The Alabama Legislature adjourned sine die on Wednesday, June 9, 1999. Both the General Fund and the Education Budgets received final passage on the last day.

In spite of the slow start, the 1999 Regular Session turned out to be a very productive one. Many issues that have been proposed for a number of years were finally approved this session. A number of bills of interest to cities and towns were passed this session.

During the session, a total of 1352 bills were introduced. By comparison, in 1998, 1699 bills were introduced. The lower number of bills introduced is probably related to the organizational difficulties experienced by the Senate during the first days of the session. Many of those receiving final passage were appropriation bills or local bills affecting a single county or municipality.

The League commends Gov. Siegelman, Lt. Gov. Windom, Speaker Seth Hammett, Senate President Pro Tem Lowell Barron, Speaker Pro Tem Demetrius Newton and the other House and Senate leaders for making this a productive session.

Final Status of the League Legislative Package

The 1999 Regular Session was successful for the League and its members. The Legislature approved several proposals in the League's 1999 Legislative Package. Those League bills that received final approval are:

**CA – Alabama Trust Fund** (HB 153, Act 99-393). This bill proposes an amendment to the Constitution of Alabama of 1901, to provide that counties and incorporated municipalities receive a minimum of 10 percent of the trust income from the Alabama Trust Fund when the trust income in the preceding fiscal year exceeds sixty million dollars ($60,000,000); to authorize the Legislature to appropriate more than 10 percent of the trust income to counties and incorporated municipalities; and to provide that the funds distributed to the counties and incorporated municipalities shall be expended as provided by general law.

**Appropriation of Matching Funds to Alabama Water Pollution Control Authority** (HB 155, Act 99-441). The general fund budget contained an appropriation of $ 725,335 to be used to match federal dollars for the state revolving fund for wastewater treatment.

**Annexation – Class 6 Cities** (HB 709, Act 99-577). This bill provides that a Class 6 municipality may annex land according to the unanimous consent procedure when the land or territory is contiguous to land or territory owned by a public university contiguous to the municipality although the land or territory is not contiguous to the municipality.

**CA – Public Official Retirement** (SB 84, Act 99-194). This bill proposes a amendment to the Constitution of Alabama of 1901, to phase out existing supernumerary programs and provide that public officials may participate in the Employees' Retirement System.
**Y2K Liability** (SB 270, Act 99-371). Under existing law, there is no protection for any governmental entities or public officials and employees against any damages which may occur in coming years as a result of any failures or malfunctions caused by the failure of any computer, computer-related software, or device containing a computer processor to accurately or properly recognize, calculate, display, sort, or otherwise process dates or times. This bill would protect governmental entities and their public officials and employees from liability for such failures under certain conditions.

The League wishes to thank the following persons for sponsoring or handling League bills this session: Senators Ted Little, Hap Myers, Harri Anne Smith, Bobby Denton, E.B. McClain, Lowell Barron, Tom Butler, Larry Dixon and Representatives Bill Dukes, Johnny Ford, Nelson Starkey, Jack Venable, Marcel Black, Neal Morrison, Ron Johnson, Steve McMillan, Perry Hooper, Jr., and Mike Hubbard. Several bills in the League package were not approved this session including bills relating to a new annexation procedure, weed abatement, dilapidated building abatement, proration of partial DUI fine payments, highway maintenance, telecommunications authority, and a cap on the liability of municipal and county employees. Many of these measures will resurface in future sessions.

**Status of Dangerous Legislation**

Many bills considered during the 1999 Regular Session were adverse to the interests of municipal government. We are happy to report that most of those measures failed to pass this session. Those bills included measures to: propose a constitutional amendment for initiative and referendum on local issues; provide special due process for law enforcement officers that is not extended to other employees; propose a constitutional amendment to allow the recall of public officials; give special pension benefits for firefighters and law enforcement officers, to make committee meetings subject to the sunshine law even though the committee had less than a quorum of the governing body as members, to prohibits municipalities from using tobacco stamps for enforcement of tobacco taxes, limit municipal authority to regulate all weapons and ammunition and establishments where such items are used or sold, and to limit at-will employment.

