



Legislative Roundup

Final Report on Legislation of Interest to Municipalities Passed During the 1995 Regular Session

The 1995 Regular Session of the Alabama Legislature adjourned *sine die* on July 31, 1995. A number of bills of interest to cities and towns were enacted during the session. When the legislature adjourned on July 31, a total of 1,668 bills had been introduced and 491 had been enacted. By comparison, in 1994, 1,618 bills were introduced and 390 received final passage. Many of those receiving final passage were appropriation bills or local bills affecting a single county or municipality.

Final Status of the League Legislative Package

The 1995 Regular Session was a very successful one for the League and its members. The Legislature approved five proposals in the League's 1995 Legislative Package. In addition, a number of other positive measures were approved. League bills that received final approval were:

- **Retirement (H. 92, Act 95-203).** This League bill reinstates the former rule of the Employees' Retirement System which allowed retirees of the system to serve as part time employees or as elected public officials with entities covered under the system for compensation and without loss of benefits. It also authorizes recoupment of waived compensation or retirement payments under certain circumstances.
- **Alternate Zoning Notice Procedure (H. 149, Act 95-395).** This bill provides an alternate procedure for giving notice of proposed zoning changes.
- **Wastewater Funding (H. 234, Act 95-740).** The general fund budget contained an appropriation to be used as matching funds for the State Revolving Loan Fund for Wastewater Treatment.

- **Bid Law Changes (S. 56, Act 95-630).** This League bill amends the bid law to allow the local bidder preference to apply to any business located within the SMSA of the entity soliciting bids; to exempt renewal of solid waste recycling contracts; to increase the caps relating to bids for repair and/or lease of heavy equipment; and to require all bid documents to be maintained for seven years.

- **Military Leave (S. 215, Act 95-256).** This League bill converts to 168 hours the current 21 days of military leave that officers and employees of governmental entities are entitled to so as to provide equitable treatment for all employees.

The League wishes to thank the following persons for sponsoring or handling League bills this session: Senators Charles Langford, Hinton Mitchem, Don Hale, Wendell Mitchell, Roger Bedford, Michael Figures, and Representatives Bill Dukes, Andrew Hayden, Perry Hooper, Jr., Steve McMillan, and Tommy Carter. Additional thanks go to Speaker Jimmy Clark, Speaker Pro Tem Seth Hammett and Lieutenant Governor Don Siegelman for their assistance this session.

Several bills in the League package were not approved this session including bills related to unfunded state mandates, the police jurisdiction, new annexation procedures, island annexation procedures, and annexation barriers caused by certain industrial parks. Many of these measures will be introduced again in future sessions.

Status of Dangerous Legislation

Many bills considered during the 1995 Regular Session were deemed dangerous to the interests of municipal government. We are happy to report that, with the exception of S. 338 (Act 95-784), those meas-

ures deemed most dangerous to municipalities failed to pass this session. S. 338 was passed to strengthen the DUI laws. But this bill is bad for cities and towns because it diverts a considerable amount of the DUI fines to the state general fund.

In future sessions, detrimental legislation that we can expect to see may include bills relating to law officer bill of rights, smoking in public places, solid waste, manufactured homes in single-family residential areas, initiative, referendum, duplication of utility lines, law officer employment status, takings, firefighter labor proposals, 2.2 percent utility tax, and a minimum school tax.

General Bills Passed

- **Prisoners—Manual Labor (S.1, Act 95-518).** To require the Department of Corrections to develop and implement a statewide program of manual labor for all able-bodied inmates and, whenever possible, to work in conjunction with local governments to develop a community-based manual labor work program for inmates.

- **Code Supplement (S. 19, Act 95-255).** To adopt and incorporate into the Code of Alabama those general and permanent laws of the state enacted during the 1993 First Special Session, 1994 Regular Session, and 1994 First Special Session of the Legislature as contained in the 1994 Cumulative Supplement.

- **Antique Vehicle Tags (S. 29,).** To amend Section 40-12-290 of the Code, relating to the issuance of antique vehicle license plates, so as to provide for the issuance of **VETO** only to truly collector's items and to increase the fee for such tags and to regulate their use.

