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April 5, 2013

Business License Reform Now on the Table

Bill Simplifies Business Licenses; Sets Flat Fees

Sen. Slade Blackwell, R-Mountain Brook, this week introduced legislation that would reduce the number of state and county business licenses that most businesses are required to purchase and create an online system where all businesses can apply for, purchase and renew all applicable state and local business licenses in one place.

SB 397 would eliminate more than 140 existing state and county business licenses, including those to sell ice cream, calculators, playing cards, magic equipment, radios, glass, animal hides and many others based on the type of product sold and occupation. No other state in the Southeast requires the purchase of a business license for such a vast array of products and occupations, Blackwell said.

As part of its 2013 Legislative Agenda, the Alabama Retail Association supports efforts to simplify and streamline the current business license system.



[>> Read Alabama Retail's full 2013 Legislative Agenda](#)

Beginning Oct. 1, if enacted, the bill would eliminate all existing state business licenses and impose a flat business license fee of \$150 on each corporation and pass-through entity operating in Alabama with an additional \$50 fee for each location that business has in the state. The business license fee for a sole proprietorship would be a flat \$20, regardless of the number of locations it has in Alabama.

The bill would also eliminate all existing county business licenses authorized by a local act but would allow each county to impose a flat \$50 business license for every location a business has within that county. Jefferson County is excluded from the legislation.

Similar to last year's ONE SPOT law for use, lease and sales taxes, which Blackwell also sponsored, SB 397 requires the Alabama Department of Revenue to create an online portal through which businesses could, if they choose, purchase state and county business licenses, and eventually municipal business licenses.

Beginning Oct. 1, 2015, all counties would be required to participate in the online filing system, while all municipalities would be required to

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participate by Jan. 1, 2017. The bill creates a Municipal Business License Interim Task Force to make recommendations for streamlining municipal business licenses. Alabama Retail would have two appointees to that task force.

The Senate Governmental Affairs Committee will conduct a public hearing on the business license reform bill on Tuesday. Please send any comments you have on the bill to [Alabama Retail Vice President Alison Wingate](#).

ARA AGENDA IN ACTION

House Approves Taxpayers' Bill of Rights; Senate Next to Consider Landmark Legislation

On a vote of 96-2 Thursday, the Alabama House approved landmark legislation to centralize Alabama's tax appeal process and make that process independent of the taxing authorities. [HB 264](#) by Rep. Paul DeMarco, R-Homewood, now goes to the Senate for consideration. The Senate companion, [SB 223](#) by Sen. Bryan Taylor, R-Prattville, has been ready for consideration by the full Senate since March 13.

The agreed-on revision of the Alabama Taxpayers' Bill of Rights II is part of ARA's 2013 Legislative Agenda and has the support of 25 other members of the Business Associations' Tax Coalition (BATC), a business trade association coalition chaired by Alabama Retail President Rick Brown.

This legislation shifts the appropriation, personnel, equipment and tax appeal functions of the Administrative Law Division of the Revenue Department to the created Alabama Tax Appeals Commission, aligning Alabama with the vast majority of states that have an independent tax appeals process for businesses and individuals. Businesses that cross multiple jurisdictions would be able to use one process for appealing tax assessments rather than having to use a different process for every city and county involved.

[>> Read BATC summary of TBOR II](#)

FIREARMS

Business Liability Removed in Sweeping Gun Bill Approved by the Senate

After more than five hours of debate with only five senators dissenting, the Alabama Senate on Thursday approved [SB 286](#), far-ranging firearms legislation by Sen. Scott Beason, R-Gardendale. Eight amendments were added to the substitute version of the bill that the Senate approved, including one that would shift liability from the property owner to anyone who disregards a no pistols notice.

"A person who disregards a posted notice shall be solely responsible for any injury, damage, or death occurring as a result of any actions regarding the presence or use of his or her pistol," reads the amendment by Sen. Dick Brewbaker, R-Montgomery. If a customer or employee ignores the no-pistol notice *"and commits a criminal act, (the business) is not liable for it,"* Brewbaker said in explaining his amendment, which was approved on a 20-6 vote. The Alabama Retail Association worked with the Alabama Association of County

House

- [HB 9](#)
- [HB 101](#)
- [HB 109](#)
- [HB 264](#)
- [HB 269](#)
- [HB 276](#)
- [HB 286](#)
- [HB 408](#)
- [HB 454](#)
- [HB 461](#)
- [HB 530](#)
- [HB 531](#)
- [HB 539](#)

