

1 SB110  
2 197553-1  
3 By Senator Ward  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 19-MAR-19

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8 SYNOPSIS: This bill would require certain employers  
9 relocating call centers from this state to notify  
10 the Director of the Department of Economic and  
11 Community Affairs within a specified time frame  
12 prior to relocation.

13 This bill would also provide for the  
14 assessment of penalties against employers who fail  
15 to provide the notice and allows the director to  
16 recapture certain benefits, such as grants, loans,  
17 or tax credits.

18 This bill would also require state agencies  
19 to ensure that all call centers used by the entity  
20 are performed within the state and would preclude  
21 contractors with the state performing these  
22 services from performing work at a location outside  
23 the state.

24  
25 A BILL  
26 TO BE ENTITLED  
27 AN ACT

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2 Relating to call centers; to require certain  
3 employers relocating call centers to provide notice prior to  
4 the relocation within a specified time frame; to provide for  
5 civil penalties and benefit recapture from employers that fail  
6 to provide notification; to require state agencies to ensure  
7 that call centers used by the agency or entity are located  
8 within the state; and to preclude contractors performing call  
9 center or customer service work from performing work at a  
10 location outside of the state.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. For the purposes of this act, the  
13 following words shall have the following meanings:

14 (1) CALL CENTER. A physical location within the  
15 State of Alabama at which 50 or more individuals receive by  
16 telephone, email, or other electronic forms of communication  
17 requests for service and repairs and assist with a resolution.  
18 The term does not include locations within this state at which  
19 similar calls are resolved in whole or in part by means of  
20 computers, including, but not limited to, artificial  
21 intelligence.

22 (2) DIRECTOR. The Director of the Department of  
23 Economic and Community Affairs.

24 (3) EMPLOYER. A call center that employs either of  
25 the following:

26 a. Fifty or more individuals, excluding part-time  
27 employees.

1           b. Fifty or more individuals who, in the aggregate,  
2 work at least 1,500 hours each week for the employer, not  
3 including overtime hours.

4           (4) PART-TIME EMPLOYEE. An individual employed for  
5 an average of fewer than 20 hours each week or for fewer than  
6 six of the 12 months before the date on which a determination  
7 to relocate is made.

8           Section 2. (a) An employer that intends to relocate  
9 a call center, or one or more facilities or operating units  
10 within a call center consisting of at least 30 percent of the  
11 call center's total volume when measured against the previous  
12 12-month average call volume from this state, shall notify the  
13 director at least 120 days before the relocation is scheduled  
14 to occur.

15           (b) If the employer fails to provide notice pursuant  
16 to subsection (a), the director shall notify the Attorney  
17 General of the failure, and the Attorney General shall  
18 commence an action for assessment of a civil penalty against  
19 the employer in the circuit court in the county where the  
20 employer's call center is located. Upon a finding that an  
21 employer has violated subsection (a), the court shall assess a  
22 civil penalty of not more than ten thousand dollars (\$10,000)  
23 against the employer for each day the employer failed to  
24 provide the notice.

25           (c) A court may reduce a civil penalty imposed under  
26 subsection (b) if the court determines that an employer has

1 shown just cause as to why notification under subsection (a)  
2 was not made in the time frame required.

3 Section 3. (a) Beginning October 1, 2019, and every  
4 six months thereafter, the director shall compile a list of  
5 every employer that has relocated a call center, or one or  
6 more facilities or operating units within a call center  
7 consisting of at least 30 percent of the call center's total  
8 volume when measured against the previous 12-month average  
9 call volume, from this state.

10 (b) The director shall include on the list the name  
11 of each employer and the date on which the call center was  
12 relocated.

13 (c) The director shall immediately distribute the  
14 list to each state agency and political subdivision of the  
15 state that provides the employers with any grants, loans, or  
16 tax credits.

17 Section 4. (a) Except as provided in subsection (c),  
18 an employer that appears on a list compiled by the director  
19 pursuant to Section 3 is ineligible to receive from the state  
20 or any political subdivision of the state any grant, loan, or  
21 tax credit until five years after the date on which the  
22 employer relocated the call center.

23 (b) Except as provided in subsection (c), if an  
24 employer appears on a list compiled under Section 3, the  
25 director shall recapture from the employer an amount equal to  
26 the unamortized value of any grant, loan, or tax credit that  
27 the employer received from the state or any political

1 subdivision of the state on or after the effective date of  
2 this act. The employer shall pay the recapture amount to the  
3 director within 30 days of receiving the recapture demand.

4 (c) The director may waive the disqualification  
5 provided for in subsection (a) if the employer applying for  
6 the grant, loan, or tax credit demonstrates that one or more  
7 of the following will happen if the grant, loan, or tax credit  
8 is not provided:

9 (1) Substantial job loss in the state.

10 (2) Harm to the environment of the state.

11 (3) A significant economic impact to the state.

12 Section 5. (a) This section applies to contracts  
13 entered into on or after the effective date of this act.

14 (b) Each state agency within the executive  
15 department shall ensure that all call center and customer  
16 service work performed for the agency is performed entirely  
17 within the state.

18 (c) A contractor that performs call center or  
19 customer service work for the state may not hire an individual  
20 to perform the work at a location outside of the state.

21 (d) Beginning October 1, 2020, each individual  
22 employed by a contractor to perform call center or customer  
23 service work for the state shall perform the work within the  
24 state.

25 Section 6. This act may not be construed as  
26 permitting the withholding or denial of payments,  
27 compensation, or benefits from employees.

1                   Section 7. This act shall become effective on the  
2   first day of the third month following its passage and  
3   approval by the Governor, or its otherwise becoming law.