

Alabama Legislative Report

June 7, 2023

Sine Die

The Alabama Legislature finished the 2023 Regular Session yesterday, adjourning “sine die,” which is Latin for adjourning “without a day to return.”

Notable Bills that Passed on the Last Day

SB301 by Senator Waggoner makes it illegal to drive while holding a telecommunications device. The House amended the bill to make it a secondary violation, rather than a primary violation. This means that a citation can only be issued by a police officer if there is another valid reason to stop the driver. If the bill is signed by Governor Ivey, no citations may be issued for 12 months following the effective date. Only warnings may be issued, effectively giving citizens a year to adjust to the new law.

SB103 by Senator Orr changes how targets of Ethics Commission investigations are treated. Exculpatory evidence, which may exonerate the target of the investigation, will now have to be disclosed by the Ethics Commission. Currently, there is no requirement for the Ethics Commission to do so.

HB21 by Rep. Daniels, which exempts overtime pay from income taxes, passed last week with an exemption cap that was seemingly impossible to administer. Governor Ivey returned the bill yesterday with an Executive Amendment that removed the cap. The Executive Amendment, which also sunsets the bill in June 2025, was approved unanimously. It is believed that Alabama is the first state to exempt some portion of income tax for overtime pay. The Legislature will have to decide in 2025 whether to reauthorize the exemption or let it expire.

Notable Bills that Died on the Last Day

HB209 by Rep. Kiel, which would have banned individuals from assisting another person in ordering or filling out an absentee ballot, did not receive final approval. Critics of the bill pointed to it as another form of voter suppression, while supporters, like Secretary of State Wes Allen, maintained it would prevent ballot harvesting while providing exceptions for valid reasons to help fill out someone else’s ballot, like blindness or the inability to write.

SB196 by Senator Orr regarding public records requests also died. This bill would have required government agencies to respond to a public record request more promptly. After passing the Senate and later being amended in a House committee to exempt the judicial branch, Governor Ivey’s legal office told reporters that the bill was not ready for passage, citing concerns with the timeline to

produce public records. The bill did not make it to the House floor for a vote. Unlike the Executive Order issued by Governor Ivey in January that required executive branch agencies to begin streamlining the records request process, SB196 impacted all public officers in the State and provided tighter deadlines to fulfill the records requests.

HB43 by Rep. Warren died yesterday as well. The bill would have required incoming students who skip kindergarten to take a readiness test to enter first grade, and, if they did not exhibit readiness, enter kindergarten instead. Alabama currently does not mandate kindergarten for students, and it is estimated that about 4,000 students enter first grade without first attending kindergarten. Rep. Warren has signaled she intends to work with senators who had an issue with the bill, primarily Sen. Rodger Smitherman, in the months before the 2024 Session.

In the coming weeks, we will send a comprehensive Legislative Report for the 2023 Session that provides a wrap-up of session.

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Bill	Sponsors	Title	Last Action	Latest Version
AL 2023rs SB 299	Arthur Orr	Relating to the Coal Production Tax Credit; to amend Section 40-18-220, Code of Alabama 1975, to allow the credit to be claimed against both income and utility services taxes; to allow the credits to be earned by all persons that increase their production of coal mined in Alabama from the prior year; to allow any unused credits to be carried forward for no more than five years; (Conference Committee on SB299)	Senate • Jun 07, 2023: Enrolled	Enrolled
AL 2023rs HB 445	Danny Garrett	Relating to economic development; to amend Section 40-18-417.4, Code of Alabama 1975, as amended by Act 2023-34 of the 2023 Regular Session; to amend Section 5 of Act 2023-34 of the 2023 Regular Session, now appearing as Sections 40-18-472 and 40-18-473, Code of Alabama 1975, to correct a date referenced in the Growing Alabama	House • Jun 01, 2023: Enrolled	Enrolled