**General Bills Passed**

**Seat Belts** (HB 7, Act 99-397). Under existing law, a ticket may not be issued for failure to wear a safety belt while a motor vehicle is in motion unless the person is stopped by a law enforcement officer for a separate violation of law and is issued a ticket for the separate violation. Also, a person subject to a penalty for a violation of the safety belt law is assessed court costs in the court where convicted. This bill repeals this provision effective six months after the enactment of this bill, and would provide that until six months after the enactment of this bill, only a warning ticket would be issued unless the person was stopped for a separate violation. This bill would also provide that a person guilty of a violation of the safety belt law would not be subject to any court costs upon conviction. The bill also provides that a law enforcement officer may not search or inspect a motor vehicle, its content, the driver, or a passenger solely because of a violation of this law. Further, each state, county and municipal
police department must maintain statistical information on traffic stops of this nature on minorities and report that information monthly to the Department of Public Safety and the Attorney General.

**Waste Grease** (HB 51, Act 99-526). Section 40-12-180 provides that persons engaged in the business of purchasing and receiving or collecting waste grease and animal by-products for rendering or recycling from businesses, schools, and institutions located in various cities are required to pay an annual license tax in certain cities. This bill, without any change to the text of the section, would transfer the placement of the section from Title 40 to Subtitle 2 of Title 11, provisions applicable to municipal corporations only, so as to remove from potential application the county licensing and distribution provisions of Title 40.

**Fair Trial Tax** (HB 53, Act 99-427). This bill increases court docket fees and earmarks the funds for the representation of indigent criminal defendants. It also implements a uniform compensation plan for judges and provides for enhanced technology to expand the court’s capabilities for data exchange. The bill also provides for an increase in the fair trial tax.

**Mandatory Insurance** (HB 60, Act 99-430). This bill requires persons, as a condition of registering and licensing a motor vehicle, to show proof of a motor vehicle liability insurance policy.

**CA – Alabama Education Lottery** (HB 73, Act 99-8). This bill proposes an amendment to Section 65 of the Constitution of Alabama of 1901, to establish an Alabama Education Lottery to fund certain education programs, and to create an Alabama Education Lottery Corporation to implement and to regulate the operation of such lottery and to prohibit casinos. The amendment would dedicate the net proceeds from the lottery for college, university, and junior, technical, or community college tuition and scholarships, voluntary pre-kindergarten programs in the schools, and technology in the public schools, and would provide that any excess of the revenues over the amounts necessary to fully fund these programs, with a reserve for these programs, would go to the Education Trust Fund. The amendment would establish the priority of expenditures of lottery proceeds, provide that lottery proceeds will not supplant or replace existing education revenues, establish the Lottery Trust Fund, and permit the Legislature to pass general laws to implement the amendment.

**Absentee Voting** (HB 79, Act 99-388). This bill amends existing on-site voting laws to provide for on-site voting conducted at courthouse annexes to be limited to courthouse annexes located at least three miles from the county courthouse and it would also provide that on-site absentee voting take place only on the Saturday 10 days preceding the election. This bill would also provide that, in addition to signing the poll list, the voter must write his or her residence address on the poll list prior to voting an on-site absentee ballot. This bill would also provide that the on-site absentee polling officials notify prospective voters, by placement of a sign and by verbal instruction, that such voters may only vote by on-site absentee ballot if they are to be out of the county on election day. This bill would expand the absentee voting provisions for military personnel and their families to include civilian personnel provided for by federal absentee voting law and would require that absentee ballots not delivered by hand to the voter must be mailed by the absentee election manager to the residence of the voter or, upon request of the voter, to the
address at which the voter regularly receives mail. The bill states that all costs to a municipality related to on-site voting shall be paid by the State.

**Retired Employees – Health Insurance** (HB 89, Act 99-383). This bill authorizes the governing body of a public agency which is an employer participating in the Employees' Retirement System pursuant to Section 36-27-6 of the Code of Alabama 1975, or participating in the local government health insurance program of the State Employees' Insurance Board, to elect to allow the retired employees of the public agency to participate in a health insurance program.

**General Fund Budget** (HB 155, Act 99-441). This bill makes appropriations to operate the executive, legislative and judicial branches of state government.

**Education Fund Budget** (HB 157, Act 99-434). This bill makes appropriations for the support, maintenance and development of public education in Alabama.

**Retirement – Service Credit** (HB 209, Act 99-385). This bill reopens the Employees’ Retirement System for one year to allow an active member to purchase service credit for time spent on maternity leave.

