

2022 Legislative Update: Regular Session - Week Eleven – Sine Die!

Overview

This week legislators concluded the 2022 Regular Legislative Session. The last gavel drop happened in both chambers just before midnight on Thursday. With the exception of a brief special session for the exclusive purpose of dealing with additional federal relief funds later in the year, legislators are not expected to return to Montgomery until 2023.

Telemedicine

This week the House of Representatives followed the Senate's lead and provided advocates for regulating remote medical care within the state an overwhelming majority vote in favor of Alabama's new telemedicine legislation. The legislation makes the standards of care for remote medical visits be the same as in-person visits. Following final passage legislators applauded the efforts of all that were involved in crafting the legislation that will provide greater access to healthcare and ultimately make Alabamians healthier.

The legislation provides for unlimited healthcare visits, prescribing rules for practitioners and will help to better serve those who find it difficult to make in-person visits or live in rural and underserved communities.

New Unemployment Requirements

Currently state law requires Alabamians who are receiving unemployment benefits to actively seek work and provide proof of contact with at least one potential employer each week. Under a measure that received final passage this week benefit recipients will now have to show proof of contacting at least three potential employers each week.

Proponents of the measure believe that those who are unemployed have a better chance of gaining employment if they required to be more aggressive in their search for employment. Opponents say the new requirements are too stringent and that many that are unemployed are not in the workforce for reasons other than the lack of searching for a job. Citing inequities in resources and job opportunities those in opposition claim that the legislation punishes Alabamians that want to work but just can't find good employment opportunities quickly.

State Income Tax Relief

Legislation increasing the adjusted gross income levels allowable for the maximum optional standard deduction and for dependent exemptions are headed to the Governor for her final approval.

Under the proposed new law married joint filers in Alabama will have an increased standard deduction of \$1,000 and single filers will have an additional \$500 that can be deducted. Also, the adjusted gross income allowable for the maximum optional standard deductions will be increased by \$2,000. Additionally, the relief to Alabama taxpayers provides a new threshold of \$50,000 before the state imposes individual income taxes.

Public Money Ban on Ballot initiatives

If signed into law no public official or public employee will be able to use any public funds to advocate for or against ballot measures even if it is determined that the expenditure serves a public purpose. The measure doesn't prevent public officials or public employees from advocating one way or another on matters. Violations of the proposed law would result in full reimbursement by the violator to the public entity.

Historically public funds have been used to promote or oppose ballot measures. If made law the legislation would prevent public entities like local school boards and other public bodies from using taxpayer funds for campaigns to sway voters on initiatives. Proponents of the legislation think it is unacceptable for government agencies to use public money to convince Alabamians on issues that are supposed to be decided by the opinions of the voters.

Business Privilege Taxes

The Governor signed into law a piece of legislation that is expected to save Alabama small businesses \$23 million. The \$100 minimum business privilege tax is being phased out. The tax which is currently required to do business in the state is being reduced to \$50 next year and will be totally eliminated in 2024.

Budgets

With her signature on Wednesday Governor Ivey provided final approval of next year's \$2.7 billion General Fund budget. On Thursday the legislature sent the Governor an \$8.2 billion education budget which, if approved, will finalize the spending plans for FY2023 for all state government agencies and the state's education system.

Both budgets include a 4% pay increase for public employees and teachers.