The General Fund budget cleared both chambers Wednesday on a 20-3 vote in the Senate and on a 62-35 vote in the House. While the governor is not sure the \$1.8 billion General Fund budget has sufficient revenue sources, his press secretary said he hasn't decided yet whether or not to send it back for further consideration.

FINAL WEEK

Late Fee, Taxpayers' Bill of Rights, Streamlined Sales Tax and More Await Action Next Week

Besides the two tort reform bills pending in the House, several other bills of importance to the Alabama Retail Association await action in the final full week of the 2011 regular session, including:

- [HB 3](#) by [Rep. Craig Ford, D-Gadsden](#), which equalizes the late fee retailers and other businesses can charge on all

- [HB 515](#)
- [HB 548](#)
- [HB 587](#)
- [HB 593](#)
- [HB 620](#)
- [HB 621](#)
- [HB 627](#)
- [HB 657](#)
- [HB 679](#)

SENATE

- [SB 46](#)
- [SB 88](#)
- [SB 104](#)
- [SB 155](#)
- [SB 184](#)
- [SB 187](#)
- [SB 207](#)
- [SB 212](#)
- [SB 215](#)
- [SB 405](#)
- [SB 438](#)
- [SB 484](#)
- [SB 489](#)
- [SB 517](#)
- [SB 518](#)

IN THE NEWS

[Books-A-Million Inc.: Sales drop in 1Q amid challenges](#)

[House gives final passage to lawsuit limits bills](#)

[Alabama Supreme Court race has lawyers buzzing](#)

[Governor calls General Fund 'problematic'](#)

[Alabama Legislature gives final approval to state](#)

delinquent consumer credit transactions of \$2,000 or less. If the Senate approves it next week, this bill would go to the governor for his signature. [Sen. Gerald Dial, R-Lineville](#), sponsored the Senate companion.

- [HB 427](#) by [Rep. Paul DeMarco, R-Homewood](#), also known as the Alabama Taxpayers' Bill of Rights II, creates an independent and qualified tax appeals court in Alabama and includes needed changes in the tax appeals process. [Sen. Ben Brooks, R-Mobile](#), sponsored the Senate companion.
- A substitute version of [HB 355](#) by [Rep. Mike Hill, R-Columbiana](#), creating the Alabama Streamlined Sales and Use Tax Commission. The substitute removed all mentions in the original bill of the commission ultimately serving as the state's sales and use tax administrator once Alabama becomes a streamlined state.
- [HB 313](#) by [Rep. DuWayne Bridges, R-Valley](#), which regulates Alabama residents' power to put a security freeze on their credit report. If approved in the Senate next week, this bill would become law with the governor's signature.
- [HB 193](#) by [Rep. Mike Jones, R-Andalusia](#), the Common Sense Consumption Act, which protects retailers from civil action brought by those who claim the food sold by retailers made them obese. If approved next week, this bill goes to the governor for his signature. [Sen. Gerald Allen, R-Tuscaloosa](#), sponsored the Senate companion. **ARA supports this legislation being pushed by the Alabama Restaurant Association.**
- [HB 195](#) by [Rep. Ken Johnson, R-Moulton](#), which would prevent Alabama from having a patchwork of local food nutrition labeling laws and save small restaurants from unnecessary and costly regulation. If approved next week in the Senate, this bill goes to the governor for his signature. Allen also sponsored this Senate version. **ARA supports the efforts of the Alabama Restaurant Association to pass this legislation.**
- [HB 230](#) by [Rep. Blaine Galliher, R-Gadsden](#), the governor's tax incentive legislation for small business known as the Full Employment Act, which provides a one-time, \$1,000 income tax credit for each new \$10 or more per hour job created by businesses with 50 or fewer employees. The credit can be applied after the employee has worked for a business for 12 consecutive months. [Sen. Arthur Orr, R-Decatur](#), sponsored the Senate companion.

**Want to see these bills move to the governor?
[Contact your legislators](#) before Tuesday, May 31**

[budgets](#)

[States' immigration efforts fizzle](#)

[10 Alabama counties join federal program to deport illegal aliens who have criminal records](#)

[Alabama jurist on 3-judge panel named to hear health care challenge](#)

[Tuscaloosa County Sunday alcohol bill moves forward](#)

[Grand Bay Republican becomes newest member of Alabama House](#)

[GOP lawmaker Daniel Boman of Sulligent switches parties](#)

[Alabama House and Senate pass redistricting plans](#)

[Alabama Senate passes congressional redistricting plan](#)

[Homeowners, businesses may get tax breaks](#)

