



BUSINESS COUNCIL
OF ALABAMA

2010 STATE LEGISLATIVE AGENDA

Approved by the BCA Board of Directors on July 31, 2009

EDUCATION / WORKFORCE PREPAREDNESS

*The Business Council of Alabama supports adopting policies and processes that ensure sound, sustainable funding for public education. BCA advocates that adequate **and equitable** funding for effective public education at all levels (pre-K through Ph.D., including AIDT, ATN & Career Tech) is essential if the system is to effectively prepare Alabama's children and young adults to meet the challenges of an increasingly complex economy and competitive work force. Therefore, the BCA supports policies that promote access to quality education at all levels and strengthens public awareness and understanding that further educational investment is not only necessary, but also essential in ensuring personal income growth and economic opportunity for all Alabamians.*

*BCA contends that all education dollars go first to the classroom, including classroom educational support, i.e., textbooks, library resources, educational supplies and technologies; **and that no public education funds be appropriated to non-public educational entities with the exception of voluntary Pre-K programs.***

In 2010, the BCA will actively work to:

- Reform future teacher pay raises to include 1) a cost-of-living base increase; and 2) a variable increase commensurate to the teachers' experience and classroom performance, as determined by the Governor's Commission on Teacher Quality.
- Sustain funding, as appropriate, in the FY11 Education Budget for proven educational initiatives, such as the Alabama Reading Initiative, Alabama Math Science Technology Initiative, the Career/Technical Education Initiative, ACCESS and the Alabama Virtual Library, with a portion of the funding for each program allocated for periodic, independent evaluations according to national norms.
- Increase state funding for Alabama colleges and universities with a goal of reaching the regional averages at comparable institutions in the Southeast.
- Increase state funding for K-12 with a goal of reaching the regional averages for per-student funding, exclusive of education employee salaries and benefits.
- Fund scholarships / salary supplements / incentives for teachers who agree to teach hard-to-staff subject areas, or in underserved geographic areas.
- Advocate reform of teacher tenure and fair dismissal law revisions.
- Ensure high caliber teacher training programs and administrative leader programs in colleges of education.
- Increase funding for pre-kindergarten educational programs that are administered by certifiably trained staff and ensure that the programs demonstrate student academic preparedness for kindergarten, through required appropriate accountability measures.
- Provide full, sustained funding for school nurses at the actual salary levels shown on the State salary schedule and at a ratio of one nurse per 500 students.

(Education/ Workforce Preparedness Agenda Continued)

- Ensure that the education and job training programs available to Alabama students impart 21st Century Skills specifically relevant to job opportunities that are or will be available in the state.
- Fund seamless training programs for existing industries and businesses to help employees advance on technical career paths, ensure adequate numbers of trainable workers are available to fill jobs as experienced employees, and that they are hired and promoted by new and emerging industries.
- Promote greater student/parental awareness of and additional partnerships between business/industry and career/technical programs. Such partnerships should include meaningful teacher internships at worksites to assist faculty members in staying abreast of relevant trends/issues.
- Continue consolidation of workforce development programs and activities, as necessary, into an efficient, focused and responsive system of workforce education and training, which utilizes all of the resources available under the Alabama Department of Postsecondary Education (including the AIDT and ATN) and emphasizes adult education programs.

In 2010, the BCA will support efforts to:

- Increase the percentage of Alabama students who complete high school and encourage students to take more challenging courses, so that more high school graduates will be prepared to be successful in higher education or in today's technical worksites. For those who do not complete high school, strengthen adult education programs to ensure more adults will earn a GED.
- Encourage public high schools and institutions of higher education to promote greater student understanding of personal financial management.
- Provide additional funding for: 1) substitute teachers to increase the state salary supplements from \$60 to \$75 per day and increase the number of days per teacher unit a substitute teacher is funded from five days to ten days; and 2) additional investment in content-specific professional development programs for teachers.

ENVIRONMENT & ENERGY

The Business Council will work for sound environmental and energy legislation consistent with continued economic growth within the state. It has a long-standing policy that state environmental laws and regulations should be no more stringent than federal environmental laws and regulations, and that the EPA and all 50 states should adopt and implement regulations in a manner such that no state's industry has an unfair advantage.

In addition, the BCA supports adequate funding for The Alabama Department of Environmental Management (ADEM) so it may provide experienced personnel to carry out necessary services without wasteful overlap of programs.

In 2010, the BCA will actively work to:

- Establish incentives for alternative fuels, renewable energy production and use, and energy efficiency in conjunction with the BCA Tax Committee and the Alabama Permanent Joint Legislative Committee on Energy.
- Insure fair treatment of industry through legislative initiatives recommended by the Alabama Permanent Joint Legislative Committee on Water Policy and Management.
- Retain primacy for federal programs by coordinating with state regulatory agencies.

