The 2014 legislative session that began Jan. 14 and ended April 3 produced significant results for Business Council of Alabama members and the entire business community, including enactment of Taxpayers Bill of Rights II legislation.

As Governor Robert Bentley said during his post-session press conference, “Good things were done, very good bills were passed.”

The House and Senate leadership agreed.

“The 2014 session continued our efforts to ensure that Alabama is the most business friendly state in the nation,” House Speaker Mike Hubbard, R-Auburn, said.

Senate President Pro Tem Del Marsh, R-Anniston, said the session capped one of the most productive four years in legislative history. “This Legislature has built a strong foundation for continued economic growth in Alabama by enacting laws to reduce taxes, eliminate red tape, and extend tax credits for small business job creation,” Marsh said.

A long-standing BCA goal - updating the original 1992 Taxpayers’ Bill of Rights - became a reality when Governor Bentley signed TBOR II into law on March 11 as the Taxpayer Fairness Act. “His early support helped moved the bill and for that he deserves credit and our heartfelt thanks,” BCA President and CEO William J. Canary said of Bentley.

For more than a dozen years, the BCA had teamed with members, tax experts, legislators, and Governmental Affairs Committee members to update the original TBOR. “Since the beginning, the singular goal of this legislation has been fairness, and the Business Council of Alabama commends the Alabama Legislature for updating the current TBOR,” Canary said.

The law creates an Alabama Tax Tribunal independent of the Alabama Department of Revenue where the tax appeals process had been under an ADOR administrative law judge. An independent executive branch agency is created whose judge will be appointed by the governor. The act takes effect Oct. 1.

Its enactment ensures the appearance of tax fairness for taxpayers in appeals of state and local government tax issues. “TBOR II is not only about tax appeal fairness but it’s also an economic development tool that shows prospective industrial prospects that Alabama’s tax fairness model is second to none,” Canary said.

In addition to Bentley’s support, TBOR II was the result Governor Robert Bentley signed the Alabama Taxpayers Bill of Rights II into law as the Taxpayer’s Fairness Act. Bentley, joined by legislative and business leaders including Business Council of Alabama board leadership, inked the bill in a ceremony in the Old House Chamber in the Capitol.
Calum, president of AT&T Alabama, was a special guest at the Business Council of Alabama’s March board of directors meeting. He discussed settling in to his new role as well as continuing a strong working relationship with the Business Council of Alabama.  

Canary said the legislative session was very successful for business due to the attainment of numerous goals advocated by BCA members in the 2014 State Legislative Agenda.  

“If the legislative session was like a glass half full or half empty, our glass was nearly filled to the rim due to the approval of important measures sought on behalf of the state’s businesses,” Canary said. “That nearly full glass is the appropriate vessel to hoist and toast all the efforts put in by our volunteer leadership, our members, our advocates, House and Senate leaders, and the BCA staff.”  

Among the successes was the BCA’s opposition to legislative proposals that attempted to disassemble Alabama’s rigorous College and Career-Ready education standards or to usurp the authority of the Alabama State Board of Education. The Alabama voices of business and industry stood united to keep the standards that will ensure that our students are college- and career-ready when they graduate from high school.  

The Alabama standards are the cornerstone of the state’s Plan 2020 to increase graduation rates, reduce college remediation, and raise student achievement. “We believe that education standards that allow students to move from state to state, or region to region without fear of falling behind or repeating material, are critical to our economy and our workforce,” Canary said.  

“Our children need to be among the best educated in the world to compete for admission into the best colleges and to secure good-paying jobs,” he said. “We feel strongly that this is a matter best left to the Alabama State Board of Education, a body created and empowered by Alabama’s Constitution to handle these issues.”  

Quick response to BCA action calls helped prevent passage of the legislative proposals. The BCA app allowed quick electronic access to legislators who needed calls to stop the bills that would have returned Alabama school curriculum to the 1990s.  

“The voices of business and industry for the state of Alabama are united in support of working education standards that make sure our students are college and career ready when they graduate from high school,” Canary said.

Business Council of Alabama 2014 Legislative Accomplishments

**Alabama Workforce Council**
Signed into law Feb. 18, SB 217 creates the Alabama Workforce Council of state business and industry senior managers who advise and support the Chancellor of the Alabama Community College System and the state Superintendent of Education. The council will help formulate policy, develop innovative educational workforce programming, and discussing issues critical to the state’s workforce development needs.

**Dual-enrollment program**
Signed into law Mar. 11, HB 384 expands the existing state-supported, career-technical education and dual-enrollment program by an estimated 7,400 additional slots annually, and allows businesses and individuals to contribute directly to scholarships to support two-year college programs. Allows income tax credits for certain donations.

**Unfunded mandates on Statewide Ballots Nov. 4**
SB 7 is a constitutional amendment that would prohibit the Legislature from approving any unfunded mandate on municipalities or local boards of education unless there is money to pay for the mandate or unless the Legislature adopts the mandate with at least a two-thirds vote.

**Taxpayers’ Bill of Rights II**
Signed into law Mar. 11, HB 105 updates the 1992 original Taxpayers’ Bill of Rights by creating an Alabama Tax Tribunal that is independent of the Alabama Department of Revenue. (See article on page 1.)

