

LEGISLATIVE UPDATE

Friday, July 31, 2015

The Alabama Senate and House will reconvene on Monday, August 3 at 4:00pm and 5:00pm respectively. By law, the legislature must adjourn the first special session by or before August 11-giving them only 9 possible meeting days in this session to resolve the General Fund Budget.

With such a short period of meeting time, both House and Senate leadership have said they will likely meet every day next week, and that the first priority is reaching a consensus on the budget. Neither chamber is expected to address any other bills until the general fund deficit is properly addressed. In the event legislators are unable to reach a consensus on a budget, there is a strong possibility that the Governor will immediately call them back into a second special session.

The Association staff will monitor all of the bills introduced during the special session, but will be paying special attention to these <u>three bills proposing various distributions of the BP Oil Spill</u> <u>Settlement funds</u>.

The Association's legislative team is working with legislators to ensure Alabama counties have a voice in how the oil settlement funds are distributed. Senators are expected to use SB 1 as a starting place for settlement fund negotiations, and the Association's position is that the settlement dollars should be used to satisfy the following debts as prioritized below:

- 1. repay the rainy day withdrawals from the Alabama Trust Fund
- 2. repay the money borrowed from the Alabama Trust Fund for the last three fiscal years
- 3. repay the Medicaid debts
- 4. any moneys remaining after making these repayments would be placed in the Alabama Trust Fund.



All three of the bills introduced about the oil spill funds were assigned to the **Senate Finance and Taxation General Fund Committee**. County officials are encouraged to contact the members of the committee **THIS WEEKEND** to seek their support of the Association's position that 1) the settlement funds should be used to repay the Alabama Trust Fund, and 2) all of these bills should be amended to eliminate the Governor's discretion to determine when and how the repayments should be made.

Please ask Senators to support changes to ensure that the repayments to the Alabama Trust Fund are automatic and do not require further action.

Senate Finance and Taxation General Fund Committee members: Sen. Orr, Chairman; Sens. Beasley, Chambliss, Dunn, Holtzclaw, Livingston, Marsh, Melson, Pittman, Sanford, Singleton, Stutts, Waggoner, Ward.

Additionally, the Governor released his \$302 million revenue proposal on Wednesday of this week. The Association staff is in the process of reviewing those bills and will have more details on them in next week's legislative reports.

County officials and employees are urged to pay attention to next week's email alerts for updates on the budget discussions. The staff will also be closely monitoring the proposed legislation on <u>marriage contracts</u>, <u>pistol permits in vehicles</u>, <u>monument protection</u>, and any other bills that might be introduced next week.

Undoubtedly, the decisions made during this special session (and any subsequent special sessions) could potentially impact county revenues. As always, active participation from the membership will be critical part of the Association's legislative efforts! Thank you for all you do, and please do not hesitate to contact a member of the Association staff with any questions about the upcoming special legislative session.

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