		<p>Act; to clarify the tax rebates under the Sweet Home Alabama Tourism Investment Act for certain businesses for certified tourism destination projects are only available for projects placed into service after the effective date of this act; to amend Section 41-7-3, Code of Alabama 1975 to include the Chairs of the Senate Finance and Taxation Education Committee and Ways and Means Education Committee and the ranking minority member of each committee, or their designees, to the Tourism Advisory Board; and to amend Sections 41-10-47.03 and 41-10-47.04, Code of Alabama 1975, from Section 1 of Act 2023-35 of the 2023 Regular Session, to align rural population provisions of the Site Evaluation Economic Development Strategy with the Jobs Act.</p>		
<p>AL 2023rs HB 291</p>	<p>Donna Givens</p>	<p>Relating to use of industrial access roads and bridges; to amend Section 23-6-9, Code of Alabama 1975, to exclude certain industrial access roads constructed by certain public corporations from the public highway and street system of the state; and to make nonsubstantive, technical revisions to update the existing code language to current style.</p>	<p>House • May 31, 2023: Indefinitely Postpone</p>	<p>Introduced</p>
<p>AL 2023rs SB 261</p>	<p>Dan Roberts</p>	<p>Relating to public contracts; to prohibit governmental entities from entering into certain contracts with companies that boycott businesses because the business engages in certain sectors or does not meet certain environmental or corporate governance standards or does not</p>	<p>Senate • May 31, 2023: Enrolled</p>	<p>Enrolled</p>

		<p>facilitate certain activities; to provide that no company in the state shall be required by a governmental entity, nor penalized by a governmental entity for declining to engage in economic boycotts or other actions that further social, political, or ideological interests; to require the Attorney General to take actions to prevent federal laws or actions from penalizing, inflicting harm on, limiting commercial relations with, or changing or limiting the activities of companies or residents of the state based on the furtherance of economic boycott criteria; and to authorize the Attorney General to investigate and enforce this act; and to provide definitions.</p>		
<p>AL 2023rs HB 429</p>	<p>Jamie Kiel</p>	<p>Relating to the Entertainment Industry Incentive Act of 2009; to amend Sections 41-7A-40, 41-7A-41, 41-7A-42, 41-7A-45, and 41-7A-48, Code of Alabama 1975, to expand the incentive by renaming it the Film and Music Incentive Act of 2023, to increase the cap on incentives to fifty million dollars annually, and to allow for the inclusion of music and virtual reality as qualified production companies.</p>	<p>Senate • May 31, 2023: Read Second Time in Second House</p>	<p>Engrossed</p>
<p>AL 2023rs HB 443</p>	<p>Danny Garrett</p>	<p>Relating to economic tax incentives; to amend Section 40-1-50, Code of Alabama 1975; to change the reporting date requirements of state agencies which administer economic tax incentives; to align committee schedules to review state agency reports; to establish sunset dates for tax incentive programs; to</p>	<p>House • May 31, 2023: Indefinitely Postpone</p>	<p>Introduced</p>

		establish future sunset dates for extended tax incentive programs; and to provide required guidelines for all new incentive legislation.		
AL 2023rs HB 378	Chip Brown	Relating to environmental protection; to amend Sections 22-30E-2, 22-30E-3, 22-30E-4, 22-30E-5, 22-30E-9, and 35-19-4, Code of Alabama 1975, to provide potentially responsible parties with limitations of liability with respect to a brownfield site; to create the Brownfield Remediation Reserve Fund; to add Sections 22-30E-14, 22-30E-15, and 22-30E-16 to the Code of Alabama 1975, to provide for the creation of brownfield redevelopment districts; and to make nonsubstantive, technical revisions to update the existing code language to current style	House • May 25, 2023: Enrolled	Enrolled
AL 2023rs HB 439	David Faulkner	Relating to the Growing Alabama Credit; to add Section 40-18-417.8 to the Code of Alabama 1975; to provide that the credit from a parent or holding company may be claimed by the subsidiary in certain circumstances; and to provide retroactive effect.	House • May 25, 2023: Enrolled	Enrolled
AL 2023rs HB 467	Anthony Daniels	Relating to the Alabama Rural, Agribusiness, and Opportunity Zone Jobs Act; to amend Sections 40-9H-2 and 40-9H-3, Code of Alabama 1975; to authorize the issuance of state matching capital to certified growth funds to make capital accessible to rural and minority owned businesses. (Ways and Means Education)	House • May 11, 2023: Introduced and Referred (Ways and Means Education)	Introduced