**Tax collection suspension**
Signed into law Apr. 7, HB 97 authorizes the Alabama Department of Revenue to administratively suspend collection of a tax or fee if the cost of collecting the tax is greater than the amount to be collected.

**E-filing**
Signed into law Apr. 9, HB 108 creates an online electronic filing system allowing businesses to file annual business personal property tax returns at no charge to the taxpayer or to the taxing jurisdiction and it gives businesses the option to use non-itemized short forms for filing a business personal property tax return if original acquisition costs of the assets were less than $10,000 prior to Oct. 1.

**Health Provider Licensing Protection Act**
Signed into law Apr. 2, SB 22, which takes effect July 1, prohibits the conditioning of licensing of certain health care providers on their participation or non-participation in health insurance plans or other activities, and requires professional licensing to be determined solely on demonstrated skill and academic competence.
The Business Council of Alabama welcomed new members to its board of directors in March. Pictured are (front row from left): Chipper Washburn, Alabama Self-Insured Workers’ Comp. Fund; Francine Wasden, Greenville Area Chamber of Commerce; Jack Naramore, Wells Fargo; Barry McGriff, McGriff Industries, Inc.; Mike Kemp, Kemp Management Solutions; Jason Goodson, W.K. Upchurch Construction Co., Inc.; Jack Darnall, Brasfield & Gorrie, Inc.; Jeanne Birmingham, Alabama Society of CPAs; BCA President and CEO William J. Canary; BCA Chairman Fred McCallum; (back row from left) Joe Valley, Lockheed Martin Corp.; Bill Sisson, Mobile Area Chamber of Commerce; Joe Morton, Business Education Alliance of Alabama; Joseph Markiewicz, GE Aviation; Jeff Thompson, Alabama Aerospace Industry Association; Lew Drummond, Alabama Automotive Manufacturers Association; Wade Weaver, Valley Budweiser, Inc.; and Scott Sargent, BBVA Compass.

**Stormwater runoff** Signed into law Apr. 10, SB 355 makes a statement in support of businesses and the regulated community against regulatory overreach from the Environmental Protection Agency and duplicative environmental regulations by amending and expanding Alabama’s stormwater law to cover the entire state and not just Jefferson and Shelby counties and their respective cities.

**Water resources** Signed into law Apr. 9, HB 49 codifies the establishment of the Alabama Drought Assessment and Planning Team that was created by Governor Bentley’s June 24, 2011, Executive Order. The bill reaffirms the governor’s ability to respond to extreme drought conditions under the powers provided by the Alabama Emergency Management Act of 1955, and allows the Office of Water Resources to promulgate rules.

**Recycling labeling bill** Signed into law Mar. 5, SB 284 prohibits the sale of any plastic container unless it contains certain markings applicable to recycling.

**Neutrality in public works contracts** Signed into law Mar. 3, HB 195 requires neutrality in contracts for state and local government projects, specifically prohibiting union or non-union language.

**Unemployment taxes** Signed into law Apr. 10, SB 48 codifies language to prevent employers from attempting to avoid their unemployment taxes by shuttering one business and creating a new entity, with no experience rating concerning layoffs. The measure says that a company that acquires 65 percent of the organization, trade, employees, or business will inherit the experience rating of the original business.

**Air bag fraud** Signed into law Mar. 11, SB 163 criminalizes the intentional misrepresentation that a replacement airbag has been installed correctly and will operate correctly when needed.

**Patent trolling** Signed into law Apr. 1, SB 121 makes it a crime for anyone to assert a claim of patent infringement in bad faith and authorizes the attorney general to investigate claims and file enforcement actions.

**Administrative procedures streamlining** Signed into law Apr. 11, HB 30 allows public agencies to pay contractors working on public jobs within 35 days after the contracting agency approves payment instead of the current 45 days. There are exclusions including the Department of Transportation, the University of Alabama, Auburn University, professionals such as architects who do not provide construction-related services, and for public health and safety reasons.

**Small Business Relief Act** Signed into law Apr. 7, HB 151 requires public agencies to pay businesses will inherit the experience rating of the original business.

**Minimum wage** HB 279 was a constitutional amendment that, if it had passed, would have asked voters to increase the state’s minimum wage to $9.80 an hour in three steps by Jan. 1, 2016.

**Reconstruction surgery mandate** SB 250 would have required public and private health care insurance coverage for breast reconstructive surgery following a mastectomy. The BCA has a longstanding policy of opposing mandated health care benefits, additional government regulations, and legislative involvement in private contracts.
The Business Advocates

Above: More than 500 people attended BCA’s annual Reception Saluting State Leaders at the Renaissance Montgomery Hotel and Spa at the Convention Center.

Right, above: Governor Robert Bentley visits with Business Council of Alabama Chairman Fred McCallum, president of AT&T Alabama, at BCA’s 2014 Reception Saluting State Leaders.

Right: The chairman of BCA’s Judicial and Legal Reform Committee, Debbie Long of Protective Life Corp. in Birmingham, visits with Alabama Court of Criminal Appeals Judge Michael Joiner.

THANK YOU TO OUR SPONSORS

The Business Advocate

4 / The Business Advocate