Sales Tax Exemption (S. 55, Act 95-513). To amend Section 40-23-1 of the Code to clarify that the state sales tax would not apply to the use or consumption of a manufactured product by the manufacturer thereof if used in quality control testing or if given to certain charitable entities.

Sewer Assessments (S. 63, Act 379). To require municipal governing bodies to assess a charge against certain landowners seeking to connect to a sewer system.

Fair Housing (S. 84, Act 95-676). To amend the Alabama Fair Housing Law.

Junkyards (S. 88, Act 95-558). To provide that an incorporated municipality may regulate and license junkyards within its police jurisdiction to the same extent as if the junkyards were located in its corporate limits.

Industrial Development Boards (S. 97, Act 95-765). To amend the definition of "project" in the industrial development board laws so as to include within the definition commercial enterprises engaged in selling, servicing, providing, or handling policies of insurance or financial services.

Peace Officers Standards and Training Commission (S. 109, Act 95-759). To provide further for the powers of the Peace Officers Standards and Training Commission; to provide further for minimum standards for law enforcement officers.

False IDs (S. 116, Act 95-766). To make it unlawful for a person under 21 years of age to use a false ID to obtain alcoholic beverages.

ABC Laws—Class 1 or 2 City (S. 193, Act 95-561). To prohibit the ABC Board from issuing any form of license in a Class 1 or 2 city for the retail sale of any intoxicating beverage without the approval of the governing body of the municipality in which the retail sales are sought to be licensed.

Occupational Diseases (S. 205, Act 95-547). To include AIDS and hepatitis on the list of firefighter occupational diseases and to delete the requirement that the carcinogen linked to cancer must be defined by IARC.

Unemployment Compensation (S. 275, Act 95-311). To amend the unemployment compensation laws to provide further for the fiscal year, the definition of wages, penalties on certain delinquent employers, disqualification for unemployment compensation benefits, filing for

judicial review of decisions by boards of appeal, offsets to recover overpayment, penalties on employers delinquent in filing certain reports, and limitations on certain actions and to provide for a certain retroactive effect.

Peace Officers Standards and Training—Continuing Education (S. 313, Act 95-731). To require all law enforcement officers, other than chiefs, to obtain 12 hours of continuing education courses annually that are approved by the Peace Officers' Standards and Training Commission. The bill requires the Commission to revoke the certification of any law enforcement officer who is convicted of a felony.

County Roads (S. 314, Act 95-312). To amend Section 11-49-80 of the Code to further provide the responsibilities to control, manage, supervise, regulate, repair, maintain, and improve public streets in newly-annexed areas.

DUI (S. 338, Act 95-784). To amend current law to reduce the blood alcohol level necessary to create the presumption of driving under influence from 0.10 percent or more by weight of alcohol to 0.08 percent and to increase the fine for each conviction. **Note:** Although DUI laws are strengthened, this Act works to the financial detriment of cities and towns because a large amount of the DUI fines are diverted to the State General Fund.

Sales and Use Tax Exemption (S. 371, Act 95-724). To exempt the American Bowling Congress from the payment of all state, county and municipal sales and use taxes.

Law Enforcement Officer Killed in Line of Duty (S. 372, Act 95-559). To amend Section 36-30-1 of the Code, which provides state compensation for law officers killed in the line of duty, so as to provide that in cases where the law officer has no dependents or partial dependents, his or her mother or father shall be eligible for compensation.

Drug-Free Workplace (S. 406, Act 95-535). To provide requirements for a drug-free workplace program which enables an employer in the program to qualify for a premium discount on workers compensation insurance.

Emergency Telephone Service (S.620, Act 95-667). To further provide for 911 emergency telephone service and

service charges.

Ad Valorem Tax Exemption (H. 10, Act 95-654). To exempt all property owned and used by Farley L. Berman Foundation, Inc., from any state, county or local ad valorem taxes and to make the law retroactive.

Child Labor Laws (H. 60, Act 95-604). To revise the child labor laws.

Bicycle Helmets (H. 68, Act 95-198). To require helmet protection for certain persons riding on bicycles under certain conditions.