Senate

- [SB 171](#)
- [SB 179](#)
- [SB 210](#)
- [SB 223](#)
- [SB 230](#)
- [SB 281](#)
- [SB 286](#)
- [SB 340](#)
- [SB 397](#)

Federal

- [S. 336](#)

IN THE NEWS

[Taxpayers' Bill of Rights II
clears Alabama House](#)

[Senate passes
controversial gun
legislation](#)

[Alabama Senate passes
bill allowing free, lifetime
permit to carry pistols in
vehicles](#)

[Alabama Senate votes to
relax gun control](#)

[Editorial: Gun proposal
seriously flawed](#)

[Alabama's gun violence
3rd highest in the country,
think tank says](#)

[What are the states doing
about gun control?](#)

[Thanks, Governor:](#)

Commissions and Brewbaker on the amendment. **Alabama Retail thanks Brewbaker for his successful effort to add this liability protection for retailers and other business owners.**

Under the bill, businesses and other property owners can prohibit pistols on their property by placing prominent signage at any public entrance to their property. If someone disregards the notice, the owner or manager may, in the presence of law enforcement, ask the person carrying the pistol to leave the property, under the bill. If the pistol carrier still refuses to leave, the property owner can then have the person arrested for trespassing.

Other provisions of the bill include:

- employers are banned from having policies that keep lawful gun owners from storing firearms in their parked vehicles on workplace property as long as the firearm stays locked out of sight in their vehicle in the parking lot.
- a prohibition against employers asking an employee if he/she has a firearm stored in their vehicle.
- carrying a visible, holstered firearm in public by itself does not constitute disorderly conduct.
- no pistol permit is required to carry a gun on your land, in your home or in a private vehicle.
- creation of a free lifetime revocable permit to carry a pistol in your vehicle.
- sheriffs must issue or deny carrying permits within 30 days of application and receipt of fees and provide those denied a carrying permit with written reasons for the denial.
- allows a pistol permit applicant to decide if he/she wants the permit to carry a concealed pistol to be good for one to five years.
- authorizes someone licensed to carry a handgun in another state to carry a handgun in Alabama.

Beason's legislation is backed by the National Rifle Association.

MEDICAID

More Testimony Taken on Medicaid Reform; Next Hearing Next Week Before House Panel

Substantially the same organizations and groups spoke this week at a second public hearing on a proposal to alter Medicaid's structure and delivery in Alabama. The Senate Health Committee took no vote Wednesday on [SB 340](#) by Sen. Greg Reed, R-Jasper.

"The Medicaid system we have now does not work," said Senate Health Committee Chairman Reed, who contends his bill is *"a strong step in the right direction."*

The House Health Committee will conduct a public hearing Wednesday on the House version of the legislation, [HB 454](#), said its sponsor and the House Health Committee chairman, Rep. Jim McClendon, R-Springville. McClendon said he also does not plan to have his committee vote on the legislation on the same day as its public hearing.

[Medicaid overhaul will improve care and reduce costs](#)

[Long-term unemployed weekly benefits to be cut](#)

[Open containers now legal in downtown Decatur entertainment district](#)

[House of Representatives approves homebrewing bill](#)

[Homebrew bill foe won't give up but expects to lose battle in Alabama Legislature](#)

[Alabama Senate welcomes new senator from Mobile](#)

[Online sales tax bill scores big win in Senate test vote](#)

[Mass. officials see N.Y. ruling as impetus for congressional action on online sales taxes](#)

[Administration hits pause on health exchanges for small businesses](#)

[Insurers see way to dodge federal healthcare law next year](#)

[Small firms' offer of plan choices under health law delayed](#)

[Rep. Martha Roby to sponsor bill to give workers more flexibility on overtime compensation](#)

[Calera merchants will collect sales tax increase beginning June 1](#)

ARA CONTACTS

[Rick Brown](#)

President

[Alison Wingate](#)

Vice President



Since the legislation was first presented before the legislative spring break, State Health Officer Don Williamson (*pictured*), who is acting Alabama Medicaid director, said he has received "a *plethora of comments that have informed the process.*" Williamson said to expect changes to the legislation, including an expanded section related to federal anti-

trust issues.

The legislation authorizes the Alabama Medicaid Agency to divide the state into up to eight regions, each capable of supporting at least two risk-bearing regional care organizations. Those organizations will provide healthcare to about half of Alabama's Medicaid patients. Actuaries will draw the regions to assure that there are enough Medicaid recipients in the region to make the regional care organization actuarially sound.

