



FISCAL NOTE

House Bill 297

Committee: Ways and Means Education

Sponsor: Representative Jennifer Fidler

Analyst: Jennifer Farish

Date: 03/19/2025

House Bill 297 as reported by the Committee on Ways and Means Education would, beginning July 1, 2025 through June 30, 2029, levy a 4% fee on each outgoing international wire transfer sent through a money transmission business, which would increase receipts to the Wire Transfer Fee Fund, created by this bill within the Alabama Securities Commission, by an undetermined amount. The proceeds of this fee would be distributed as follows:

- (1) 38% to the Office of Prosecution Services (OPS) to be allocated per capita to county sheriffs and used to offset certain expenses relating to enforcing federal and state immigration laws and the care and housing of individuals suspected of violating immigration laws, less an administrative fee of up to 2% that OPS may withhold;
- (2) 45.5% to the State Department of Education (SDE), less an administrative fee of up to 2% that SDE may withhold, to be allocated pro rata to each county based on the amount of fees collected in each county and distributed to each public K-12 school in the county in proportion to the number of students classified as English language learners (ELL) to be used for ELL instruction; or for adult ELL instruction or support of programs impacted by immigration, under certain conditions;
- (3) 15.5% to the Alabama Department of Public Health (ADPH), less an administrative fee of up to 2% that ADPH may withhold, to be allocated pro rata to each county based on the amount of fees collected in each county and distributed to regional hospitals for reimbursement of uncompensated care expenses, or to county health departments, under certain conditions.

Additionally, for tax years 2026 through 2029, this bill would provide for a nonrefundable income tax credit equal to the lesser of \$5,000, or the total amount of all outgoing international electronic wire transfer fees paid by the taxpayer, which would reduce income tax receipts to the Education Trust Fund for fiscal years 2027 to 2030 by an undetermined amount dependent on



the amount of wire fees for which tax credits are claimed pursuant to the provisions of this bill.

This bill could also increase the obligations of the Legislature by an estimated \$2,000 per meeting of the 8-member legislative review committee established by this bill to review the expenditures of wire transfer fee proceeds by counties.

Finally, this bill would increase the administrative obligations of the commission, the Department of Revenue, OPS, SDE, and ADPH to administer the provisions of this bill.