**Tobacco Stamps** (HB 241, Act 99-587). This bill authorizes wholesalers and distributors to affix tax stamps on tobacco products with exceptions for manufacturers to affix the stamps for a promotion of the product, for test marketing the product, and for trademark registration of the product if the Commissioner of the Department of Revenue is given certain notice of the exceptional event.

**Tuition Assistance** (HB 246, Act 99-448). This bill would offer the same tuition assistance to dependents of law enforcement officers and firefighters who are disabled in the line of duty as currently offered dependents of law enforcement officers and firefighters who are killed in the line of duty.

**Eminent Domain** (HB 260, Act 99-582). Under existing law, an owner of property acquired by eminent domain is entitled to the fair market value of the property. This bill provides the procedure for acquiring real property by eminent domain by state agencies. It provides for reimbursement of certain expenses to an owner of real property acquired by eminent domain. This bill requires state agencies to pay the moving costs, relocation expenses, and certain other costs to persons who own a dwelling and the real property on which the dwelling is situated when the property is acquired by eminent domain. The bill provides a limited exemption to the Alabama Department of Transportation. The bill provides for additional payments to enable disabled persons to acquire dwellings and to persons not eligible for certain payments. It requires the establishment of relocation assistance advisory programs and provides for the administration of the programs. The bill provides that funds appropriated for condemnation of real property would also be used to implement the provisions herein. The bill designates certain persons as displaced persons. The bill also provides that payments made would not be deemed income for state tax purposes. The bill provides that a displaced person would not be required to move until replacement housing is made available and provides that payments made to displaced persons could be adjusted. The bill provides for reimbursement to an owner of real property for costs
when the condemnation procedure is abandoned. The bill also provides for reimbursement to an
owner of real property for costs incurred in a declaratory action filed by a state agency and
requires that an owner of real property receive just compensation for structures and
improvements on property acquired by eminent domain. The bill would allow state agencies to
promulgate rules and regulations for acquisition of real property.

**Tax Exemption – Fuel Gas** (HB 270, Act 99-570). Under existing law, the state levies a sales
and use tax on the gross proceeds of certain sales. Withdrawals of certain products are excluded
from the definition of gross proceeds of sales and are therefore exempt from the sales and use
taxes. This bill includes certain fuel gas that is a by-product of a petroleum-refining process that
is used in the distillation of the petroleum products within the exemption for withdrawals.

**Sales Tax – Vending Machines** (HB 293, **POCKET VETO**). This bill clarifies that the
measure of sales tax applicable to vending machine sales is the cost of the items to the vendor
rather than the retail sales price, thereby precluding the risk of negative economic impact upon
consumers purchasing through vending machines and upon the operating businesses. This bill
would also make minor technical corrections to facilitate administration.

**Taxes on Utilities** (HB 315, Act 99-399). This bill clarifies the language levying taxes on
telecommunication services and property designated as utility property. This bill would also
provide that a service provider who relies in good faith on a state tax exemption number and
claim of exemption by a customer who violates the tax exempt privilege would not be liable for
utility gross receipts tax or cellular radio telecommunication services tax on services provided to
that customer.

**Conflicts of Interest – Surety Bonds** (HB 320, Act 99-386). Under existing law, certain public
contracts are awarded subject to the competitive bid laws and require a bidder, contractor, or
subcontractor to obtain a surety bond or insurance contract. This bill removes the restriction on
an officer or employee acting on behalf of an awarding authority from obtaining the surety bond
or insurance contract for a bidder, contractor, or subcontractor.

**DUI – Minor Passenger** (HB 333, Act 99-432). This bill provides that the sentence of a person
over the age of 21 who is convicted of driving a motor vehicle while under the influence of
alcohol or a controlled substance shall be enhanced if a child under the age of 14 years was in
the vehicle at the time of the offense.

**Scrap Tires** (HB 387, Act 99-597). This bill will require that all scrap tire handlers to obtain an
annual scrap tire license; and dispose of scrap tires by depositing them only with persons or
businesses holding a valid license and maintain records regarding the receipt and disposal of
scrap tires; provides an exemption from the license requirements for governmental entities and
individuals, but requires that they comply with the provisions regarding receipt and disposal of
scrap tires; provides for the enforcement and penalties for violations. Additionally, this bill will
create a Scrap Tire Study Commission to develop plans for the environmentally safe removal of
existing scrap tire piles found in Alabama.