Under the regional care model, monthly payments to the organizations would be made on a per-participant, or capitated, basis, rather than the current fee-for-service payment method.

Hospitals, doctors and other health-care providers would be among those likely to establish the regional care organizations, which would serve only Medicaid beneficiaries. The regional organizations, however, can "*contract with any entity*," Reed said, including commercial managed care companies. Williamson said a purely commercial managed care system in Alabama would not work because the state's hospitals fully fund Alabama Medicaid's hospital program.

North Carolina's governor announced Wednesday that North Carolina will accept bids from three or four statewide commercial managed care companies to deliver Medicaid care in that state. North Carolina has operated under a series of Medicaid managed nonprofit community care networks for several years. Alabama's former Medicaid director, Carol Steckel, now serves as North Carolina's Medicaid director.

Alabama's legislation is based on a system the state of Oregon put in place slightly more than a year ago.

[>> Detailed Summary of SB 340 / HB 454](#)

WORKERS' COMPENSATION

Panel OKs Bill to More Than Double Workers' Comp Burial Expenses

The House Insurance Committee on Wednesday approved [HB 461](#) by Rep. Rod Scott, D-Fairfield, which increases the possible burial expenses a workers' compensation claim can pay by \$3,500. If a covered employee dies as a result of an employment-related accident or occupational disease, the expenses paid by the employer currently are not to exceed \$3,000. The bill would require the employer to pay up to \$6,500.

UNEMPLOYMENT COMPENSATION

[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.

CONTACT INFO:

Find a list of members of the Alabama House [here](#). A complete list of senators is available [here](#).

You can find out whose legislative district you live or work in under [Find Your Lawmaker](#) in the [Political](#)

Warren Proposes Raise in State Jobless Benefits; Federal Benefits Cut

This week, Rep. Pebblin Warren, D-Tuskegee, introduced legislation that would increase the maximum weekly jobless benefit in Alabama by \$20 by 2014. The maximum weekly jobless benefit in Alabama is \$265. [HB 539](#) would increase that amount to \$275 beginning July 5 of this year and to \$285 beginning July 5, 2014. Unemployment benefits are paid from Alabama's unemployment compensation trust fund, which Alabama's employers finance through the taxes they pay.

Because of automatic federal spending cuts, the long-term unemployed will see an almost 13 percent decrease in emergency benefits from April 28 through Sept. 30 of this year, the Alabama Department of Labor announced Thursday. The decrease only applies to benefits collected after the 26th week. Alabama employers provide the benefits through the 26th week via unemployment taxes paid.

RED TAPE REDUCTION

Senate Alters Red Tape Reduction Act; Sends Back to House

Thursday, the Alabama Senate unanimously approved a substituted and amended version of [HB 101](#), or the Red Tape Reduction Act, by Rep. April Weaver, R-Brierfield, sending the bill back to the House to either concur with or reject the Senate changes.

Sens. J.T. "Jabo" Waggoner, R-Vestavia Hills, and Gerald Dial, R-Lineville, successfully substituted the Senate version of the legislation, [SB 179](#), for Weaver's bill. Dial then amended the bill to require state agencies to fulfill license or permit requests within 28 calendar days or notify the applicant as to why the license or permit has not been granted.

The bill would require any state agency that receives a complaint that a regulation might negatively impact business to file a business economic impact statement with the Joint Committee on Administrative Regulation Review or its successor committee prior to a proposed regulation's adoption.

The bill also requires all existing rules and regulations to be reviewed every five years. Agencies would be required to post information related to proposed and existing regulation reviews on their websites. Emergency rules are exempt from the provisions of this legislation.

HEALTHCARE

Healthcare Compact Headed to Senate for Final OK

The Senate Health Committee on Wednesday unanimously approved [HB 109](#) by Rep. Mike Ball, R-Madison, which would establish a Health Care Compact to remove Alabama and other states from federal health-care oversight. *"The same amount (of federal funds) would be drawn down, but the decisions about where those funds would be disseminated would be made at the state level, rather than the federal level,"* Ball told the committee. The legislation creates the Interstate Advisory Health Care Commission, which, with the approval of Congress, would be allowed to spend federal money on health care

[Affairs](#) section
of alabamaretail.org.



For committee assignments and clerk contacts for the Alabama Legislature, see [ARA's 2013 Legislative Roster](#).

