

# SPECIAL

# WINDOM GALLIHER

## MONTGOMERY UPDATE

AUGUST 4, 2015

## Special Session wobbles, but will it fall down?

The grease got hot in the Special Session, and it spilled over late Tuesday afternoon igniting a grease fire.

Tempers were frayed all day long from a cantankerous debate over gambling on the Senate floor between leading opponent Sen. Dick Brewbaker (R-Pike Road) and supporter Sen. Bobby Singleton (D-Greensboro). Turns out that was just a bump in the road on the way to the main event. That came after lunch at the House Ways and Means General Fund Committee.

The committee convened at 1:30 p.m. to consider several bills, including an increase to the cigarette tax, realignment to the business privilege tax, a pornography tax, unearmarking of selected funds and a new version of a General Fund budget.

The cigarette tax, sponsored by Rep. Connie Rowe (R-Jasper), would have raised \$66 million in new dollars by increasing the tax by 25 cents a pack and by reducing a tax discount for distributors.

The bill was stamped out, though, when GOP budget hawks teamed with the Black Caucus to defeat the bill on an 8-7 vote. Gov. Robert Bentley seethed nearby during the vote. After passing the unearmarking bill, Chairman Steve Clouse (R-Ozark) recessed the meeting to return at 4 p.m. with the intent of dealing with the privilege tax, the pornography tax, and the budget.

There was hallway talk that one of the GOP budget hawks had been prevailed upon to reconsider his vote in order to keep the bill – and the budget that was predicated upon it – alive.

That talk was dismissed shortly before Rep. Clouse gaveled the meeting back into session. He immediately launched into a passionate speech over the general misunderstanding of what the General Fund is and what its needs are.

His voice cracking with emotion, Rep. Clouse said the Legislature's inability to come to grips with a burgeoning Medicaid program has put the state in the box it resides now.



**HOUSE GENERAL FUND BUDGET CHAIR REP. STEVE CLOUSE (R-OZARK), ANGERED BY COMMITTEE VOTE, INTRODUCES AMENDMENT TO SLASH MEDICAID BUDGET**

Following his speech, he introduced an amendment to his budget bill that level-funded every agency but sliced Medicaid by \$156 million. His goal is to drive a debate on how to fill the gap.

His amendment drew the ire from several members of the Black Caucus on the committee, as expanding Medicaid is considered the caucus' number one aim. Rep. Clouse, clearly angered that the caucus took the political stance to oppose taxes in the session in order place pressure on the GOP supermajority, didn't take well to the complaints – evidenced in a tense exchange with committee ranking minority member Rep. Laura Hall (D-Huntsville).

A few moments later, the committee voted on party lines to report the amended budget to the floor.

State Health Officer Dr. Don Williamson, who is doubling as the Medicaid Commissioner, noted that a \$156 million cut to Medicaid is at least a \$460 million cut when the federal matching dollars are also reduced.

"It would effectively end the program," he said.

Medicaid helps fund health care for children (50 percent are on Medicaid), pregnant woman and the disabled.

Do we believe that this is the end of the matter, and that Medicaid is on the the permanent chopping block? No. Rather, we believe it is a high-stakes game of poker where Rep. Clouse and presumably Speaker of the House Mike Hubbard (R-Auburn) have shoved "all in" to force Democrats to the table and to isolate Medicaid funding as a major cause to the state's budget woes.

There was chatter that perhaps the Governor would sign a bare-bones budget to provide a framework for state agencies to operate Oct. 1, but call another special session specifically on Medicaid funding.

As fast as the session has changed directions in 48 hours, we could find ourselves changing directions again Wednesday morning.