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

ARA CONTACTS

[Rick Brown](#)
President

IMMIGRATION

House Rejects Senate-Revised Immigration Reform; Conference Committee Working on Compromise Bill

On Tuesday, the Alabama House refused to agree to changes the Senate made to [HB 56](#) by [Rep. Mickey Hammon, R-Decatur](#), an Arizona-style immigration reform bill. Hammon along with Reps. Kerry Rich, R-Boaz, and Charles Newton, D-Greenville, were appointed to represent the House in conference committee negotiations on the bill. The Senate conferees are Sens. Scott Beason, R-Gardendale; Rusty Glover, R-Semmes; and Clay Scofield, R-Arab

In the absence of any congressional movement, nearly every state in the union has tried to tackle immigration this year, according to an Associated Press report out this week. Georgia and Utah have passed comprehensive bills. South Carolina's bill, like Alabama's, is headed to conference. The Florida Legislature couldn't reach a compromise on the E-verify components of its legislation, so its proposals died. E-verify, the federal program for verifying immigration status, is a major sticking point in the dueling Alabama bills as well. Although Alabama's other Arizona-style immigration bill, SB 256 by Beason, was never assigned to a House committee, the Senate rewrote Hammon's bill with many of the same provisions in Beason's.

The Alabama Employers for Immigration Reform, a business group that includes ARA, has been monitoring both immigration bills and will continue to do so during conference negotiations.

TAXES

Senate Panel OKs Fix for Gross Income Inequity; Bill Up for Final Passage in Senate Next

The Senate Finance and Taxation Education Committee on a vote of 7-3 Wednesday approved [HB 548](#) by [Rep. Jay Love, R-Montgomery](#), a legislative fix for an inequity in the tax code regarding gross income taxes for pass-through entities, such as partnerships, limited partnerships, limited liability companies and S corporations. The bill now goes before the full Senate for final consideration.

The Business Associations' Tax Coalition, of which ARA is a

[Alison 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:

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.

member, supports Love's bill, which is a fairer solution than a regulation change proposed by the Alabama Revenue Department. [Senate President Pro Tem Del Marsh, R-Anniston](#), sponsored the Senate companion.

Double-Weighted Sales Factor Nears Final Passage

The Senate Finance and Taxation Education Committee on a voice vote and with no discussion Wednesday unanimously approved [HB 434](#) by [Rep. Jay Love, R-Montgomery](#), which doubles the weight given to the sales portion of income when multi-state corporations compute net income tax. The bill now goes to the full Senate for final approval. This bill also amends the sales factor so that sales of services and other sales of intangible property as well as income made from trademark and copyright royalties are sourced to Alabama if the taxpayer's market for the sales or royalty is in Alabama.

Multi-state corporations doing business inside and outside of Alabama source their income based on a three-factor formula: property, payroll and sales. Under this legislation, the more payroll and property a company has in Alabama relative to its sales, the less tax the company owes Alabama. This legislation is expected to net about \$25 million for the state's Education Trust Fund. [ARA is monitoring this legislation.](#)

POINT-OF-SALE FEE COLLECTIONS

Panels Approves E-911 Fees Bill
Retailers to Receive 4% Allowance to Collect Fees

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

**One Week Left;
Nominate a
Retailer of Year**

Each year, ARA, in conjunction with the [University of Alabama at Birmingham School of](#)

This week, committees in both chambers agreed to substitute legislation that would regulate E-911 services and fees.

Negotiations on the bills have been ongoing since the beginning of the session. The House Boards, Agencies and Commissions and the Senate Governmental Affairs committees each approved identical, agreed-upon companion

legislation, under which retailers, rather than carriers, would begin collecting the E-911 fees for prepaid wireless communications services at the point of sale. The House bill was next on the special order calendar when the House adjourned shortly after 6 p.m. Thursday.

The substitute retains a provision ARA negotiated to allow the retailer to deduct and retain four percent of the prepaid wireless 911 charges collected from consumers to cover the retailer's expenses for collecting and remitting the fees, along with sales taxes, to the Alabama Revenue Department. The negotiated substitute also specifies that the fees be noted separately on the after-tax price of the service on invoices or receipts. If approved, the legislation has a graduated effective date with some provisions kicking in immediately and others becoming effective in October of this year, with a final effective date of Oct. 1, 2012.

On a voice vote Tuesday, the House Boards, Agencies and Commissions Committee approved the substitute version of [HB 312](#) by [Rep. Mike Millican, R-Hamilton](#).