(Environment & Energy Agenda Continued)

In 2010, the BCA will support efforts to:

- Strengthen penalties against those who sell stolen metal property to include the costs of repairs to the victim's property in the damages total for determining the severity of the offense.

In 2010, the BCA will actively oppose:

- Implementing climate change policy on the state level that would put Alabama at a business, manufacturing, and/or economic development disadvantage.
- Enacting legislation that would have a detrimental effect on existing industry and that may have a negative effect on economic development.

HEALTH

The Business Council of Alabama strongly supports and will work to protect employer-sponsored health care coverage through private insurers and self-insured / ERISA plans. In that effort, BCA encourages innovative solutions that increase employers' choices in purchasing affordable, quality health care and prescription coverage while decreasing health care costs through free-market competition without government interference. To be successful, health care coverage, both in the public and private sectors, must encourage consumer involvement, promote wellness and prevention, and reward quality.

The BCA opposes all health care and insurance related mandates on employers and/or individuals because they increase costs without improving the quality of care, and opposes proposals for any type of single-payer system.

In 2010, the BCA will actively work to:

- Continue to expand efforts to provide consumers (patients) with medical providers' quality performance data that is transparent and verifiable for the purpose of assessing and improving healthcare merit, accessibility and affordability.
- Increase the Small Business Healthcare Tax Deduction from 150% to 200% in coordination with the BCA Small Business and Tax & Fiscal Policy committees.
- Identify and promote measurable programs and policies, such as electronic medical records, electronic prescribing, regional health exchanges, and wellness programs, which will result in long-term containment of healthcare costs.
- Develop innovative solutions for providing prescription drug coverage at a reasonable cost and coordinating the purchasing of drugs while opposing mandated prescription drug pricing.

In 2010, the BCA will actively support efforts to:

- Maximize federal matching money for Alabama's Medicaid program in order to help keep the costs of uncompensated care from shifting to employer-sponsored healthcare plans.
- Maintain the current composition of the Certificate of Need Board or efforts to increase payer and consumer business representation on the CON Board.

In 2010, the BCA will actively oppose:

- Mandating employer-provided healthcare benefits or any legislation, resolution or regulation that would increase health plan costs.
- Implementing a national single-payer health care plan.
- Enacting licensure laws where there is no evidence-based impact on quality of care or outcomes.

JUDICIAL & LEGAL REFORM

The Business Council of Alabama supports transparency in all aspects of the judiciary and the judicial system, and advocates for the current open and democratic election process for Alabama's judges. Specifically, the BCA opposes any proposal to adopt an appointment process for selecting Alabama judges, proposals for nonpartisan elections for judges, or any other proposal that decreases the transparency of the selection process. Partisan elections provide the voting public with a source of distinguishable information regarding judicial candidates.

In 2010, the BCA will actively work to:

- Tie post-judgment interest to the federal index.
- Place caps on non-economic damages.
- Establish limits on product liability awards.
- Enact a Statute of Repose for product liability claims.
- Eliminate the presentation of unqualified “junk science” evidence to a jury by requiring that the *Daubert* standard be applied in all state legal proceedings. Applying the *Daubert* standard to testimony will ensure that scientific evidence presented by an expert witness is both relevant and reliable when presented to a jury.

In 2010, the BCA will actively oppose:

- Restricting or eliminating contractual arbitration agreements.
- Narrowing the abolishing statute of limitations from toxic substance torts.
- Infringing on employers' right to provide a safe workplace for employees by restricting firearm possession on company property when appropriate and / or creating any new causes of action against employers because of such policies.

In 2010, the BCA will also support efforts to oppose:

- Allowing private attorneys to sue on behalf of the state of Alabama under the False Claims Act, regardless of the attorney general's position.

The BCA will monitor:

- Changes in campaign finance laws that address contributions and PAC-to-PAC transfers.
- Proposals affecting frivolous lawsuit outcomes and the current loser pay provision in Rule 11 of Alabama Civil Procedures, which holds litigators accountable for filing frivolous claims.

LABOR, WORKER AND UNEMPLOYMENT COMPENSATION, & HUMAN RESOURCES

The Business Council of Alabama strongly supports Alabama's “right to work” status for its benefits to economic growth, industrial recruitment and job creation. To this end, BCA works to protect Alabama's competitive edge nationally and internationally by fighting efforts to create a state minimum wage above the national minimum wage and opposing attempts to negatively influence the current balance between business and labor as it relates to unionization and contract negotiations. Employer-subsidized lockouts, whereby locked-out employees are eligible for unemployment compensation, prolong labor disputes and have a chilling effect on industrial recruitment.

