



BUSINESS COUNCIL
OF ALABAMA

Making a sweet home for business



February 16, 2016

To: Members of the Alabama Legislature

RE: Business community support for HB 174 by Rep. David Faulkner

We are writing to express our **support for HB 174 by Rep. David Faulkner** that reaffirms Alabama’s position as a pro-business, right-to-work state by preempting local attempts to compromise the state’s business environment and hurt economic development efforts.

Employers who operate in multiple jurisdictions within a state achieve efficiencies by standardizing administrative operations such as payroll and benefits, and local wage and benefit ordinances raise costs related to these functions. HB 174 establishes a statewide policy prohibiting municipalities, counties, or other political subdivisions of this state from setting wage, benefit, or leave policies for private-sector businesses that already comply with state and federal requirements. This bill will not affect the pay and benefits that local governments can offer to their own public employees.

The following states have adopted similar paid leave/minimum wage preemption laws: Arizona, Florida, Indiana, Kansas, Mississippi, North Carolina, and Tennessee.

HB174 also prohibits municipalities, counties, or other political subdivisions of this state from requiring employers to grant organizing concessions to unions in exchange for assistance with a development project, a practice known as labor peace agreements. These agreements require businesses to give up important rights under federal law. The state will retain the exclusive authority to regulate collective bargaining under federal labor laws.

Alabama businesses are already some of the most highly regulated entities in the world as they are inundated on a daily basis by federal, state, and local regulations. While not all regulations are bad, Alabama businesses do not need a patchwork of local labor laws that would serve only to divert resources away from creating jobs and providing opportunities for Alabamians.

For these reason, **we support HB 174** and encourage you to **vote YES** on this legislation.

Sincerely,

Rick Brown
Alabama Retail Association

William J. Canary
Business Council of Alabama

Rosemary Elebash

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NFIB Alabama