



Alabama lawmakers meeting on budget shortfall this week

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State lawmakers will be in Montgomery this week working on solutions to the state budget shortfall.

The House Ways and Means General Fund Committee will meet on Thursday at 2 p.m.

Rep. Steve Clouse, R-Ozark, the chairman, said one purpose of the meeting is to learn more about how two bills passed by the Legislature during the regular session could affect the budget.

One new law allows state agencies to raise fees, with limitations, based on the Consumer Price Index. Before the law those agencies needed separate legislation to raise fees.

The second new law allows agencies more freedom to spend revenues that are earmarked for specific purposes.

The laws could have some effect on the bottom line as lawmakers try to resolve a shortfall of \$200 million for the fiscal year that begins Oct. 1.

Gov. Robert Bentley has said he would call a special session this summer to pass the budget. Lawmakers have said they expect that to be in August.

Sen. Arthur Orr, R-Decatur, who chairs the General Fund committee in the Senate, said he would meet with other senators to discuss the budget problems on Thursday.

Orr said the meeting would be to seek some consensus on how to resolve the shortfall.

Legislators rejected Bentley's \$541 million tax increase package during the regular session.

The governor says that amount is needed to reliably fund key state services like Medicaid, prisons and mental health next year and beyond while repaying transfers used to prop up the budget in recent years.

House Republicans proposed a smaller tax package of about \$150 million but dropped it after being told it would not pass the Senate.

Lawmakers passed a budget that would have cut spending from the General Fund by \$200 million. **Bentley vetoed**

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