WINDOM GALLIHER

SPECIAL

MONTGOMERY UPDATE

DECEMBER 22, 2015

Another year ends, another year begins

The year flew by quickly in Montgomery, which perhaps can be attributed to the fact that it took an additional two special legislative sessions to reach an agreement on a General Fund budget.

When the Legislature finally got its work done and fashioned a deal with Gov.

Robert Bentley, everyone understood that we'd be back at square one once the 2016 regular session arrived.

The reality is we're less than six weeks away from diving head first into another legislative session.

Gov. Bentley still wants more revenue, which he would presumably use to expand Medicaid. He's tiptoed around the subject for months, and the latest hint

is that a task force he empaneled made that recommendation to him.

For its part, the Legislature remains highly skeptical.

Tax proposals fared poorly in the 2015 sessions. The only general increase approved was a cigarette tax, and it took kicking and screaming to get that done. The other revenue generators were a mish-mash of adjustments to collection processes and other calculation factors.

The prediction here is that Gov. Bentley continues to nudge expansion along, but strategically tacks in a different direction - toward jobs and infrastructure. There have been recent efforts supporting a road and bridge construction effort, which would require an adjustment to the state's gasoline tax - which is currently a flat amount rather than a rate per gallon. Surprisingly, in a time of antitax fervor, Republican voters support a gasoline tax increase by a wide margin if the tax is earmarked for road and bridge improvements.

that of gaming.

During the heat of last summer, Senate Pro Tem Del Marsh (R-Anniston) advanced a bill that would clear up the status of the dog tracks, institute a lottery and provide for a compact with the Po-



arch Creeks, Sen. Marsh was expected to reintroduce the bill has announced he will not do so this session, which is a serious blow to pro-gaming efforts.

The notion of continued austerity was reinforced this fall when it was announced that the Senate budget chairs -Sen. Trip Pittman (R-Montrose) and Sen. Arthur Orr (R-Decatur) - were switching jobs. Sen. Pittman is moving to the General Fund after five years of running the education budget, and Sen. Orr is doing the opposite.

Sen. Pittman might be the most fiscally conservative member of the Senate. He voted against the revenue increasing bills, and has indicated his desire to continue to shrink state government. The General Fund chairmanship is the place to be to achieve that goal. Even so, it seems that folks around Alabama are barely paying attention to state government issues these days. The recent terror attacks in Paris and San Bernardino, California, have people's minds more on

One subject that has subsided quickly is national security and the upcoming presidential race.

> With Alabama participating in the "SEC Primary" on March 1, there has been increased attention on the presidential race.

> > Legislators have lined up generally behind four candidates = Sen. Marco Rubio. Sen. Ted Cruz. Donald Trump, and Gov. Jeb Bush. Rubio has nearly 20 current or former legislators running for a delegate slot at the convention under his name. The others have about that many combined. It is interesting, but not particularly surprising, that Bush is lagging behind the others. State elected officials stampeded to support his older brother in 2000

(former AG Bill Pryor and I were co-chairs of the Alabama campaign) and for reelection in 2004. The dynamic is much different for 2016, as Gov. Bush has not caught fire in the state and the more "outsider" candidates - adding Dr. Ben Carson to this list - have attracted more attention from the political leadership and from the public. Even more peculiar, though, was Gov. Bentley's endorsement of Ohio Gov. John Kasich, whose candidacy has never gotten off the ground. The wheels of state government will slow to a crawl over the next 10 days or so as we move through the holidays. It will be time for all of us to get some rest and spend time with family - and watch football. But come Monday, January 4, we will press the gas pedal to the floor, knowing the next months will be quite busy. And we can't wait.

We wish you and yours a very Merry Christmas, a Happy Holiday Season, and a healthy, prosperous 2016.