Political Activity (H. 94, Act 95-378). To provide that public employees, including law enforcement officers, firefighters, and peace officers, may engage in or refrain from participating in political activity under certain circumstances.

Ethics Law (H. 135, Act 95-194). To rewrite the State Ethics Law. [See *Alabama Municipal Journal*, July 1995, for details on the new ethics law.]

Voter File Maintenance (H. 152, Act 95-769). To provide for a statewide voter file maintenance process.

Alabama Aquatic Plant Control Act (H. 187, Act 95-767). To establish the Alabama Aquatic Plant Control Act.

Class 6 or 8 Municipalities—Unsafe Buildings (H. 190, Act 95-252). To provide that Class 6 or 8 cities or towns may demolish unsafe buildings and structures and may provide for the abatement of weeds within the city.

General Fund Budget (H. 234, Act 95-740). To provide a general fund budget for the state.

Education Budget (H. 235, Act 95-748). To provide a budget for public education in Alabama.

Rescue Units—Tax Exemption (H. 301, Act 95-692). To exempt rescue units from state, county and municipal sales and use taxes.

Retirement—Disability (H. 345, Act 95-216). To amend the Code to remove the reduction for members of the Teachers' and Employees' Retirement Systems retiring on disability on or after October 1, 1995.

Business Tax Incentives (H. 438, Act 95-187). This bill would provide an incentive package for new and existing business.

Court Costs—Jail Construction (H. 442, Act 95-401). This bill amends the law passed last year to authorize municipalities

individually, or jointly, to levy additional court costs for jail purposes.

District Courts—Jurisdiction (H. 449, Act 95-606). To increase the civil jurisdiction of the district courts.

Tax Exemption (H. 454, Act 95-394). To exempt Habitat for Humanity organizations from the payment of all state, county and municipal sales and use taxes and to exempt all property owned and used by these organizations from any state, county and local ad valorem taxes.

Safe Streets Act (H. 462, Act 95-580). To enact the Safe Streets Act of 1995, which relates to the cancellation, revocation or suspension of drivers licenses.

Education Accountability (H. 466, Act 95-313). To establish an accountability plan which shall be overseen by the State Board of Education.

School Foundation Program (H. 468, Act 95-314). To implement a foundation program for the annual funding of the public schools of the state to the extent necessary to provide educational opportunities according to the Constitution of Alabama for all students in every local school district.

Liquor Stamps—Crowns & Lids (H. 477, Act 95-755). To repeal Sections 28-3-220 to 28-3-226 of the Code so as to remove the requirement that containers of spirituous liquors have stamps, crowns or lids affixed thereto by the manufacturer.

State Property—Sale or Use of (H. 481, Act 95-280). To require sales and leases of real property with a certain appraised value belonging to the state or state agencies to be sold by open competitive auction or sealed bids.

Class 8 City—Full-Time Mayor (H. 484, 95-367). To provide that the governing body of a Class 8 municipality may call a referendum to decide whether or not the mayor for the term beginning in 1996 shall serve full time.

Residential Energy Code (H. 616, Act 95-537). To establish the Alabama Residential Energy Code Board.

Retiree Health Insurance (H. 632, Act 95-771). To authorize the local unit participants in the Employees' Retirement System to extend health insurance coverage to certain retirees, designated beneficiaries, and surviving spouses receiving benefits from the Employees' Retirement System; to authorize the local units to par-

ticipate in a health insurance plan developed by the State Employees' Insurance Board or the Alabama Retired State Employees' Association and to authorize payment by the local units for the costs of health insurance.

Class 1 City—Pensions (H. 682, Act 95-562). Relates to certain pension benefit increases in Class 1 cities.

Sales Tax—Inventory (H. 690, Act 95-608). This bill would provide that a retailer is liable for sales tax on the purchase price paid by the customer for tangible personal property previously purchased at wholesale, even when the property is sold below cost and the retailer receives some form of commission or rebate as a result of the same. The bill provides for a retroactive effective date.

Signs (H. 691, Act 95-566). To amend Section 23-1-280 of the Code, relating to payment for the removal of nonconforming signs adjacent to a highway under certain circumstances so as to provide that the owner of a lawfully erected sign would be paid monetary just compensation; to provide that payment would be pursuant to eminent domain; and to provide that amortization would not apply.