In 2010, the BCA will actively work to:

- Allow for meaningful drug and alcohol testing in workers' compensation claims.
- Reduce oral and written reporting times in an effort to decrease fraud in unemployment and workers' compensation claims.

(Labor, Worker and Unemployment Compensating, & Human Resources Agenda Continued)

- Maintain an employer's right to choose the treating physician and second opinion physician in workers' compensation claims.

In 2010, the BCA will support efforts to:

- Find solutions to medical cost issues, including consideration of changes to the Workers' Compensation medical fee schedule and evaluation of the need for an outpatient surgery fee schedule.

In 2010, the BCA will actively oppose:

- Expanding state unemployment compensation benefits that incurs increased taxes on Alabama business.
- Establishing state illegal immigration laws exceeding or inconsistent with federal law thereby imposing additional burdens or penalties on Alabama employers

SMALL BUSINESS

The Business Council of Alabama recognizes that small businesses provide the majority of Alabamians' jobs and that protecting entrepreneurial efforts sustains job growth. BCA supports protecting economic development funds currently allocated for small business development programs and encourages recognition of, and support for, entrepreneurial enterprises as essential to the state's economic development program. The BCA will not support unjustified reallocating of existing economic development funds already committed for specific projects

In 2010, the BCA will actively work to:

- Enact legislation that defines "Small Business" as a business entity, including any affiliates that meet any of the following: (1) is independently owned and operated, and employs less than 100 full-time employees, or (2) has gross annual sales of less than \$6 million.
- Increase the Small Business Healthcare Tax Deduction from 150% to 200%.
- Develop/implement initiatives in conjunction with the BCA's Healthcare Committee that will help Alabama's small businesses address the bottom-line challenge of rising healthcare costs.
- Implement a requirement that mirrors federal provisions requiring that any state agency that proposes a new rule or rule change that affects small business to prepare a small business regulatory flexibility analysis, including a small business economic impact statement. This legislation should also require a five-year review of all state agency rules and their effect on small business.

In 2010, the BCA will monitor:

- All efforts to stem abuse by publicly traded companies of Congress' 23% federal procurement goal for federal contracting with small businesses. The BCA will track the progress of federal legislation designed to prevent the exploitation of loopholes in the federal government's small business contracting practices.

TAX & FISCAL POLICY

In keeping with long-term Business Council of Alabama policy, should any tax or tax reform initiatives be proposed, BCA will not consider supporting such legislation unless it is applied fairly without levying a disproportionate burden on any individual segment of Alabama's economy. Any tax reform proposal must be tied to governmental accountability and the elimination of wasteful spending.

(Tax & Fiscal Policy Agenda Continued)

In 2010, the BCA will actively work to:

- Create the Alabama Tax Appeals Commission (ATAC) as an independent state tax agency, headed by a judge selected in a non-partisan manner who has specific training in state and local taxation. The legislation would also abolish the Administrative Law Division of the Alabama Department of Revenue.
- Enact the Alabama Taxpayers' Bill of Rights II, an update and expansion of the original landmark legislation enacted in 1992, which extends the appeal deadlines for taxpayers.
- Increase the Small Business Healthcare Tax Deduction from 150% to 200% in coordination with the BCA Small Business and Health committees

In 2010, the BCA will support efforts to:

- Resolve the Revenue Department's problems and litigation over its "gross income regulation" that affects partnerships, S-corps, LLCs and other "pass-through" entities which earn income both in and outside of Alabama. The legislation would: (1) prospectively recognize the non-Alabama income and; (2) provide a pass-through tax credit for income/franchise taxes paid to other states and foreign countries by the entity, on behalf of its resident owners.
- Streamline and simplify our sales/use tax system so that in-state and out-of-state retailers are on a level playing field.
- Establish a research and development tax credit, parallel to the federal R & D credit.
- Reform the State/county business license system by establishing an online filing system that will maintain the currently active business license categories and by creating a nominal, catchall business license for all other businesses.
- Enact a constitutional amendment authorizing a road and bridge construction program to be funded by the Alabama Trust Fund with 100% of the appropriations distributed by the Alabama Department of Transportation for state highways, roads, and bridges and other transportation purposes. No part of any appropriation may be allotted if such allotment would cause the balance in the Alabama Trust Fund to fall below two billion dollars.
- Offset the burden of state sales tax on groceries for low income households with individual tax rebates or refundable tax credits.

In 2010, the BCA will oppose:

- Establishing unitary combined reporting in Alabama.

In 2010, the BCA will monitor efforts to:

- Regulate and set minimum standards for individual tax preparers.