

**Alabama Legislative Report**  
**February 18, 2022**

**Taxes**

Both chambers unanimously passed a bill this week that would change the tax code to ensure Alabama taxpayers do not pay higher state income taxes due to certain credits received under the American Rescue Plan Act (“ARPA”). Under current Alabama law, certain ARPA tax credits are considered taxable income. HB 231 states that the deduction allowed to individual taxpayers for federal income tax paid or accrued within the 2021 tax year would be “determined without considering the reduction in federal tax attributable to any additional federal child tax credit, federal earned income tax credit, or federal child and dependent care tax credit received pursuant to the American Rescue Plan Act of 2021, in order to allow individuals to receive the amount of the enhanced federal credits rather than pay state income tax on a portion of the amounts received.” Governor Ivey is expected to sign the bill into law next week.

The Senate gave final passage to a bill Thursday that would provide further tax relief. HB 82, the Small Business Relief and Revitalization Act of 2022, was passed by the House earlier this month and has now been sent to the governor for her signature. The bill would make several changes, including:

- Allowing a one-month extension of the due date of tax returns for Alabama financial institution excise taxpayers and corporate income tax taxpayers
- Increasing the estimated threshold calculation from \$2,500 to \$5,000, allowing sales tax licensees the option of a payment of certified funds in lieu of securing a surety bond, and exempting up to \$40,000 in businesses personal property from ad valorem taxation by the state
- Ensuring that any amount of debt cancellation from loan forgiveness for disadvantaged farmers and ranchers in ARPA is not treated as income. It would not be considered in determining deductibility of otherwise deductible expenses and would be excluded from calculations in determining federal income tax deduction

**Concealed Carry**

The House Public Safety and Homeland Security Committee approved a bill Wednesday that would eliminate the requirement for a permit to publicly carry a concealed handgun. HB 272 would also remove the requirement for individuals without concealed carry permits to keep handguns unloaded and secured while driving. The bill can now be considered by the full House. A similar bill is also pending in the Senate.

**Social Media**

A divided Senate Judiciary Committee approved a bill Wednesday that would “prohibit a major interactive computer service provider from taking certain restrictive or suppressive action against a user of its service based on either a viewpoint expressed or shared by the user or true statements of fact expressed or shared by the user.” SB 10 would also provide for civil remedies; specifically, “Any major interactive computer service that violates this section shall forfeit to the affected user one hundred thousand dollars (\$100,000) for each offense, and an additional one hundred thousand dollars (\$100,000) for each day of the continuance of the offense.” Among others, concerns exist

regarding the uneven application of the legislation for such service providers not having a physical presence in Alabama.

### **School Choice**

There was no formal movement on the school choice legislation this week, although negotiations continue amid considerable public input. On the Senate side, Sen. Marsh continues to tweak his SB 140, which was amended and approved by the Senate Education Policy Committee on February 2. Meanwhile, Rep. Meadows is working on her Parent's Choice Act in the House. HB 245 is pending in the House Ways and Means Education Committee.

### **Military Investment**

The Senate approved a legislative package Tuesday comprised of multiple bills aimed at continuing Alabama's strong relationship with the military and veterans. The bills now move to the House for consideration.

- SB 28 would create the Space National Guard within the Alabama National Guard if the federal government creates the Space National Guard in the NDAA by FY25
- SB 99 would create a compact allowing psychologists and counselors licensed to practice in participating states to also practice within Alabama. There is also a House companion for SB 99. SB 167 would create a similar standard for occupational therapists.
- SB 141 would extend the deadline for various occupational licensure boards to allow military spouses licensed in other states to practice while in Alabama
- SB 116 would make it easier for children of active military members moving to Alabama to enroll in local school in advance and without proof of residency. There is also a House companion to this bill
- SB 119 would expand scholarships provided under the Alabama G.I. and Dependents' Educational Benefit Act to include in-state private two-and four-year colleges and adds the U.S. Space Command to qualifying branches

### **Literacy**

The Senate Education Policy Committee approved a bill Wednesday that would postpone the Alabama Literacy Act reading requirement for third graders until the 2023-2024 school year. SB 200 would delay the accountability aspect of the law, postponing the holdback provision for two years. Last year, Governor Ivey vetoed a bill that would have done something similar. This year, she is supporting a one-year delay in a separate House bill, HB 220, sponsored by the author of the original 2019 law. The Senate bill, SB 200, can now be considered by the full Senate.

### **School Technology**

The Senate passed a bill Thursday that would expand eligible uses for school Advancement and Technology Fund money. SB 175 would amend the Education Trust Fund Rolling Reserve Act to allow funds in the Education Trust Fund Advancement and Technology Fund to be used for "capital outlay expenses," which could conceivably include computers and other hardware. The bill now moves to the House for consideration.

### **Teacher Certification**

The House Education Policy Committee approved a bill Wednesday that would “authorize the issuance of a professional educator certificate to qualified individuals who have held an alternative certificate for one year, instead of three years.” HB 307 would also “authorize the State Board of Education to authorize the State Superintendent of Education to issue a professional educator certificate to a qualified individual who completes an alternative teacher preparation program offered by an approved alternative teacher education preparation organization.” The bill can now be considered by the full House.