**Community Notification Act** (HB 425, Act 99-572). This bill provides further for the
procedures for community notification and would establish new residence restrictions. This bill gives judges discretion over the residency requirements of criminal sex offenders who are not adults and requires the Board of Pardons and Paroles to inform the Attorney General's Office of Victim Assistance of the release of a criminal sex offender.

**Revocation of Driving Privileges** (HB 480, Act 99-598). This bill gives specific guidelines to the proceedings for suspension, notice of intended suspension, suspension, or revocation, and the periods of criminal conviction, as well as provide specifically for a period of administrative review to which a person who has received notice of intended suspension, suspension, or revocation is entitled. This bill also provides for judicial determination following the hearing.

**Juvenile Information Act** (HB 491, Act 99-433). This bill provides for the release of juvenile arrest information to law enforcement agencies. It requires notice to school officials concerning children adjudicated as delinquent for a Class A or Class B felony and allows judges the discretion to send notice to schools for any other offense. This bill would require an agency that takes a child into custody and charges the child for a delinquent act to fingerprint and photograph the child. This bill would require an agency who takes DNA samples of a child charged with an act of delinquency to file the DNA records with the Alabama Department of Forensic Sciences for criminal identification purposes. This bill would further define the role of the Alabama Criminal Justice Information Center regarding the storing and supplying of information concerning children adjudicated as delinquent.

**Manufactured Housing** (HB 511, Act 99-355). This bill restructures the Alabama Manufactured Housing Commission.

**ABC Law Amendment** (HB 535, POCKET VETO). Under existing law, various offenses relating to alcoholic beverages are specified in various locations in Title 28 of the Code of Alabama 1975. This bill consolidates these offenses in a single section. This bill also rephrases, restructures, and conforms to other law, supplies additional provisions concerning some of these offenses, and provides certain additional offenses. This bill also specifies penalties for the offenses included in the section.

**Ad Valorem Tax – Vehicles** (HB 526, Act 99-363). This bill would synchronize the collection of ad valorem taxes with motor vehicle registration fees on a current year basis except that the ad valorem tax on a new class IV vehicle registered for the first time will be deferred until the first renewal or subsequent registration.

**Onsite Wastewater Systems – Licensing** (HB 547, Act 99-571). This bill creates the Alabama Onsite Wastewater Board to license persons engaged in the manufacture, installation, or servicing of onsite wastewater systems.

**Industrial Development Authorities** (HB 715, Act 99-350). This bill amends Title 11, Chapter 92A, Code of Alabama 1975, which governs industrial development authorities, to authorize industrial development authorities to operate in more than one county of the State, but not in excess of five counties. The bill is a part of the Honda incentive package.
Alabama 21st Century Authority (HB 716, Act 99-391). House Bill 323 provides for the creation of a special fund known as the Alabama 21st Century Fund into which will be deposited all revenues received by the state as a result of any tobacco-related litigation, settlement or Congressional appropriation. House Bill 323 also authorizes the incorporation of the Alabama 21st Century Authority and gives the Authority the power to issue bonds in amounts and for purposes prescribed by the Legislature from time to time by separate act. Under House Bill 323, bonds authorized by separate act may be payable out of the tobacco revenues held in the Alabama 21st Century Fund and any other monies or property available to the Authority. This bill authorizes the Authority to sell and issue up to $50,000,000 in bonds, payable solely out of tobacco revenues in the Alabama 21st Century Fund, for the purpose of honoring the commitments made by the State of Alabama to induce an internationally renowned company to locate a state-of-the-art manufacturing facility in Alabama. This bill also prescribes certain additional powers and duties of the Authority which are necessary to enable the State of Alabama to honor such commitments.

CA – Election of City School Boards (SB 13, Act 99-408). This bill proposes a constitutional amendment which, subject to voter approval at an authorizing referendum election, would permit the Legislature by local law to provide for an elected city board of education in any municipality with a city board of education. This bill would also validate certain previously enacted laws and previously held elections.