<p>AL 2023rs SB 293</p>	<p>Garlan Gudger</p>	<p>Relating to the Entertainment Industry Incentive Act of 2009; to amend Sections 41-7A-40, 41-7A-41, 41-7A-42, 41-7A-43, 41-7A-45, and 41-7A-48, Code of Alabama 1975, to expand the incentive by renaming it the Film and Music Incentive Act of 2023, to allow for the inclusion of music and virtual reality as qualified production companies; to define a "historic location," and to increase the current cap of the incentive. (Finance and Taxation Education)</p>	<p>Senate • May 04, 2023: Introduced and Referred (Finance and Taxation Education)</p>	<p>Introduced</p>
<p>AL 2023rs HB 241</p>	<p>Danny Garrett</p>	<p>Relating to the Alabama Jobs Act and the Growing Alabama Act; to amend Sections 40-18-370, 40-18-372, 40-18-374, 40-18-375, 40-18-376, 40-18-376.1, 40-18-376.2, 40-18-376.3, 40-18-376.4, 40-18-377, 40-18-378, 40-18-382, 40-18-383, 40-18-417.1, 40-18-417.2, 40-18-417.3, 40-18-417.4, 40-18-417.7, and 40-9B-4.1, Code of Alabama 1975, to extend the Alabama Jobs Act sunset date to July 31, 2028; to increase the annualized cap on outstanding Alabama Jobs Act incentives by twenty-five million dollars each year for five years up to four hundred seventy-five million dollars; to increase the investment tax credit transfer time to provide that the first five years of the investment credit may be transferred by the incentivized company and applied by another person or company under the Alabama Jobs Act; to extend the Growing Alabama Act sunset date to July 31, 2028, to increase the annual cap on funding approved pursuant to the Growing Alabama Act to thirty-five million dollars; to remove certain</p>	<p>House • Apr 20, 2023: Enrolled</p>	<p>Enrolled</p>

		programs from the Growing Alabama Act for the transfer to Innovate Alabama.		
AL 2023rs HB 247	Anthony Daniels	Relating to economic development; to amend Sections 41-10-802 and 41-10-822, Code of Alabama 1975, to provide for a name change for the Alabama Innovation Corporation and revise the residency requirements for certain grant recipients; to amend Section 41-10-805, Code of Alabama 1975, relating to the Board of Directors of the Alabama Innovation Corporation, to make conforming changes to accurately cite the Code of Alabama 1975; and to add a new Article 22, commencing with Section 41-10-840, to Chapter 10 of Title 41, Code of Alabama 1975, to reestablish the technology accelerator tax credit program and the underrepresented company tax credit program as the Innovating Alabama tax credit program; and to exempt working groups, task forces, and subcommittees of the Alabama Innovation Corporation from the Alabama Open Meetings Act.	House • Apr 20, 2023: Enrolled	Enrolled
AL 2023rs SB 165	Arthur Orr	Relating to economic development; to add Article 2D, commencing with Section 41-10-47.01, to Chapter 10 of Title 41, Code of Alabama 1975; to authorize the State Industrial Development Authority to make site assessment grants and site development grants to certain companies; to provide for the criteria that must be met for grant approval; to provide for changes to criteria based on economic conditions; to limit the funding that	Senate • Apr 20, 2023: Enrolled	Enrolled