### **Rioting**

The House delayed a vote Wednesday on an anti-rioting bill approved in committee last week. HB 2, the Anti-Aggravated Riot Act, would define a “riot” as “the assemblage of five or more persons resulting in conduct which creates an immediate danger of damage to property or injury to persons.” Attending such an assemblage after a dispersal order by police would be punishable by a mandatory 30 days in jail, and anyone arrested for rioting would have to be held for 24 hours without bail.

### **School Bathrooms**

The House Education Policy Committee approved a bill Wednesday that would “require public K-12 schools to designate the use of rooms where students may be in various stages of undress upon the basis of biological sex.” HB 322 would “require every multiple occupancy restroom or changing area designated for student use to be used by individuals based on their biological sex” and would include but not be limited to school restrooms, locker rooms, changing rooms, or shower rooms. The bill can now be considered by the full House, where it has ample Republican support.

### **HB 0298 | Randall Shedd**

[Broadband, revising broadband accessibility grant program, increasing minimum threshold speed, expanding program to governmental entities, revising grant application process, Sec. 41-23-211, 41-23-212, 41-23-213, 41-23-214 am'd.](#)

Feb 08, 2022 - Read for the first time and referred to the House of Representatives committee on Urban and Rural Development

House Committee: Urban and Rural Development

Senate Committee:

### **HB 0241 | Terri Collins**

[Workforce Development, Alabama Credential Quality and Transparency Act and the Alabama Workforce Council Committee on Credential Quality and Transparency, would establish the Alabama Terminal on Linking and Analyzing Statistics \(ATLAS\) on Career Pathways Act, and would establish the Alabama College and Career Readiness Act estab, public database on educational and occupational credentials and competencies created, workforce database for students, job seekers, and employers re credentials and competencies created](#)

Feb 15, 2022 - Read for the first time and referred to the Senate committee on Governmental Affairs

House Committee:

Senate Committee: Governmental Affairs

## **HB 0207 | Kyle South**

[Airports, Alabama Airport Economic and Infrastructure Program, established](#)

Feb 02, 2022 - Read for the first time and referred to the House of Representatives committee on Ways and Means General Fund

House Committee: Ways and Means General Fund

Senate Committee:

## **SB 0125 | Clay Scofield**

[Broadband, authorizing the state, county, or a municipality to grant certain monies for broadband infrastructure, const. amend.](#)

Feb 10, 2022 - Read for the first time and referred to the House of Representatives committee on Urban and Rural Development

House Committee: Urban and Rural Development

Senate Committee:

## **SB 0124 | Clay Scofield**

[Broadband, revising broadband accessibility grant program, increasing minimum threshold speed, expanding program to governmental entities, revising grant application process, Sec. 41-23-211, 41-23-212, 41-23-213, 41-23-214 am'd.](#)

Feb 10, 2022 - Engrossed

House Committee:

Senate Committee: Fiscal Responsibility and Economic Development

## **SB 0123 | Clay Scofield**

[Broadband, Connect Alabama Act o 2021 amended, minumum service threshold increased, Alabama Digital Expansion Division chief authorized to enter nondisclosure agreements, Connect Alabama Fund expenditure amended, Secs. 41-23-271, 41-23-273, 41-23-274 am'd.](#)

Feb 10, 2022 - Read for the first time and referred to the House of Representatives committee on Urban and Rural Development

House Committee: Urban and Rural Development

Senate Committee:

## **SB 0083 | Tim Melson**

[Airports, Alabama Airport Economic and Infrastructure Program, established](#)

Feb 08, 2022 - Read for the first time and referred to the House of Representatives committee on Ways and Means General Fund

House Committee: Ways and Means General Fund

Senate Committee:

## **HB 0082 | Danny Garrett**

[Small Business Relief and Revitalization Act of 2022, cancellation of indebtedness income exempt from income tax, financial institution excise tax and corporate income tax due date extension, certain business tangible personal property ad valorem tax exemption, deposit of certified funds with Revenue in lieu of one-time surety bond for licensure, average monthly sales tax liability for estimated payments increased, Secs. 40-16-3.1, 40-18-39.1 added; Secs. 40-9-1, 40-23-6, 40-23-6.1, 40-23-7 am'd.](#)

Feb 17, 2022 - Motion to Read a Third Time and Pass adopted Roll Call 336

House Committee:

Senate Committee: Finance and Taxation Education

## **HB 0021 | Scott Stadthagen**

[Critical infrastructure, provides further for crime of unauthorized entry of a critical infrastructure, including unmanned aircraft systems, provides additional penalties, Sec. 13A-7-4.3 am'd.](#)

Feb 10, 2022 - Stadthagen motion to Indefinitely Postpone adopted Voice Vote

House Committee: Public Safety and Homeland Security

Senate Committee:

## **SB 0057 | Arthur Orr**

[Taxation, tax credit, authorized for the cost of acquisition and construction of a qualified storm shelter](#)

Jan 11, 2022 - Read for the first time and referred to the Senate committee on Finance and Taxation Education

House Committee:

Senate Committee: Finance and Taxation Education

## **SB 0017 | Garlan Gudger**

[Critical infrastructure, provides further for crime of unauthorized entry of a critical infrastructure, including unmanned aircraft systems, provides additional penalties, Sec. 13A-7-4.3 am'd.](#)

Feb 15, 2022 - Forwarded to Governor

House Committee: Public Safety and Homeland Security

Senate Committee: