STATE HOUSE ADVOCATE



THIS WEEK IN LEAGUE ADVOCACY

The State House Advocate is a service of the Alabama League of Municipalities

April 11, 2022

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Legislative Update

Last week, the Alabama Legislature adjourned sine die from the 2022 Regular Session. Both budgets, the Education Trust Fund and the General Fund, were sent to Governor Ivey for her review and signature. The Governor has signed the \$2.7 billion General Fund budget, which is the largest in the state's history. The budget includes a four percent pay raise for state employees, funding increases for most state agencies and it fully funds the People's Trust Act.

The \$8.2 billion Education Trust Fund budget is awaiting the Governor's signature. See below for highlights of what the bill contains:

- a \$200 increase in per-classroom supply spending
- \$20 million for math coaches under the Alabama Numeracy Act
- new investments in workforce development
- a four percent pay raise for all teachers; however, teachers with at least nine years of experience would receive at least five percent, teachers with 20 years will receive 10 percent and teachers with 35 years would receive 21 percent
- a one percent raise for teachers with nine years of experience every year, given funds are available.

In other news, shortly after Governor Ivey's State of the State address, lawmakers were called into a Special Session to appropriate the remainder of Alabama's first tranche of

funds received from the American Rescue Plan (ARPA). Lawmakers approved a plan to spend \$772 million in ARPA funds, which includes:

- \$277 million for broadband expansion.
- \$225 million for water and sewer infrastructure projects.
- \$80 million for hospitals and nursing homes.
- \$79.5 million for Alabama's unemployment compensation trust fund to restore it to near the level of January 2020.
- \$37 million for health care services through assisted living facilities, mental health, rehabilitative services, and other entities.
- \$30 million for rural hospitals.
- \$20 million for emergency medical responders, including \$10 million for volunteer fire departments.
- \$11 million for counties to help pay for state inmates held in county jails because of the pandemic.
- \$7.8 million for the cost of the reporting and auditing requirements for using the money.
- \$5 million for telemedicine.

Throughout the 2022 Legislative Session, the ALM Advocacy Team worked diligently to ensure the voice of municipal government was heard loud and clear at the State House. As soon as lawmakers returned to Montgomery, we kicked off *Coffee and Conversations*, a series of thoughtful discussions with state leaders. Several weeks throughout the legislative session special guests, such as elected officials and state leaders, virtually joined municipal officials to discuss their legislative priorities, department updates and resources available to municipalities. In addition, we hosted several weekly dinners with various legislators at our headquarters in downtown Montgomery to share our perspective on various pieces of legislation impacting municipalities. Together, the virtual calls and dinners proved to be an effective way to spend time with state leaders and develop lasting relationships. We appreciate the lawmakers, state leaders and our membership for collaborating with ALM this session to strengthen municipal government.

League Supported Legislation That Passed

HB384 by Representative Hill, which was carried by Senator Elliot in the Senate, would authorize a city or town that has a population of 12,000 or more, but less than 25,000, per the last census, by ordinance adopted by a majority vote of the council at least six months prior to the next general municipal election, to elect to operate as a city or town with a population of less than 12,000 inhabitants as it relates to the exercise of the legislative functions of the mayor. **HB384 was passed by the House and Senate. It now awaits Governor lvey's signature.**

HB304 by Representative Baker, which was carried by Senator Albritton in the Senate, would provide that the governing body of a county or municipality has authority to approve or disapprove each new solid waste management site or a modified existing solid waste management site. The Department of Environmental Management would approve or disapprove a permit for a facility itself. HB304 received final passage and now awaits Governor Ivey's signature.

League Opposed Legislation That Failed to Pass

SB44 by Senator Jones, if passed, would have phased out any occupational license tax levied by a municipality based on an annual reduction in the percent of the tax until the tax would be repealed. The bill would also provide that any occupational license tax levied by any municipality would not apply to any person performing an occupation in the police jurisdiction of the municipality or on any property annexed into the municipality after January 1, 2021. The bill would have also prohibited any municipality from levying a new occupational license tax or increasing any existing occupational license tax. **ALM opposed this legislation, and we appreciate our membership reaching out to their delegation to ask that they continue to allow local governments to manage local resources how they best see fit in an effort to address local needs.**

Other Legislation That League Advocacy Team Engaged On

SB203 by Senator Orr, as substituted, does the following:

- makes the now voluntary Municipal Court Annual Survey compiled by the Administrative Office of Courts (AOC) mandatory for all municipal courts.
- if a municipal court fails to respond within 60 days of due date, the court forfeits municipal fees and fines until it complies with the reporting. The forfeited fees go to AOC.
- clarifies that municipalities currently using a third-party software provider may continue to do so
- allows municipalities that do not currently have a reporting system to choose either a third-party software provider OR use the state's system known as alacourt
- requires all software providers interface with the state's system at no cost to the municipality

SB203 was passed by the House and Senate. It now awaits Governor Ivey's signature. We appreciate the House and Senate sponsors (Rep. Chestnut and Senator Orr) as well as our membership for working diligently this session to come to a compromise that is fiscally responsible while ensuring transparency and accountability. We would like to especially thank Representative Faulkner and the municipal clerks for preserving the municipal courts' rights as it pertains to their selection of a third-party software provider.

SB282 by Senator Gudger, which was carried by Representative Givan in the House, would provide that only 10 percent of a municipality's budget may come from fines and penalties generated from traffic tickets. It would also provide that excess funds will be distributed to the Crime Victims' Compensation Fund and the Fair Trial Tax Fund and would provide for the disbursement. The League worked with the bill sponsors and several stakeholders to ensure that the final legislation had minimal impact on cities and towns. SB282 passed the House and Senate. It now awaits Governor Ivey's signature.

SB321 by Senator Chesteen, which was carried by Representative Paul Lee in the House, does the following:

• As written the legislation would have preempted out of jurisdiction rental and leasing businesses from having to purchase a business license.

- Currently, municipalities treat out of jurisdiction rental and leasing businesses just as they would a business within the jurisdiction.
- This means that all rental and leasing transactions qualify as having to purchase a business license, regardless of the dollar amount spent within that jurisdiction.
- Under current law, any out of jurisdiction business that delivers products or services into a municipality must purchase a business license of \$100 if the sales exceed \$10,000.
- The out of jurisdiction business would be treated the same as a business within the jurisdiction if/when the sales exceed \$75,000.
- The League worked diligently with the bill sponsors and stakeholders to amend the current law to treat rental and leasing transactions the same as sales transactions.

SB321 has passed both bodies and now awaits Governor lvey's signature.

SB313 by Senator Orr, which was carried in the House by Representative Kiel, as introduced would have prohibited a public official or public employee from expending public funds to advocate in favor of or against statewide and local ballot measures. The League worked with the bill sponsors and several stakeholders to have an amendment added to the bill which states that nothing shall prohibit a municipality from expending public funds to hold a referendum election authorized by the municipal governmental body as provided by law nor prohibit municipal officials or employees from advocating in favor of or against the underlying purpose of the referendum. The legislation passed both bodies and now awaits the Governor's signature.

For a complete list of bills we tracked during the Regular Session, click here.

*To view a previous State House Advocate, visit the League's website <u>here.</u>



Engagement Opportunities With ALM

Convention registration INCREASES this Friday, April 15. Visit almonline.org to register now!

2022 CMO Regional Training

Strengthen Your Core: Fundamentals of Municipal Government

The League's Legal Team will lead five one-day training events on fundamental topics in municipal government



Join other elected officials and municipal personnel for the 2022 CMO Regional Trainings. This year, the League's Legal Team will lead five one-day trainings on fundamental topics in municipal government, a Legislative Update, and additional presentations. To view the agenda and to register for one of the five dates/locations offered around the state please click <u>here</u>.



Strategic Partnership levels are designed specifically for organizations and companies that share the same mission and vision as the Alabama League of Municipalities. Strategic partnerships with ALM provide unique and intentional collaboration opportunities to foster vibrant communities where businesses want to invest and where citizens want to live, work, play and prosper. Based on the investment from your company/organization, you will have access to exhibiting and complimentary event registration opportunities, invitations to networking events as well as inclusion in all printed materials as it relates to sponsored meetings and conferences. You will also be listed on ALM's website as a valued strategic partner. For more information on how to become a strategic partner, click <u>here.</u>

GRASSROOTS ADVOCACY LINKS

- League Legislative Page
- Grassroots Advocacy

- ALISON
- Governor's Office
- <u>Contacts for the House</u>
- Contacts for the Senate

ALM Advocacy Team









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