

# WINDOM GALLIHER

## MONTGOMERY UPDATE

APRIL 3, 2015

### The Alabama General Fund Chainsaw Massacre?

The rumor persisted through the Statehouse that General Fund Budget chairs Sen. Arthur Orr (R-Decatur) and Rep. Steve Clouse (R-Ozark) would be preparing a “doomsday budget” to introduce.

The reality of it was kinda/sorta.

Sen. Orr and Rep. Clouse unveiled a spreadsheet that served as an illustration of what would happen if available general fund money were used to prepare a budget for fiscal year 2016.

No truth to the rumor that scary music was playing in the background.

All along, Rep. Clouse has been willing to discuss new revenue. He went as far as to schedule public hearings on bills that are the bulk of Governor Robert Bentley’s \$541 million tax program.

After some pushback, Rep. Clouse thought better of it, and asked selected agencies to let him know what their requests were.

Sen. Orr continued to play things coyly. He told a business group prior to Spring Break that he had requested reports from state agencies on the specific impact of budget cuts up to 30 percent.

It remains to be seen if the spreadsheet – which cuts \$240-250 million from this year’s amount – made an impact.

One legislator, not a General Fund budget committee member, said he didn’t think it did.

“I think there’s a lot of people that won’t vote for a single tax – except, maybe, cigarettes,” he said. “I could see many of them looking at the spreadsheet and say, ‘Works for me,’ and move on. They are hearing ‘no new taxes’ at home rather loudly.”

The vote Tuesday in Baldwin County had to resonate – particularly with Republicans. There were five school tax pro-



**FREDDY AND JASON? NO, IT’S LEGISLATIVE GENERAL FUND BUDGET CHAIRS SEN. ARTHUR ORR (R-DECATUR) AND REP. STEVE CLOUSE (R-OZARK). THE TWO GENERAL FUND BUDGET CHAIRS GAVE A GLIMPSE OF WHAT THE BUDGET WOULD LOOK LIKE WITHOUT ADDITIONAL FUNDS.**

posals – three renewals and two new ones – on the ballot. All were defeated.

Essentially, the average cut to agencies was 11 percent, but most agencies were cut 30 percent in the “example” spreadsheet.

The two with the biggest problems – Medicaid and Corrections – took the least cut. Medicaid, which is seeking more than \$100 million in new dollars, was cut 3 percent.

Corrections, which presumably needs up to \$25 million new dollars to pay for a prison reform program that passed the Senate Thursday, was cut 4 percent.

Under the scenario, the court system would take a 20 percent cut, while Mental Health would take a 30 percent cut.

Governor Robert Bentley said he would call “10 special sessions,” if necessary

to goad the Legislature into following his revenue plan.

The legislator said he could see it playing out differently.

“I could see us passing a bare bones budget and ending the session,” he said. “Then we could wait and see what the reaction was as the impact started to take hold, and, if the grease gets hot enough, come back in August or September to rework the General Fund.”

For his part, Gov. Bentley has taken to the road to try to drum up support, and has enlisted the help of his cabinet to reach out to stakeholders to seek their assistance. To this point, he hasn’t found many takers.

At this point, the grease is nowhere near warm as far as the General Fund is concerned.

## Sen. Cam Ward & The Prison Reform Redemption

Sen. Cam Ward (R-Alabama) might as well drive to the nearest state prison, lock himself in and try to bust out, some said. He stood a better chance of doing that than passing a prison reform bill, so the story went.

Sound the alarms.

The Alabama Senate took the first steps at staving off federal intervention in the state's corrections system, passing Sen. Ward's reform bill by a 31-2 vote.

For the better part of a year, Sen. Ward has chaired the state's Prison Reform Task Force and has kept pushing the issue in the halls of the Legislature, in the media, and wherever two or more were gathered.

"Regardless of how you voted, whether you are Republican and Democrat, I've never been more proud to serve with you," Sen. Ward told his colleagues after the vote.

"It was a very big win today – not for any one group, but for the state of Alabama. You have done a good service today. It's not a perfect bill, but you did the best job you could possibly do."

The job is by no means done, but Sen. Ward made a heavy, heavy lift Thursday. The bill moves to the House where Speaker Mike Hubbard (R-Auburn) says it will be a priority, and Rep. Mike Jones (R-Andalusia) stands ready to shepherd the legislation.

"Doing nothing," Speaker Hubbard said, "is not an option."

The aim of the legislation is to reduce overcrowding in the state's prisons, which are at near double their official capacity and to head off lawsuits and a U.S. Department of Justice investigation.

