

BP settlement and other bills in limbo as session comes to end

By Mary Sell Montgomery Bureau | Posted: Sunday, May 1, 2016 12:15 am

MONTGOMERY — With only two days left in the legislative session, the fate of some high-profile bills — ranging from distribution of the BP settlement to Medicaid funding to police jurisdictions — remains uncertain.

Whether some of the state's nearly \$1 billion BP settlement should be used to fund road projects around the state — as desired by many north Alabama lawmakers — is likely to be a major issue as the legislative session comes to a close.

North Alabama senators previously signed on to a BP settlement plan that promised road money for their areas. That language is gone from a House-approved plan the Senate will debate this week.

The new proposal does give about \$191 million to Mobile and Baldwin counties. It also pays back about \$483 million in state debts and frees up about \$70 million for the Alabama Medicaid Agency, which is facing a shortfall in 2017.

“It's either Medicaid or roads,” Rep. Steve Clouse, R-Ozark, said last week about his House Bill 569.

But several north Alabama House members lined up Thursday night to speak against the bill and argue their areas deserve a piece of the BP pie, too.

The same debate is expected in the Senate.

Sen. Tim Melson, R-Florence, said the original bill he voted for in the Senate included road money distributed around the state. He said he wouldn't vote for the new one.

“I'm not going to give someone else a significant portion and exclude the rest of the state,” he said about coastal counties receiving \$191 million. He represents parts of Lauderdale, Limestone and Madison counties.

“We're analyzing the bill that passed the House and will probably have some input for improvement,” Sen. Arthur Orr, R-Decatur, said.

The BP bill will be in the Senate General Fund committee, on which several north Alabama senators sit, on Tuesday. From there, it'd go to the full Senate on Wednesday. Any changes made in the Senate would have to be approved in the House on Wednesday.

Like Melson, committee member Sen. Larry Stutts, R-Tuscumbia, said Friday he wants to see some of the \$191 million currently dedicated to the coast spread around the state.

“I think the priority is paying off our debts,” Stutts said. “I agree that the Gulf Coast probably needs more money than other areas, but some of it has to go everywhere.”

Lawmakers from the coast have argued that region should get more money because it was the most affected by the 2010 oil spill. Proponents of not giving Mobile and Baldwin counties as much of the settlement money — which would be about \$639 million through an upfront bond issue — argue it’s the state’s settlement and the state’s General Fund took a hit after the spill. And the coast has gotten other BP relief money, including \$1.3 billion for coastal restoration.

Sen. Trip Pittman, the Senate General Fund committee chairman from Baldwin County, said he doesn’t expect the money going toward the coast and the debt repayment amount to change much.

Asked about north Alabama senators’ concerns about road money for their areas, Pittman said several of them are on the General Fund committee and have a responsibility to see the state’s debts paid back.

“Some of them chose not to support revenue measures that would have supported the General Fund budget,” he said. “If you want to do everything, at some point you need more money.”

Pittman also said the legislation doesn’t have to pass.

Proponents of the Clouse bill have said Medicaid needs to be a priority, but that hasn’t been the sentiment among all lawmakers this year who are frustrated with the agency’s growing demands on the General Fund budget.

The 2017 budget they approved had \$700 million for Medicaid. That’s \$85 million less than the agency said it needs.

“We’re going to make it work,” Gov. Robert Bentley said Friday about Medicaid’s funding. “We need (the \$70 million in Clouse’s bill), but if we don’t get it, I’m still going to make it work.”

He said he is still looking at possible cuts to the agency.

Clouse said he wouldn’t accept any changes to the bill that result in less than a \$448 million payment toward state debts. That’s money from two different sources borrowed in 2010 and 2012 to prop up the state General Fund. The \$448 million represents about 80 percent of the total owed.

Payday lending reform

A bill to change payday lenders’ borrowing terms is expected to get a vote Tuesday in the House. But Senate Bill 91 was altered from what Orr originally proposed. It doesn’t reduce interest rates or lengthen loan times as much as Orr’s original bill did.

Rep. Lynn Greer, R-Rogersville, said Friday the interest rates in Orr's bill may be too low.

"One argument is that Orr's bill shuts (payday lenders) down," Greer said. "I'm not for that."

If it passes the House on Tuesday, it has to go back to the Senate to concur with the changes made in the House. Orr said the new version of the bill isn't enough reform.

"I don't think the House committee version goes far enough," Orr said.

Police jurisdiction vote pending

Also Tuesday, the House is expected to vote on the bill to let Decatur and other cities pull back their police jurisdictions from 3 to 1½ miles. From there, it would go back to the Senate to concur with some minor changes.

Municipalities can't change that 3-mile designation on their own. A Morgan County group has threatened to boycott Decatur businesses if the Legislature doesn't limit police jurisdictions this session, and if the city does not use the legislative authority to reduce or eliminate its police jurisdiction.

Senate Bill 218 by Sen. Cam Ward, R-Alabaster, also says when a city with more than 6,000 residents increases its borders, city leadership can vote to implement a 3-mile police jurisdiction beyond the city's border. The 3-mile police jurisdiction is automatic now.

Abortion clinic bill

Sen. Paul Sanford, R-Huntsville, said Friday he didn't know if his bill that would make the abortion clinic in his city relocate would come up for a House vote in the final two days of the session. Senate Bill 205 says an abortion clinic can't be within 2,000 feet of a public elementary or middle school.