

1 SJR97
2 130501-2
3 By Senator Marsh
4 RFD: Rules
5 First Read: 21-APR-11

2
3
4 ENGROSSED

5
6 ESTABLISHING A COMMITTEE TO STUDY CURRENT TAX AND
7 FEE DISPARITIES IN THE ALABAMA SUBSCRIPTION VIDEO MARKETPLACE.
8

9 WHEREAS, the Legislature is committed to producing a
10 state government more fiscally responsible and accountable to
11 the Alabama taxpayer; and

12 WHEREAS, the Legislature is committed to providing a
13 more equitable and less burdensome tax and fee obligation on
14 the Alabama taxpayer; and

15 WHEREAS, substantial competition among subscription
16 video service providers exists and is increasing, and as this
17 competitive environment has evolved, the existing state and
18 local tax and fee structure has created disparities so that
19 customers of some subscription video service providers pay
20 substantially more taxes and fees than others; and

21 WHEREAS, competitive providers in the video service
22 marketplace have substantially grown and diversified their
23 technology since the passage of the Telecommunications Act of
24 1996, and at least 10 states have enacted legislation that
25 would close the loophole created by the federal government and
26 create tax and fee parity among subscription video service
27 providers and users; and

1 WHEREAS, video consumers in Alabama deserve a
2 modernized tax code that lowers government mandated fees to
3 only those fees required to cover actual costs; and if taxes
4 are assessed, they should be assessed consistently on all
5 video services; and

6 WHEREAS, the people of Alabama deserve a tax code
7 that would encourage providing more current and future
8 technologies, thus broadening the tax base and providing a
9 more stable, predictable, and transparent source of revenue
10 for state and local governments; now therefore,

11 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
12 HOUSES THEREOF CONCURRING, That:

13 (a) The Alabama Video Tax and Fee Study Committee is
14 established for the purpose of studying the current tax and
15 fee disparities in the Alabama video services marketplace.

16 (b) Foremost among the issues considered by the
17 committee shall be how to rectify the anti-competitive effect
18 from video service and cable franchise fees and other taxes on
19 the pricing and provision of video service in Alabama.

20 (c) The study committee shall consist of the
21 following members:

22 (1) Four members of the House of Representatives
23 appointed by Speaker of the House.

24 (2) Four members of the Senate appointed by the
25 President Pro Tempore of the Senate.

26 (3) Three members of the House appointed by the
27 House Minority Leader.

1 (4) Three members of the Senate appointed by the
2 Senate Minority Leader.

3 (d) (1) The Speaker of the House shall designate one
4 of the four House members appointed by the Speaker as the
5 House Co-chair of the committee.

6 (2) The President Pro Tempore shall designate one of
7 the four Senate members appointed by the Pro Tempore as the
8 Senate Co-chair of the committee.

9 (e) The study committee shall recommend legislation
10 that would eliminate the tax and fee disparity in the video
11 marketplace so that Alabama consumers may realize the benefits
12 of lower and fairer government-mandated fees on their video
13 services and have a tax and fee-neutral choice for such
14 services.

15 (f) State agencies and local governments are
16 requested to provide any data or other information requested
17 by the study committee needed to conduct the study.

18 (g) The private video service providers in Alabama
19 may also provide any data or other information requested by
20 the study committee to assist with its study.

21 (h) The committee shall meet at least three times
22 and report its findings, conclusions, and recommendations to
23 the Legislature no later than November 1, 2011. The committee
24 shall stand dissolved and discharged of any further duties and
25 liabilities at the end of the 2012 Regular Session of the
26 Legislature.

1 (i) Each member of the committee shall be entitled
2 to his or her regular legislative compensation, his or her per
3 diem, and travel expenses for each day he or she attends a
4 meeting of the commission. Upon requisitions signed by the
5 chair of the committee, these payments shall be paid out of
6 any funds appropriated to the use of the Legislature by means
7 of warrants drawn by the Comptroller on the State Treasury.
8 Notwithstanding the foregoing, no member shall receive
9 additional legislative compensation or per diem when the
10 Legislature is in session or if a member is being paid any
11 other payments on the same dates for attendance on other state
12 business. The total expenditures of the committee shall not
13 exceed \$5,000.

14 (j) Members of the committee may not disclose
15 confidential or proprietary business plans, or other sensitive
16 information outside of the committee members' staff. The study
17 committee shall exercise all necessary caution to avoid
18 disclosure of confidential information supplied under the
19 authority granted by this resolution.

1
2
3
4
5
6
7
8
9
10
11
12
13

Senate

Introduced and referred to the Senate committee on Rules.....	21-APR-11
Reported from Rules.....	27-APR-11
Read for the third time and adopted as amended ...	27-APR-11

Patrick Harris
Secretary