

WINDOM GALLIHER

MONTGOMERY UPDATE

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General Fund: What is the real number?

Thursday's adjournment signaled the start of the legislative spring break, and while the Senators and Representatives won't be meeting on the floor of the Statehouse, there will be a lot of work behind the scenes on charting the course for the rest of the session.

There will be great discussion regarding the answer to the question that has loomed over the session: What is the real number?

Translated, how much money does the General Fund need to meet obligations and certain items on the wish list of legislators and Gov. Robert Bentley. For his part, Gov. Bentley has operated under the presumption that the number is \$700 million. No legislator has been willing to agree to that number, and the Governor had to recruit Democrats to introduce some of the bills to get close to that number.

Introducing bills is one thing and passing them is another.

As we mentioned last week, House General Fund budget chair Rep. Steve Clouse (R-Ozark) already gave the Governor's plan a haircut by trimming an automobile sales tax proposal from 4 percent to 3 percent.

"I couldn't find anyone interested in 4 percent," Rep. Clouse told a business group early in the week, "and I don't know if this is going to pass, but I thought it would help start a discussion."

The auto tax has an uphill battle – akin to starting a car without a battery, spark-plugs and gasoline.

The conventional wisdom that the easiest bill to pass of the Governor's revenue package would be a cigarette tax. Rep. Steve McMillan (R-Gulf Shores) introduced Gov. Bentley's plan to raise the tax on smokes by 82.5 cents per pack. If the bill will pass, the increase likely will be cut down substantially. As introduced,



SENATE GENERAL FUND BUDGET CHAIR ARTHUR ORR (R-DECATUR) ASKED STATE AGENCIES FOR CONTINGENCY PLANS TO BE DELIVERED BY APRIL 1 IN CASE OF MASSIVE BUDGET CUTS FOR FY 2016

the cigarette tax was to generate \$200 million. For example, if the amount were cut to 20 cents, that would divide that amount by four down to \$50 million.

Senate General Fund budget chair Sen. Arthur Orr (R-Decatur) may have tipped his hand by sending a letter to state agencies, asking them to formulate and share with him action plans for steep budget cuts by April 1.

"I've asked them to tell me how they would be impacted by 20 percent, 25 percent and 30 percent," he told the same business group in a joint appearance with Rep. Clouse.

For each of the Governor's revenue plans, opponents have sharpened knives with the intent of defeating the corresponding bill. Even so, none of this directly answers the question: What is the real number?

The tea leaves say that there could likely be a combination of some revenue and major cuts to get into the \$450-500 million range to help the Department of Corrections stave off federal intervention, and to follow through with plans in Medicaid reform.

There will be great interest to see if gaming gets brought back into the discussion – particularly if revenue bill opponents start killing bills, which is a likely scenario.

Will a Republican step out in uncharted waters to propose a lottery? Or advocate for a compact with the Poarch Creek Indians? Or as far as to expand offerings at existing facilities?

No easy answers will be found, and that's why legislative leadership will likely be found holed up in their districts rather than on golf courses and beaches during spring break.

Collins carries Charter Schools to finish line

When a legislator carries a bill that has some controversy, it generally means that the legislator in question will be tethered to the podium for a while when it comes to the floor. So it was Wednesday afternoon and early evening for second-term Rep. Terri Collins (R-Decatur). It would end up being a doubly rewarding day.

In what had to be a major legislative accomplishment for Rep. Collins, she won the battle on the House floor, but also saw the bill get its final passage when the Senate concurred in House changes to the bill. And there was an even greater win at the end of the day.

Rep. Collins was the House sponsor of charter schools legislation, and it was her task to guide SB45 – sponsored and pushed through the Senate by President Pro Tem Del Marsh (R-Anniston) – through the lower chamber. It promised to be no easy feat, and that was before the personal call she received as she took the floor for the day.

While Rep. Collins was charged with advocating for the GOP supermajority's cornerstone piece of its agenda for 2015, her heart and mind were tempted understandably to drift elsewhere upon getting the news that her daughter had gone into labor.

For the next four hours, Rep. Collins politely answered repetitive questions on the charter school legislation, deftly swatted away amendments, and navigated the debate with a performance



REP. TERRI COLLINS (R-DECATUR) GUIDED THE CHARTER SCHOOLS BILL THROUGH HOUSE; AFTER SENATE CONCURRED, GOV. BENTLEY SIGNED IT INTO LAW

that looked like a multi-decade member of the Legislature instead of one just months into her second term.

Rep. Collins poked fun at her predicament, and updated the chamber at various points on how things were going with her daughter. To the business at hand, she cheerfully pushed her bill, and didn't get rattled or agitated when the questioning occasionally got testy.

The most vocal opponents – all Democrats – objected to the flexibility provisions that charters would enjoy: instructors with non-traditional backgrounds would be allowed to teach and the salary guarantees offered to public school teachers were not in play.

Rep. Collins pointed out that charters often pay teachers above the traditional pay scale of public schools. Ultimately, one of the two amendments she did accept was using the state's teacher pay matrix as the floor for the pay at charter schools. Rep. Merika Coleman-Evans (D-Birmingham) offered that amendment. Rep. John Knight (D-Montgomery) attached the other amendment, which

allows historically black colleges and universities to partner with school systems to form charter schools.

Ultimately, Rep. Collins handled all the questions and amendments. Her patience was rewarded with a 58-41 vote to pass the bills. Eight Republicans joined the House's 33 Democrats in opposing the bill.

With her job complete, Rep. Collins hit Interstate 65 North toward her daughter, and by the end of the evening she had posted on Facebook a picture of her with new grandson.

A few minutes after the House vote, the Senate took up the bill again. Sen. Marsh asked his colleagues to concur in the House substitute version and amendments to the bill. There was some push back from Democrats, but it didn't last long and the Senate concurred.

Governor Robert Bentley, who was given additional appointments to the appeals commission, quickly – and quietly – signed the bill into law Thursday afternoon.

WINDOM, GALLIHER & ASSOCIATES

WWW.WINDOMGALLIHER.COM

334-241-0078

Note: The Windom Galliher Montgomery Update will publish weekly during the Legislative Session, but will not publish next week as the Legislature will be on Spring Break.