"*This is as good a bill as we are going to get,*" Committee Chairman Howard Sanderford, R-Huntsville, told the committee. Sanderford warned that anyone considering floor amendments should make sure that all parties agreed to it. In fact, the Senate Governmental Affairs Committee on Wednesday struck down an attempted amendment to the companion, [SB 438](#) by [Sen. Del Marsh, R-Anniston](#), and then approved the same substitute version on a vote of 8-1.

The legislation:



"This is as good a bill as we are going to get," House Boards, Agencies and Commissions Committee Chairman Howard Sanderford said of HB 312.

[Business](#), sponsors the Retailer of the Year program. These awards, which recognize the top retailers in Alabama and their accomplishments in the retail industry, are made during Retail Day in the fall in Birmingham.

Because the retail industry is made up of such a varied group of businesses, awards are given in four categories based on sales volume:

- less than \$1 million
- \$1 million to \$5 million
- \$5 million to \$20 million and
- more than \$20 million

An independent selection committee chooses Bronze, Silver and Gold Award winners in each sales volume category. The selection committee is made up of representatives from the media, Chambers of Commerce, fellow retailers and representatives from the academic community.

The finalists and their nominators are invited to attend the awards luncheon on Retail Day.

DEADLINE FOR NOMINATIONS

Nominations for Retailer of the Year must be received by Monday, June 6.

- creates a statewide 13-member E-911 board, which will establish and collect a single statewide emergency telephone service charge to be paid into an E-911 Fund replacing all other existing landline and wireless E-911 charges. Cell phone users now pay a flat 70-cent monthly fee for E-911 services, while the monthly fee for landline users can be as high as \$5.08.
- creates a Permanent Legislative Oversight Commission to approve the statewide plan and rates. By March 1, 2012, the E-911 board is to recommend E-911 rates to the Commission. By Feb. 1, 2013, the board is to bring any necessary legislation to implement the statewide plan to the Commission.

HEALTHCARE

Committee Says 'No' to Prescription-Only Rule Ephedrine/Pseudoephedrine to Remain OTC

Wednesday, the Senate Health Committee voted down [SB 88](#) by [Sen. Roger Bedford, D-Russellville](#), which would have made ephedrine and pseudoephedrine products controlled substances in Alabama. Two weeks ago, the bill died in committee for a lack of a second. [ARA opposes making these products available by prescription only](#) as doing so would limit cold and allergy sufferers' access to medicine they need daily and drive up costs by as much as 50 percent. ARA supported an electronic tracking system for the legal products commonly used in the illegal manufacture of methamphetamines, which Alabama enacted last year. Several similar bills were introduced this session but none advanced.



Senate Carries over Rights of Conscience Bill; House Panel Lacks Quorum to Consider Similar Bill

The Alabama Senate on Tuesday on a voice vote carried over [SB 46](#) by [Sen. Cam Ward, R-Alabaster](#). Ward's bill would give healthcare providers the right to refuse to perform or participate in healthcare services that violate their conscience if they first notify their employer in writing of the objection. Under this legislation, an employer would not be able to discriminate against or discipline an employee for refusing to perform a service based on conscience if the employee first notified the employer in writing of his/her objection. The bill frees

Nominees then will be asked to complete entry forms, which must be received by Wednesday, June 29. The selection of winners will take place by July 29 and winners will be notified by Aug. 8.

HOW TO NOMINATE?

Just complete the [online nomination form](#)

QUALIFICATIONS?

Nominated retailers must have a physical presence in the operation and/or management of a retail business in Alabama and have been **in business for a minimum of five years**. To be considered a retailer, the business **must collect state and local sales taxes**. (*Banks, insurance agencies and dry cleaners do not qualify.*)

The application form will take an in-depth look at the retailer's accomplishments over the past year and any contributions to the community where the retail business is located.

Gold winners from any previous year are not eligible for nomination. ([Review previous winners before making a nomination.](#)) However, Silver and Bronze winners can be nominated in subsequent years.

the provider of civil and criminal liability unless their conscientious objection places the life of a patient in immediate danger. ARA contends resolving the dilemma of how to make certain a patient has access to appropriate drug therapy as determined by their prescribing practitioner, while allowing pharmacists to follow their conscience, is complex and should be independent of governmental mandates.

The House Health Committee failed to get enough members at its Wednesday meeting to consider the House companion, HB 178 by Rep. Mary Sue McClurkin, R-Indian Springs, which the committee carried over in late March and has yet to reconsider.

