

Legislators expected to vote Tuesday on \$1.8 billion General Fund budget

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Alabama legislators are expected to vote Tuesday on a \$1.8 billion General Fund budget that ups funding for several state-run programs, but local representatives aren't optimistic the budget will stick without opposition.

State House Rep. Paul Lee, R-Dothan, said during a legislative meeting at the Dothan Area Chamber of Commerce on Monday that the budget the House will vote on Tuesday includes \$700 million for Medicaid – which is \$15 million over last year, as well as \$7.5 million more for the Alabama Board of Pardons and Parole, \$2.5 million more for the Alabama Department of Mental Health, and \$2.5 million more for the state Department of Human Resources.

Locally, Lee said the budget includes \$47,250 for Landmark Park, \$46,000 for the Fort Rucker Defense Base Closure and Realignment Commission (BRAC) and \$475,000 for the Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority.

Lee said he expects Democrats to vote against the proposed budget because it doesn't include more funding for Medicaid. Medicaid officials asked for an additional \$157 million, which includes funding to transition from the current fee-for-service model to provider-based managed care entities known as Regional Care Organizations ("RCOs"), as well as to refund past overpayments from the federal governments.

Lee said the state receives about three federal dollars for every \$1 spent on Medicaid.

"(Democrats) think more money needs to go to Medicaid and maybe so, but I don't know where we're going to get it from," Lee said.

"I feel (Gov. Robert Bentley) will veto the budget because he wants more money for Medicaid, then I feel we'll override it ... and then it's a possibility the governor will probably call us in for a special session just for Medicaid. What ideas he has, I don't know."

Lee said state funding for Medicaid has increased \$300 million in the last 10 years, while funding for prisons, mental health and DHR services have declined by almost \$20 million each.

"It's an animal that's unsustainable. Every state in the nation is dealing with it," he said.

"There have got to be some changes made."

Lee said between \$35 million and \$40 million in new revenue in the General Fund budget is the result of a bill the House passed that allows sellers, such as Amazon, that sell goods over the internet to "volunteer" to pay taxes at a discounted rate since there is no law requiring they do so in Alabama.

State Rep. Donnie Chesteen, R-Alabama, said the state's \$6.3 billion education budget passed to include \$60 million in new dollars for foundation programs. Those monies include \$8 million into transportation, \$29 million to Other Current Expense (OCE), \$8 million to textbooks/technology and \$14 million to Pre-K programs.

Chesteen said teachers will receive a 4-percent raise if they make \$75,000 a year or less, and a 2-percent raise if they make more than \$75,000. He said community college employees will receive a 4-percent raise, without income considerations. The community college program is also expected to receive an additional \$2 million to supplement salaries for high-demand technical directors.

Chesteen said the budget fully funds the \$23 million from the Public Education Employees' Health Insurance Plan (PEEHIP) in lieu of retirees not receiving a cost-of-living adjustment (COLA).

He said the budget also allows for the hiring of 475 new teachers for seventh through 12th grade.

"All in all I think this is by far the greatest budget we've had," he said.

"If the economy continues and we don't have a catastrophe with our economy, next year should be good as well."

The next legislative update meeting is set for 7:30 a.m. Monday, April 11, at the chamber.