Class Actions (SB 72, Act 99-250). This bill would codify certain procedures regarding certification of classes of civil litigants in addition to those stated in Ala. R. Civ. P. 23. To the extent that this bill prescribes procedures inconsistent with Ala. R. Civ. P. 23, this bill will be deemed controlling. The scope of this bill is the governance of all class actions.

Homestead Exemption (SB 127, Act 99-368). Under existing law, the tax assessor receives applications for homestead exemptions from a person claiming the exemption. This bill would allow the attorney of the person claiming the exemption to make application.

Punitive Damages – Cap (SB 137, Act 99-358). This bill sets limitations on the recovery of punitive damages in civil actions.


Venue (SB 305, Act 99-249). This bill provides further for venue and transfer of venue in civil actions against corporations.

Enterprise Zones (SB 333, Act 99-365). This bill would establish enterprise zones in Tallapoosa County and every incorporated municipality therein.

Lottery Implementation (SB 374, Act 99-304). This bill, which would only become operative
upon the adoption by the people of a constitutional amendment authorizing an education lottery, would implement such a lottery. In this connection, the bill would provide further for the Alabama Education Lottery Corporation, would create the Lottery Retailer Advisory Board and the Alabama Education Lottery Corporation Legislative Oversight Committee, and would provide for their respective membership, powers, duties, and operation. The bill would also impose criminal penalties for violation of its provisions and would make provision for other related matters relating to contracts, employees, retailers, vendors, reports, record, audits, and meetings, among other items.

**Office of School Readiness** (SB 376, Act 99-258). This bill would create the Office of School Readiness as a department of the executive branch of government. The office would administer such programs and services as may be necessary for the operation and management of a voluntary pre-kindergarten program. This bill would provide for the employment of a director and such other personnel as are necessary to administer the pre-kindergarten program and for the operation of the office.

**Municipal Improvement Districts** (SB 378, Act 99-446). This bill would create the Alabama Municipal Improvement Districts Act, which would allow for the creation of municipal improvement districts and the issuance of revenue bonds to finance certain municipal improvements within those districts, such as streets, water systems, sewers, sidewalks, and recreational facilities. Under the bill, a private developer would request the municipality to designate the proposed development as an improvement district. The revenue bonds issued to finance the improvements would be secured by assessments against the developer's property, meaning that the bonds would be repaid by the developer and not the municipality.

**HOPE Scholarship Program** (SB 379, Act 99-305). This bill would create the Alabama HOPE Scholarship Office. This bill would establish the HOPE Scholarship Office as a department of the executive branch of government. The office would promulgate rules and regulations and would administer such programs and services as may be necessary for the operation and management of the HOPE Scholarship Program. This bill would provide for the employment of a director and such other personnel as are necessary to administer the HOPE Scholarship Program and for the operation of the office.

**Office of Information Technology** (SB 385, Act 99-259). This bill would create the Office of Information Technology as a department of the executive branch of government. The office would administer such programs and services as may be necessary for the operation and management of a program for specifically providing the children of Alabama citizens with technology in the public schools and public institutions of higher education. This bill would provide for the employment of a director and such other personnel as are necessary to administer the program and for the operation of the office.

**Proposed Constitutional Amendments**

**HB 13, Act 99-321** -- Repeals the provision in the State Constitution that prohibits interracial marriages.

**HB 64, Act 99-319** -- Allows Chilton County elected officials to participate in ERS.
HB 73, Act 99-8 – Establishes the Education Lottery Corporation and the Lottery Trust Fund.
HB 127, Act 99-191 -- Allows Bullock County elected officials to participate in ERS.
HB 128, Act 99-192 -- Allows Macon County elected officials to participate in ERS.
HB 452, Act 99-197 – Baldwin County Judicial Commission established.
HB 483, Act 99-302 -- Allows Marion County elected officials to participate in ERS.
HB 570, Act 99-251 -- Allows Lauderdale County elected officials to participate in ERS.
HB 659, Act 99-253 – Marion County Agriculture and Exhibit Center Authority established.
HB 712, Act 99-303 – Authorizes municipalities in Etowah County to levy real estate business licenses fees.
HB 723, Act 99-252 – Autauga County court costs.
HB 725, Act 99-320 -- Allows Clay County elected officials to participate in ERS.
HB 743, Act 99-392 -- Randolph County Probate Judge.
HB 781, Act 99-407 -- Allows Pike County elected officials to participate in ERS.
SB 9, Act 99-247 – Hale County court costs.
SB 13, Act 99-408 -- Allows Legislature to call for referendum on election of city school board members.
SB 62, Act 99-369 -- Allows Lowndes County elected officials to participate in ERS.
SB 84, Act 99-194 – Authorizes elected public officials to participate in ERS.
SB 476, Act 99-248 -- Allows Jackson County elected officials to participate in ERS.