Motor Fuel Taxes (H. 748, Act 95-410). This bill amends several sections of the Code relating to motor fuel taxes. The bill would tax motor fuel at the terminal level and exempt motor fuel sold to authorized entities, licensed distributorship, and for export. The bill would require that a shipping document be issued at the terminal for each load of fuel sold and that the document must be in the possession of all persons receiving or transporting the motor fuel under pain of penalty for violation. The bill would allow the state, counties and municipalities to inspect the fuel at designated inspection sites. Under the bill, persons selling dyed fuel would no longer have to have a motor fuel license and a penalty would be imposed for using dyed motor fuel on the highways. The bill would impose a certain floor stocks tax on motor fuel in inventory on September 30, 1995. The bill would provide a refund for undyed fuel used off-road and interest on the refund if it is not paid in 90 days. The bill would allow the county or city to keep a certain percentage of the penalty imposed for highway use of dyed fuel when a law enforcement officer of the county or city

provides information which leads to arrest or conviction.

Rural Access Program (H. 749, Act 95-396). This bill would enact the Rural Access Program Act to provide state aid for the construction of county roads. The bill would create a Rural Access Program Fund in the State Treasury and establish rules and regulations for the use of the fund.

Eminent Domain (H. 750, Act 95-502). To amend the code relating to eminent domain and the interest rates on judgments.

Department of Revenue (H. 806, Act 95-607). To provide further for the administrative procedures and operations of the Department of Revenue.

Stormwater Operations (H. 819, Act 95-775). To authorize local governing bodies to establish intercooperative public corporations for efficient implementation and enforcement of federal and state laws and regulations which govern stormwater discharges and the control of pollutants in stormwater discharges to state waters.

Tax Exemption (H. 835, Act 95-586). To exempt Rainbow Omega, Inc. from the payment of all state, county, and municipal sales and use taxes.

Utility Sales Tax Exemption (H. 858, Act 95-688). To exempt public utility systems formed pursuant to Article 10, Chapter 50 of Title 11 of the Code from all sales and use taxes and gross receipts taxes levied by the state and any political subdivision thereof with respect to the purchase, sale, use or consumption of property.

Alabama Incentives Finance Authority Bond Issue (H. 871, Act 95-372). To pledge and appropriate such amounts as may be necessary to pay and to redeem prior to their respective maturities the principal of and the interest on any issue of bonds and refunding bonds of the Alabama Incentives Finance Authority from revenues retained by the state from the in-lieu-of-tax payments made by TVA.

Alabama Incentives Finance Authority (H. 872, Act 95-373). To authorize the incorporation of the Alabama Incentives Finance Authority.

Workers Comp—Utilization Review (H. 986, Act 95-772). To amend the workers compensation law to require that utilization review and bill screening be optional.