		<p>may be received by any site under the grant program; to create the Alabama Site Development Fund and provide for its management; to amend Section 41-10-27.2, Code of Alabama 1975, providing for an annual appropriation to the State Industrial Development Authority, to authorize the appropriation to be expended on the grant program created herein; and to exempt the State Industrial Development Authority and certain economic development organizations from certain state laws.</p>		
<p>AL 2023rs SB 151</p>	<p>Garlan Gudger</p>	<p>Relating to economic development; to add Section 40-18-379.1 to the Code of Alabama 1975, to require the Department of Commerce to publish certain information regarding economic development incentives awarded under the Alabama Jobs Act.</p>	<p>Senate • Apr 20, 2023: Enrolled</p>	<p>Enrolled</p>
<p>AL 2023rs HB 240</p>	<p>Cynthia Almond</p>	<p>Relating to economic development; to add Section 40-18-379.1 to the Code of Alabama 1975, to require the Department of Commerce to publish certain information regarding economic development incentives awarded under the Alabama Jobs Act.</p>	<p>Senate • Apr 19, 2023: Read Second Time in Second House</p>	<p>Introduced</p>
<p>AL 2023rs HB 257</p>	<p>Danny Garrett</p>	<p>Relating to economic development; to add Article 2D, commencing with Section 41-10-47.01, to Chapter 10 of Title 41, Code of Alabama 1975; to authorize the State Industrial Development Authority to make site assessment grants and site development grants to certain companies; to provide for the criteria that must be met for grant</p>	<p>Senate • Apr 19, 2023: Read Second Time in Second House</p>	<p>Engrossed</p>

		<p>approval; to provide for changes to criteria based on economic conditions; to limit the funding that may be received by any site under the grant program; to create the Alabama Site Development Fund and provide for its management; to amend Section 41-10-27.2, Code of Alabama 1975, providing for an annual appropriation to the State Industrial Development Authority, to authorize the appropriation to be expended on the grant program created herein; and to exempt the State Industrial Development Authority and certain economic development organizations from certain state laws.</p>		
<p>AL 2023rs HB 259</p>	<p>Margie Wilcox</p>	<p>Relating to tax abatements; to specify that the method of determining fair market value of real or personal property by a tax abatement recipient appealing an ad valorem tax assessment in circuit court shall be the same method used by the county granting the tax abatement; and to exclude consideration of obsolescence in determining fair market valuation of real or personal property for the duration of an abatement. (State Government)</p>	<p>House • Apr 12, 2023: Carry Over (State Government)</p>	<p>Introduced</p>
<p>AL 2023rs SB 152</p>	<p>Bobby D. Singleton</p>	<p>Relating to economic development; to amend Sections 41-10-802 and 41-10-822, Code of Alabama 1975, to provide for a name change for the Alabama Innovation Corporation and revise the residency requirements for certain grant recipients; to amend Section 41-10-805, Code of Alabama 1975, relating to the Board of Directors of</p>	<p>Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)</p>	<p>Introduced</p>

		<p>the Alabama Innovation Corporation, to make conforming changes to accurately cite the Code of Alabama 1975; and to add a new Article 22, commencing with Section 41-10-840, to Chapter 10 of Title 41, Code of Alabama 1975, to reestablish the technology accelerator tax credit program and the underrepresented company tax credit program as the Innovating Alabama tax credit program; and to exempt working groups, task forces, and subcommittees of the Alabama Innovation Corporation from the Alabama Open Meetings Act. (Finance and Taxation Education)</p>		
<p>AL 2023rs SB 164</p>	<p>Greg J. Reed</p>	<p>Relating to the Alabama Jobs Act and the Growing Alabama Act; to amend Sections 40-18-370, 40-18-372, 40-18-374, 40-18-375, 40-18-376, 40-18-376.1, 40-18-376.2, 40-18-376.3, 40-18-376.4, 40-18-377, 40-18-378, 40-18-382, 40-18-383, 40-18-417.1, 40-18-417.2, 40-18-417.3, 40-18-417.4, 40-18-417.7, and 40-9B-4.1, Code of Alabama 1975, to extend the Alabama Jobs Act sunset date to July 31, 2028; to increase the annualized cap on outstanding Alabama Jobs Act incentives by twenty-five million dollars each year for five years up to four hundred seventy-five million dollars; to increase the investment tax credit transfer time to provide that the first five years of the investment credit may be transferred by the incentivized company and applied by another person or company under the Alabama Jobs Act; to extend the Growing Alabama Act sunset date to July 31, 2028, to increase the annual cap on</p>	<p>Senate • Apr 04, 2023: Introduced and Referred (Finance and Taxation Education)</p>	<p>Introduced</p>

		<p>funding approved pursuant to the Growing Alabama Act to thirty-five million dollars; to remove certain programs from the Growing Alabama Act for the transfer to Innovate Alabama. (Finance and Taxation Education)</p>		
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