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***Presented by Jeff Greer,
Founder and Chief
Executive Officer, Easyfish***

without having to abide by federal regulations. The bill is part of the House Republicans' "*We Dare Defend Our Rights*" agenda for the 2013 legislative session. It now goes to Alabama Senate for final consideration. Only four states have joined the compact thus far.

TAXES

Senate Panel Amends Dormant Businesses Bill

On a unanimous vote Wednesday, the Senate Finance and Taxation General Fund Committee approved [SB 230](#) by Sen. Slade Blackwell, R-Birmingham, which forgives business privilege tax obligations for dormant businesses. Before approving the bill, the committee amended the bill in two substantive ways:

- It now requires the Department of Revenue to notify the Secretary of State of businesses that aren't operating and requires the Secretary of State to update its records to reflect a non-operating business.
- It adds a three-month period (Oct. 1 through the end of the year) when dormant businesses could pay two years of unpaid business privilege taxes to avoid penalties. If the taxpayer can document its dissolution, its liability would be \$150, under the bill.

Under the legislation, a business entity would be considered dormant if it has not owned property, produced income or carried out any business activity or function of any type for two consecutive years prior to the taxable year. The bill applies even if the business fails to dissolve or to withdraw its qualification to do business with Alabama's Secretary of State.

The House version, [HB 276](#) by Rep. Jamie Ison, R-Mobile, is ready for consideration by the full House.

Bill to Allow Equipment to Eventually Depreciate to a Zero Value Back on Panel's Agenda

The Senate Fiscal Responsibility and Accountability Committee next week will consider [SB 281](#) by Sen. Shadrack McGill, R-Woodville, which instructs the Alabama Department of Revenue to recalculate the composite factors for business personal property so that no property tax eventually would be due on business equipment and furniture. The committee conducted a public hearing on the bill on March 13.



ALCOHOL

House Expands Entertainment District Bill

On a vote of 70-23 Thursday, the Alabama House approved an amended version of [HB 269](#) by Rep. Phil Williams, R-Huntsville, which would allow certain cities to designate up to five entertainment districts. The amended bill will allow Gadsden, Huntsville, Montgomery, Phenix City, Prichard, Selma, Tuscaloosa and any

Marketing
Wednesday, April 24
7:30 a.m. CT / 8:30 ET
and
10:30 CT / 11:30 ET

[Register](#)
for 7:30 a.m. CT webinar
[Register](#)
for 10:30 a.m. CT webinar

To learn more about and register for other webinars in the Retail University series, go to [Calendar](#) under [Awards and Events](#) at alabamaretail.org.

Nominate a Retailer of Year



Each year, ARA, in conjunction with the [University of Alabama at Birmingham School of Business](#), sponsors the Retailer of the Year program. Help us recognize the top retailers in Alabama and their accomplishments in the retail industry.

DEADLINE FOR NOMINATIONS

Friday, May 24

Nominees will be asked to complete entry forms, which must be received by Friday, June 24. Winners will be notified before Aug. 1.

HOW TO NOMINATE?

Just complete the [online nomination form](#)

Alabama city within 15 miles north of the Gulf of Mexico to have up to five entertainment districts.

In 2012, the Legislature gave Birmingham and Mobile permission to have up to five entertainment districts, where patrons can walk from establishment to establishment with open containers. Under that law, cities that had a population of more than 25,000 in 1970 can have up to two entertainment districts. Any district created has to be approved by the local government. The districts must have a minimum of four establishments with liquor licenses nearby and can be as large as a half mile long and a half mile wide.

Montgomery was the first city to convince the Legislature to allow it to create an entertainment district with its Alley Entertainment District enacted in 2010. The city expanded that district in June. Since last year's law passed, Birmingham, Auburn, Decatur, Mobile, Orange Beach and Opelika have voted to create entertainment districts.

Senate Next to Consider Home Brew Bill

On a vote of 58-33 Tuesday, the House of Representatives approved [HB 9](#) by Rep. Mac McCutcheon, R- Huntsville, which would allow home brewers to make up to 15 gallons of beer, cider and wine every three months as long their homemade spirits are not offered for sale. Home brewing would still be prohibited in dry counties or cities. The bill allows home brewers to transport their product to festivals and tasting contests. The bill now goes to the Senate Job Creation and Economic Development Committee for consideration. A similar Senate bill, [SB 171](#) by Sen. Bill Holtzclaw, R-Decatur, awaits consideration by the full Senate.

A home brew bill died in the Senate on the final day of the 2012 regular session. As of July 1, when a new Mississippi law allowing home brewing takes effect, Alabama will be the only state that does not permit people to brew beer for their personal use at home. McCutcheon called his legislation "*one of the most restrictive home brew bills in the country.*"

Public Hearing Next Week on Draft Beer Definition

The House Economic Development and Tourism Committee will conduct a public hearing Wednesday on [HB 408](#) by Rep. Alan Boothe, R-Troy, which would define draft or keg beer as beer packaged and distributed in a keg by the manufacturer. Bottled beer labeled as draft beer would not fall under that definition. A similar bill died in the Senate due to inaction on the final day of the 2012 regular session.

Bill Allows Brew Pubs to Make Off-Premise Retail Sales

Rep. Barry Mask, R-Wetumpka, this week introduced legislation that would create an additional \$1,000 annual liquor license that would allow brew pubs to sell their packaged and unpackaged product for off-premise consumption. [HB 530](#) limits the amount that can be produced for off-premise consumption to 25,000 barrels annually. It has been assigned to the House Economic Development and Tourism Committee.

[Learn more](#)

KNOW A RETAILER IN BUSINESS FOR 100 YEARS OR MORE?

Retail businesses that began operating in Alabama in 1913 or earlier are eligible to be recognized as an [Alabama Centennial Retailer](#)

**Nominations are due
Monday, June 3**

Businesses can only be recognized once as a Centennial Retailer. Before making a nomination, check first to see if the business has already been honored. [View those previously honored as Centennial Retailers](#)

**[Nominate a
Centennial Retailer
Now !](#)**

House Votes to Outlaw E-Cigarettes for Minors

Thursday, the Alabama House unanimously approved [HB 286](#) by Rep. Mike Jones, R-Andalusia, which would make it illegal for minors to buy, use, possess or transport electronic cigarettes. Jones' bill also requires that parents or guardians be notified if a minor violates the proposed law. E-cigarettes are battery-powered, steel gadgets designed to look like real cigarettes, with a glowing end and a plume of fragrant smoke, but instead of inhaling tobacco the user breathes in a mist of nicotine that is absorbed in the lungs. The bill now goes to a Senate committee for consideration.

A similar Senate bill, [SB 210](#) by Sen. Cam Ward, R-Alabaster, awaits consideration by the full Senate.

Both bills ban those 18 and younger from using other alternative nicotine products that can be ingested by "*chewing, smoking, absorbing, dissolving, inhaling or by any other means.*"

LEGAL

DeMarco Proposes Revamping Limited Liability Law

Rep. Paul DeMarco, R-Homewood, this week introduced legislation that would replace the current limited liability company law. [HB 531](#), or the Uniform Alabama Limited Liability Company Law, has been assigned to the House Judiciary Committee.

MID-TERM ELECTIONS

Hightower on the Job; Senate Membership Full

As of Tuesday, the Alabama Senate has its full 35 members. Business consultant Bill Hightower reported for duty Tuesday as the new senator representing Senate District 35. He replaces Ben Brooks of Mobile, who resigned to become a circuit judge. Hightower, R-Mobile, will serve as vice chairman of the Banking and Insurance Committee and as a member the Job Creation and Economic Development and the Commerce, Transportation and Utilities committees.

NEXT LEGISLATIVE DAY

The Alabama House will convene at 1 p.m. Tuesday, April 9, for the 18th legislative day of the 2013 regular session of the Alabama Legislature.
The Senate will meet at 1:30 p.m.

FEDERAL

Thank Shelby, Sessions; Propel E-Fairness into Reality

On March 22, the U.S. Senate made a symbolic vote in support of e-fairness by including a reference to the Marketplace Fairness Act in the Senate budget resolution.

Seventy-five senators, including Alabama's Sens. Richard Shelby and Jeff Sessions, voted in favor of the amendment. While the budget bill isn't binding, the vote builds momentum for the Marketplace Fairness Act.



If you haven't already, please thank Shelby and Sessions for their "yes" votes and ask them to continue their support for this issue as [S. 336](#), the Marketplace Fairness Act, begins moving through the legislative process.

[E-mail Shelby](#)

[E-mail Sessions](#)

Adding to the momentum is a March 27 4-1 decision by the New York Court of Appeals that Amazon, Overstock and other out-of-state online retailers must collect state tax from its customers in the state of New York. Eight other states have passed legislation similar to New York's, which requires out-of-state retailers to collect sales tax even when they do not have a physical presence in the state, but do have affiliates in the state.

With your help, 2013 will be the year e-fairness becomes law.

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

go to www.alabamaretail.org