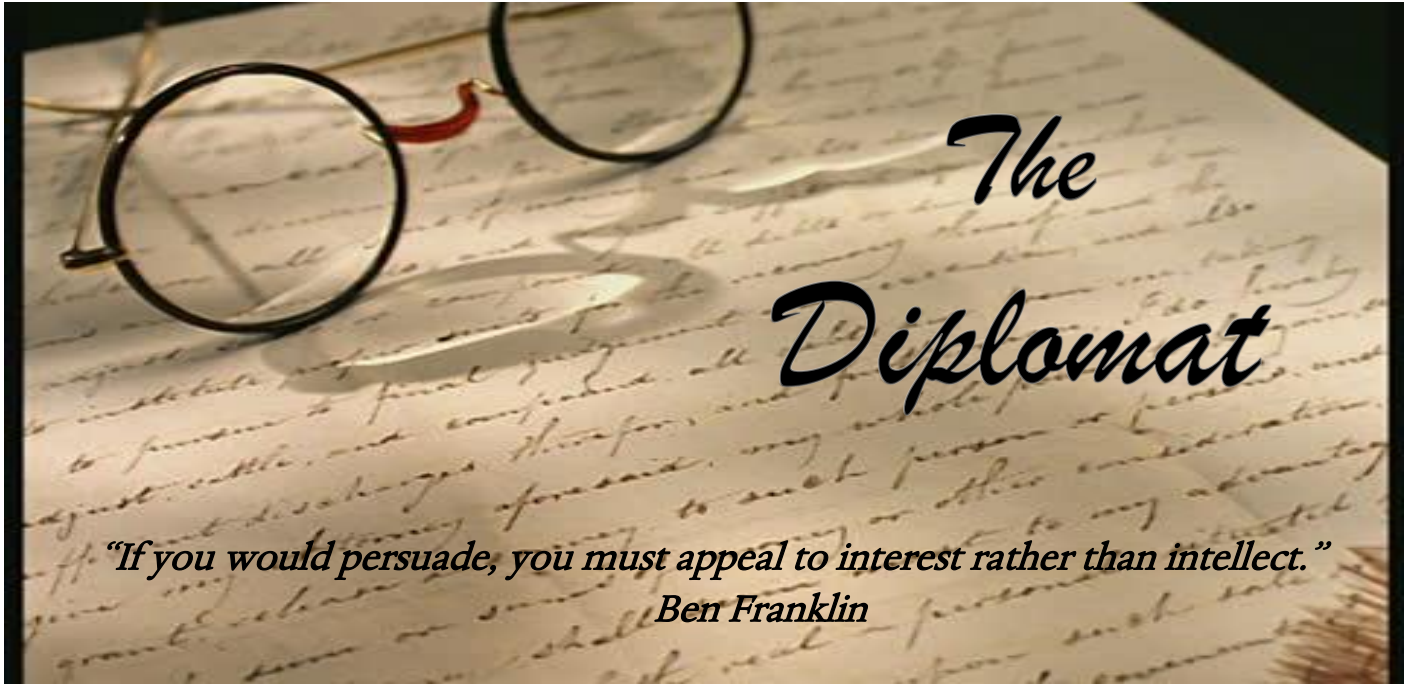


Special Report - April 30, 2020



A Publication by deGraffenried and Company

The Legislature

What's Next?

VISIT OUR WEBSITE:

www.deGlobby.com

Ryan deGraffenried III • Susan Hansen • David Rogers
529 South Perry Street, Suite 10, Montgomery, Alabama 36104 • Email: deg@deGlobby.com

THE LEGISLATURE

What's Next?

The 2020 Legislative Session will be one for the history books; of course, that can be said for 2020 in general. In the wake of the COVID-19, the Legislature has not convened as a whole body since March 12th. Last week legislative leadership decided to return to work on Monday, May 4th, but only to tackle the budgets and local bills to give fiscal certainty to schools and state agencies as soon as possible. The session must be concluded by May 18th. A regular legislative session is limited to 30 meeting days within 105 calendar days.

That said, the Legislature will only use a few of its remaining 15 meeting days, and leadership has said no other matters will be considered. The public, including lobbyists, will not be allowed in the Statehouse. Elderly legislators and those with preexisting conditions have been urged to remain home, and legislative staff will be limited to necessary personal only.

Tuesday, the Senate Finance & Taxation General Fund Committee met briefly. It approved a proposed 2021 General Fund Budget of \$2.38 billion, an increase from the current year funding but less than what was expected before the coronavirus outbreak impacted tax revenues.

The funding increases are primarily for four agencies: Medicaid, mental health, corrections and public health. Raises that were anticipated earlier in the year for state employees are not in the current budget.

Democrats in the House and Senate have expressed concerns about continuing with the Legislative Session. House Minority Leader Anthony Daniels (D-Huntsville) wants to wait until July to consider the budgets. He believes it is unwise to pass them until we know what affect the pandemic will have on state revenues. Sen. Vivian Figures (D-Mobile) also wants to wait and return later in the year due to safety concerns. Several Democrats have hinted that they will not be in Montgomery next week when the Legislature reconvenes.

Assuming the virus dissipates over the summer, it's anticipated Governor Ivey will call the Legislature back for one or more special sessions, if safe to do so. These sessions are limited to 12 legislative days within a 30-calendar day span. The two budgets will almost definitely need to be tweaked before the beginning of the 2021 fiscal year beginning on October 1st, and there remain several important items the Legislature would like to address that did not make it through the process during this abbreviated session with prisons being on the top of that list.