Proposed Constitutional Amendments

S. 433, Act 95-173—School taxes in Morgan County.

S. 438, Act 95-174—Hartselle school taxes.

S. 598, Act 95-442—Allows certain Morgan County officials to participate in retirement system.

S. 647, Act 95-385—Relates to City of Tuskegee electric system.

H. 80, Act 95-224—Relates to election of Franklin County Superintendent of Education.

H. 38, Act 95-443—Suffrage.

H. 109, Act 95-318—Shelby County license taxes on real estate operations.

H. 351, Act 95-383—Allows certain Houston County officials to participate in the retirement system.

H. 479, Act 95-589—Allows certain Wilcox County officials to participate in the retirement system.

H. 603, Act 95-316—Relates to license taxes on Etowah County real estate transactions.

H. 638, Act 95-319—Allows certain Washington County officials to participate in the retirement system.

H. 655, Act 95-647—Relates to the Judicial Inquiry Commission.

H. 661, Act 95-384—Perry County ad valorem tax.

H. 707, Act 95-317—Relates to industrial development in Walker County.

H. 805, Act 95-320—Ratifies previous Washington County referendum.

H. 854, Act 95-651—To require legislative approval of certain court orders requiring disbursement of state funds.

Local Bills

S. 342, Act 95-554—Police officers of Jacksonville State University and the University of Alabama.

S. 357, Act 95-533—Salaries and expense allowances for Montgomery City Council.

S. 440, Act 95-175—City of Decatur schools.

S. 451, Act 95-445—Fire districts in Mobile County.

S. 476, Act 95-274—Etowah County Commission districts and powers.

S. 488, Act 95-258—Cullman City Board of Education.

S. 520, Act 95-407—Allows Houston County to collect certain municipal taxes.

S. 640, Act 95-556—Unified tax collection in Calhoun County.

S. 656, Act 95-701—Dothan City Board of Education.

S. 664, Act 95-560—Single-member districts for Franklin County Commission.

S. 667, Act 95-777—Franklin County fire protection.

H. 73, Act 95-284—Etowah County sales and use tax.

H. 88, Act 95-171—Provides for distribution of funds received by the county for disposal of hazardous waste.

H. 224, Act 95-114—Unified tax collection in Lawrence County.

H. 414, Act 95-249—Sales and use tax in Chilton County.

H. 415, Act 95-363—Decatur Board of Education.

H. 416, Act 95-253—Decatur police officers' badge and pistol upon retirement.

H. 417, Act 95-500—Decatur weed abatement.

H. 497, Act 95-207—Muscle Shoals personnel system.

H. 507, Act 95-573—Create Russell County Planning Commission.

H. 545, Act 95-208—To provide for establishment of the Etowah County Economic Development Committee.

H. 549, Act 95-574—Abatement of nuisances in Hueytown.

H. 554, Act 95-251—Additional annexation method for the City of Oxford.

H. 576, Act 95-387—Elmore County animal control.

H. 591, Act 95-393—Elmore County fire protection fees.

H. 612, Act 95-375—Weed abatement in Calhoun County.

H. 662, Act 95-305—Allows sales of Marion County property to another governmental entity without bids.

H. 665, Act 95-306—Lauderdale County lodgings tax.

H. 708, Act 95-412—Walker County tobacco taxes.

H. 727, Act 95-409—Shoals Economic Development Authority for Lauderdale County.

H. 732, Act 95-364—Walker County Municipal Restitution Recovery Division.

H. 734, Act 95-512—Shoals Economic Development Authority for Colbert County.

H. 737, Act 95-418—Auburn ad valorem taxes.

H. 740, Act 95-639—Fairfield Civic Center.

H. 781, Act 95-664—Allows Baldwin County and municipalities therein to contract for tax or license administration and enforcement.

H. 800, Act 95-420—Bingo in Houston County.

H. 808, Act 95-783—Jefferson County lodgings tax.

H. 827, Act 95-355—Lamar County Economic Development Authority.

H. 839, Act 95-323—Autauga County ad valorem and sales and use tax increases.

H. 879, Act 95-659—Additional court costs in Bullock County.

H. 908, Act 95-497—Anniston Water Board.

H. 909, Act 95-569—Anniston Water Board.

H. 947, Act 95-572—Single-member districts for Franklin County Commission.

H. 949, Act 95-570—Cullman County TVA money.

H. 958, Act 95-571—Mobile police and fire pension fund.

H. 961, Act 95-702—Unified tax system in Monroe County.

H. 965, Act 95-718—Prichard Transportation Authority.

H. 966, Act 95-507—Prichard Communication Authority.

H. 967, Act 95-781—Marengo County sales and use tax.

H. 978, Act 95-680—Baldwin County video rental tax.

H. 992, Act 95-782—Marengo County motor vehicle license tax.

Annexation Bills

S. 20, Act 95-356—Ozark

S. 529, Act 95-446—Bridgeport

S. 595, Act 95-557—Decatur

H. 2, Act 95-348—Toxey

H. 119, Act 95-247—Ozark

H. 223, Act 95-113—Hillsboro

H. 485, Act 95-205—Ozark

H. 698, Act 95-444—Ozark

H. 714, Act 95-452—West Blocton

H. 758, Act 95-730—Hoover

H. 810, Act 95-454—Sylacauga

H. 849, Act 95-365—Butler

H. 869, Act 95-695—Ider

H. 892, Act 95-453—Pine Hill

H. 953, Act 95-504—Sylacauga