Federal Healthcare Reform Opt Out Headed to Senate for Final OK
On a 7-2 vote Wednesday, the Senate Health Committee approved [HB 60](#) by [Rep. Blaine Galliher, R-Gadsden](#), a proposed constitutional amendment to prohibit mandatory participation in any health care system. The bill, which took two floor votes to make it through the House, now heads to the full Senate for final approval. Eleventh Circuit Court of Appeals Chief Judge Joel Dubina of Alabama along with U.S. Circuit Judges Frank Hull of Georgia and Stanley Marcus of Florida are set to hear oral arguments June 8 from 26 states urging the 11th Circuit to uphold a federal judge's ruling that the federal overhaul's core requirement mandating health insurance is unconstitutional.

House Sends Re-labeling, Storing of Residential Care Drugs to Governor for His Signature

Thursday, the Alabama House on a vote of 94-0 gave final approval to [SB 155](#) by [Sen. Billy Beasley, D-Clayton](#), authorizing the Alabama Board of Pharmacy to set up protocols so retail pharmacies can re-label and store certain prescription drugs for patients who live in residential care facilities without an on-site pharmacy. [Rep. Elaine Beech, D-Chatom](#), who presented the bill on the House floor, said it allows residents to bring non-controlled prescription drugs that they have already purchased from a retail pharmacy into a residential care facility. *"This legislation saves the patient and their family a lot of money,"* Beech said. The House then voted to indefinitely postpone the House companion.

ALCOHOL AND TOBACCO

House Gives Athens Draft Beer Bill Final OK;

Previous nominees who did not receive an award also may be nominated again.



Three Other Draft Bills Law; Fifth Pending

If the governor and the Athens City Council approves, the citizens of Athens may soon be able to buy draft beer. The Alabama House passed [SB 405](#) by [Sen. Bill Holtzclaw, R-Madison](#), on a vote of 36-1 Tuesday with 27 representatives abstaining from the vote, sending the bill to the governor. The governor has already signed three draft beer bills into law this session:

- [HB 430 \(Act No. 2011-251\)](#) by [Rep. Bill Roberts, R-Jasper](#), which would give the Jasper City Council authority to decide if draft beer sales will be allowed in that municipality.
- [HB 72 \(Act No. 2011-119\)](#) and [HB 73 \(Act No. 2011-118\)](#), by [Rep. Steve Clouse, R-Ozark](#), which authorize Daleville and Ozark to call referendums to allow draft beer sales at the next general election.

On a vote of 44-2 with 33 abstentions, the Alabama House on Tuesday approved a fifth draft beer bill, [HB 593](#) by Vance, which would authorize the Russell County Commission to allow properly licensed retailers to sell draft beer. The bill also would allow alcoholic beverages to be sold after 1 p.m. on Sundays in Russell County.

Three Other Sunday Sales Bills Move This Week; Northport Referendum Set for Aug. 23

The House approved two other Sunday alcohol sales bills this week, sending them to the Senate for consideration in the final legislative week. A third Sunday sales bill also received committee approval this week.

On a vote of 40-2 with 29 abstentions Tuesday, the House approved [HB 587](#) by [Rep. Lynn Greer, R-Rogersville](#), which would allow Sunday sales in the town of St. Florian in Lauderdale County. Thursday, the House approved [HB 627](#) by [Rep. Alan Harper, D-Aliceville](#), which allows voters in unincorporated Tuscaloosa County to follow Tuscaloosa and Northport in voting on Sunday alcohol sales. The vote was 41-0 with 37 abstentions. The bill now heads to a Senate local legislation committee for consideration.

Earlier in the session, the Legislature approved [HB 66 \(Act No. 2011-120\)](#), also by Harper, calling for a Sunday alcohol sales referendum in Northport. The Northport City Council has set the referendum for Aug. 23. If voters approve the referendum, alcohol sales would be permitted there from noon to 9:30 p.m. on Sundays.

Sen. Bobby Singleton, D-Greensboro, introduced and received committee approval this week for [SB 518](#), which authorizes a Sunday sales referendum in the city of York in Sumter County. The York City Council will have 30 days after this bill becomes law to set a referendum date.