It would be achieved in a number of ways. The bill would beef up the staffing



**SEN. CAM WARD (R-ALABAMA), HAVING PASSED A PRISON REFORM BILL IN THE SENATE, SAYS HE'LL GO TO ANY LENGTH TO MAKE SURE THE PLAN IS FUNDED**

of parole officers at the State Board of Pardons and Parole. Furthermore, drug courts would handle those types of cases, rather than clogging up the conventional courts. Also, there would be greater use of community-based corrections programs to divert those convicted away from the state's prisons.

The big move would be creating a new, lower class of felony – Class D.

Many non-violent and drug-related crimes would be reclassified to Class D, which would lead to 1 to 5-year sentences, but not count against the state's Habitual Offender Act.

The "three strikes law" applying to non-violent and drug offenders is viewed by many as the core of the overcrowding problem in the state's correctional system.

As the debate wound down Thursday, Senate General Fund Budget chair Sen. Arthur Orr (R-Decatur) tacked on an amendment that would essentially negate the legislation if the Legislature

failed to fund it.

Sen. Ward agreed, but signaled that he would be ready to fight tooth and nail to protect the reform effort. The amendment passed 19-14.

"I will vote against, filibuster against any budget that doesn't fund this," he said. "I will go to the wall."

In the final vote, only Sen. Bill Hightower (R-Mobile) and Sen. Dick Brewbaker (R-Montgomery) voted against the legislation.

Throughout the debate, Sen. Ward acknowledged that the House would have its take on the issue, and that the Senate's work was not done.

He rightfully expect to see the bill again to deal with House amendments.

Even so, it didn't dampen the applause given Sen. Ward once the vote was announced. Already known as one of the Senate's most adept floor operators, Sen. Ward only enhanced his reputation with his work on the floor Thursday.

## On the 10th Day, there shall be Sunset bills

One of the thankless tasks in the Legislature is serving on the Sunset Committee. Approximately 100 agencies, licensing boards and commissions face regular review by the committee.

Under the law, the agencies' existence is tied to the calendar. When one is reviewed,

the committee can recommend reauthorization for up to four years, or recommend termination (or Sunset, hence the name).

Each year up to 30 agencies face audits by the Examiner of Public Accounts. Senior staff from those agencies appear before the

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## Accountability Act: Senate gives OK to Marsh proposal

Senate President Pro Tem Del Marsh's (R-Anniston) crusade to remake public education in Alabama continued Thursday as his bill to modify the Alabama Accountability Act made it through the Senate by a 20-14 vote.

The bill would expand the cumulative statewide tax credit for donating to scholarship granting organizations to \$30 million.

Also, \$7,500 cap on tax credits for individuals and couples was removed.

For students, the priority remains for students of failing schools to get first dibs on a scholarship, but it would allow students at non-failing schools to qualify after July 31 each year, if money is available.

The income eligibility for scholarships was lowered to 185 percent of the federal



**SENATE PRESIDENT PRO TEM DEL MARSH (R-ANNISTON) GOT THE FIXES HE WANTED TO THE ALABAMA ACCOUNTABILITY ACT**

poverty level — which is \$44,123 for a family of four.

The Senate's eight Democrats and one independent were joined by five Republicans in voting against the bill. Still, Sen. Marsh was undeterred.

"I'm happy for parents and kids in this

state who will have a choice who never had a choice before," he said.

The win came a couple of weeks following passage of the charter schools bill. It remains to be seen whether the Accountability Act changes will navigate the House successfully, as did the charter schools legislation.

## Sunset

(From Page 2)

committee for questioning. Agencies that are in good stead are usually recommended for four-year reauthorization. If the agency is recommended only for one year, there are major problems.

Veteran Rep. Howard Sanderford (R-Huntsville) is known as the Sunset Man at the Alabama Statehouse. He has served on the committee for two dec-

ades and has a deep knowledge of the agencies. Even when he hasn't been the official chairman, he's been the *de facto* chairman because of his experience.

Under the law, the Sunset legislation must be addressed by the 10<sup>th</sup> legislative day in the House in the first and third years of the quadrennium, and by the Senate by the 15<sup>th</sup> legislative day. It reverses in the second and fourth years.

As the 10<sup>th</sup> legislative day arrived Thursday, Rep. Sanderford — and his Sunset teammates Reps. Laura Hall (D-

Huntsville) and Jim Patterson (R-Hazel Green) — recommended the reauthorization of approximately 20 agencies and recommended the termination of sunset review of one board. The Interagency Council for the Prevention of Elder Abuse will continue to exist, but will not have to face sunset review if the bill passes.

The work can be highly tedious, and members moan and groan through the Sunset Day, but the members rightfully thank Rep. Sanderford at the end of the day.

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**Note:** The Windom Galliher Montgomery Update will publish weekly during the Legislative Session.