Local Bills

HB 5, Act 99-176 – Anniston Policemen’s and Firemen’s Retirement Fund.
HB 238, Act 99-173 – Limestone County Board of Education.
HB 243, Act 99-175 – Issuance of Cullman County license tags by mail.
HB 339, Act 99-244 – Shelby County firefighting and emergency medical services.
HB 340, Act 99-245 – Shelby County fire and emergency medical districts.
HB 357, Act 99-180 – Mobile County domestic violence cases court costs.
HB 411, Act 99-254 – Houston County sales and use tax.
HB 418, Act 99-246 – Allows Reform City Council to make police chief, fire chief, and city clerk permanent positions.
HB 422, Act 99-255 – Macon County severance tax.
HB 429, Act 99-410 -- Shelby County coroner.
HB 430, Act 99 – 324 – Pleasant Grove ad valorem tax.
HB 436, Act 99-256 – Greene County ad valorem tax.
HB 471, Act 99-257 -- Bullock County sales and use tax.
HB 478, Act 99-195 -- Sumter County hazardous waste fees.
HB 482, Act 99-234 -- Opelika ad valorem tax.
HB 578, Act 99-235 -- Hale County tobacco tax.
HB 594, Act 99-224 -- Increases Parrish court costs for special hazardous duty pay for police officers and jailers.
HB 595, Act 99-225 -- Walker County weed and unsafe structure abatement.
HB 627, Act 99-316 -- Dothan Pension and Retirement System established.
HB 651, Act 99-228 -- Amends DeKalb County gasoline tax distribution formula.
HB 652, Act 99-229 -- DeKalb County public road and bridge fund.
HB 653, Act 99-416 -- Lee County Court Costs.
HB 660, Act 99-230 -- Amends DeKalb County gasoline excise tax distribution formula.
HB 693, Act 99-327 -- Removes certain property from Shelby County fire and emergency medical services district.
HB 703, Act 99-418 -- Triana ad valorem taxes.
HB 711, Act 99-333 -- Etowah County real estate business licenses.
HB 713, Act 99-422 -- Regulates sale of alcoholic beverages in Macon County.
HB 718, Act 99-419 -- Cullman County court costs.
HB 740, POCKET VETO -- Millbrook and Prattville Police Jurisdiction.
HB 747, Act 99-540 -- Marshall County tags by mail.
HB 760, Act 99-550 -- Jackson County TVA Payments.
HB 763, Act 99-414 -- Cherokee County lodgings tax.
HB 772, Act 99-544 -- Coosa County severance tax.
HB 773, Act 99-530 -- Elmore County court costs.
HB 775, Act 99-534 -- Elmore County sales and use tax.
HB 779, POCKET VETO -- Blount County Commission elected from single-member districts.
HB 788, Act 99- POCKET VETO -- Clay County tobacco tax.
HB 789, Act 99- POCKET VETO -- Randolph County tobacco tax.
HB 803, Act 99-554 -- Tallapoosa County Enterprise Zones.
HB 806, Act 99-555 -- Macon County ABC taxes to Macon Co. Public Library.
HB 807, Act 99-556 -- Establishes office of Marion County Revenue Commissioner.
HB 809, Act 99-557 -- Muscle Shoals Civil Service System.
SB 454, Act 99-346 -- Calhoun County bingo games.
SB 503, Act 99-406 -- Jefferson County Occupational Tax

Annexation Bills

HB 37, Act 99-101 -- Athens
HB 450, Act 99-202 -- Autaugaville
HB 512, Act 99-423 -- Sylacauga
HB 517, Act 99-231 -- Loxley
HB 643, Act 99-326 -- Pell City
HB 734, Act 99-332 -- Kinsey
HB 794, Act 99-562 -- Fairhope
HB 801, Act 99-547 -- Spanish Fort
HB 812, Act 99-559 -- Brighton
SB 535, Act 99-521 -- Luverne