House OKs Special Entertainment District Liquor Licenses; Senate Panel to Consider Bill Tuesday

On a vote of 67-24, the Alabama House on Tuesday approved [HB 17](#) by [Rep. James Buskey, D-Mobile](#), which would allow cities with populations of more than 25,000 to create entertainment districts where patrons can walk from establishment to establishment while drinking alcoholic beverages. This bill would create a separate liquor license for establishments within an entertainment district, and each municipality could have up to two separate districts with a minimum of four licenses required in each in those districts. No entertainment district can exceed a half-mile-by-half-mile area, under the bill. Right now, there is no liquor license that would allow patrons to walk out with an open container. **The Senate Governmental Affairs Committee is set to consider the bill at its 9 a.m. meeting Tuesday.**

Brewery Modernization Set for House Vote Tuesday

The "*Brewery Modernization Act*" is the seventh bill on Tuesday's special order calendar in the House. [SB 192](#) by [Sen. Bill Holtzclaw, R-Madison](#), would allow brew pubs and draft beer manufacturers to serve and sell its product in a tasting room or a small restaurant attached to the brewery, but only in that location. The brewery could keg, bottle or can its product to a distributor, but could not offer it for direct retail sale. The bill requires breweries to collect the excise tax on any of its beverages sold on-premises. As currently required, brewpub must be located in an historic building or an historic district, but this bill also allows brewpubs to be situated in areas locally designated as "economically distressed." [Rep. Joe Hubbard, D-Montgomery](#), sponsored the House companion.

Public Hearing Set for Tuesday on Tobacco Retailer Filing and Licensing Fee Legislation

The House State Government Committee has scheduled at 10:30 a.m. Tuesday public hearing on [HB 505](#) by [Rep. Alan Harper, D-Aliceville](#). The bill sets both a one-time, \$100 filing fee and a \$250

annual licensing fee for tobacco product retailers. Currently, there are no fees associated with a retail tobacco license.

REBATE REGULATIONS

Senate OKs Bill Regulating Rebates

On a vote of 30-0 Wednesday, the Alabama Senate approved [SB 104](#) by [Sen. Linda Coleman, D-Birmingham](#), which mandates the time period for customers to send in rebate materials and for issuers to provide the rebate. The bill requires rebate issuers to remit rebates within 30 days of receipt of any rebate materials from the purchaser and give the purchaser a minimum of 45 days to submit the required rebate materials. The bill has been assigned to the House Commerce and Small Business Committee for consideration.

INTRODUCTIONS

Lawmakers Introduce Last-Minute Legislation

Keeping to the hard-working pace they have set this session, lawmakers introduced several bills this week, the last chance they had to propose bills and have any hope of final passage. Among bills introduced were:

- [SB 489](#) by [Sen. Roger Bedford, D-Russellville](#), which makes the crime of identity theft a Class B felony. The legislation also expands the definition of identity theft to include obtaining the identity of another for the purpose of gaining employment. This bill awaits action by the House Judiciary Committee.
- [HB 657](#) by [Rep. Laura Hall, D-Huntsville](#), which would prevent employers from using the credit history or report of an employee or applicant as a basis of action in their hiring or termination. This bill awaits action by the House Commerce and Small Business Committee.
- [HB 679](#) by [Rep. Barry Mask, R-Wetumpka](#), a constitutional amendment allowing the state to offer a broader range of economic incentives. The House Commerce and Small Business Committee approved the bill Thursday and it is on the agenda for House consideration Tuesday.
- [SB 515](#) by [Sen. Arthur Orr, R-Decatur](#), which would give certain Alabama Medicaid providers a one-year-only income tax deduction of 10 percent on Medicaid payments in excess

of \$10,000. The bill is intended to alleviate some of the burden placed on Medicaid providers because of state budgetary constraints. This bill awaits Senate Finance and Taxation General Fund Committee action.

- **SB 517** by **Sen. Bobby Singleton, D-Greensboro**, which allows for the formation of low-profit limited liability companies and reduces some of the financial and administrative responsibilities typical for LLCs for the qualifying businesses. The bill has been assigned to the Senate Judiciary Committee.
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LEGISLATOR CHANGES

New House Member on Job; Another Representative Switches Parties

This week was the first week on the job for Rep. David Sessions, R-Grand Bay, who was elected May 10 to fill the House District 105 seat left vacant when former Republican state Rep. Spencer Collier of Irvington was named director of the Alabama Department of Homeland Security.

Meanwhile, Rep. Daniel Boman, a Sulligent lawyer elected as a Republican to represent House District 16, became a Democrat this week. After Boman's party switch, Republicans still hold a 65-40 advantage in the House. That is a large enough majority for Republicans to cut off debate and bring bills to a vote.

NEXT LEGISLATIVE DAY

The Alabama Senate will meet at 10 a.m. Tuesday, May 31, 2011, for the 27th meeting day of the 2011 regular session. The House will meet at 1 p.m. The Legislature is expected to meet for three days next week, then return Thursday, June 9, for the session's final legislative day. Look for the next issue of *Capitol Retail Report* early in the week of June 6.

