

1 HB133
2 197332-1
3 By Representative Hill
4 RFD: Fiscal Responsibility
5 First Read: 05-MAR-19

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8 SYNOPSIS: The State of Alabama currently earmarks by
9 statutory or constitutional requirements more of
10 its state revenues than any other state. This
11 earmarking makes it difficult for the Governor and
12 the Legislature to adequately address funding
13 issues that occur when deducted revenue sources
14 decline or are no longer available.

15 This bill would require all state taxes or
16 fees that are not distributed to the Education
17 Trust Fund or State General Fund or
18 constitutionally distributed to a specific fund or
19 for a specific purpose to be deposited into the
20 State General Fund and appropriated as the
21 Legislature may deem appropriate for the
22 expenditures of the state.

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

1 To define state taxes or fees for the purpose of
2 this act; and to require all state taxes or fees that are not
3 distributed to the Education Trust Fund or State General Fund
4 or constitutionally distributed to a specific fund or for a
5 specific purpose to be deposited into the State General Fund
6 and appropriated as the Legislature may deem appropriate for
7 the expenditures of the state.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. For purposes of this act, the term "state
10 taxes or fees" shall mean any tax, fee, license or other
11 source of revenue received by the state pursuant to statute,
12 rule or any other means. This definition shall in no way
13 include:

14 (1) state funds distributed to the Education Trust
15 Fund or State General Fund on the effective date of this act;

16 (2) state funds which are constitutionally dedicated
17 for a specific purpose;

18 (3) state funds which are dedicated to the payment
19 of debt service on outstanding state bonded indebtedness;

20 (4) state funds designated by the federal government
21 or State or Federal court order;

22 (5) Medicaid provider taxes from hospitals, nursing
23 homes, and pharmacies and Medicaid intergovernmental transfers
24 from public hospitals and public nursing homes;

25 (6) state funds used entirely for the purpose of
26 matching available federal funds; or

1 (7) portions of a state-levied tax that are
2 distributed directly to counties.

3 Section 2. Notwithstanding any other provision of
4 law to the contrary, beginning October 1, 2019, any and all
5 taxes or fees levied by the State of Alabama, its agencies, or
6 instrumentalities, which are not required to be distributed to
7 a specific fund or used for a specific purpose pursuant to the
8 Constitution of Alabama of 1901, as amended, shall be
9 deposited into the State General Fund.

10 Section 3. Pursuant to the provisions of Amendment
11 448 to the Constitution of Alabama of 1901, now appearing as
12 Section 71.01 of the Official Recompilation of the
13 Constitution of Alabama of 1901, as amended, the Legislature
14 shall make appropriation from the State General Fund annually,
15 as the Legislature may deem appropriate for the expenditures
16 by the state during the ensuing budget period for the
17 executive, legislative, and judicial departments of the state,
18 for the payment of public debt, and for education. In
19 addition, the Legislature shall continue to make
20 appropriations of funds not impacted by the provisions of this
21 act.

22 Section 4. All references to a fund or entity other
23 than the State General Fund contained in any provision of the
24 Code of Alabama 1975, which distributes a state tax or fee, as
25 defined herein, are changed to the State General Fund. All
26 other laws, rules, regulations and legal references of any
27 kind providing for the distribution of a state tax or fee, as

1 defined herein, to a fund or entity other than the State
2 General Fund shall be changed to the State General Fund when
3 the Code of Alabama 1975 is next reprinted and as other laws,
4 rules, regulations and legal references are appropriate,
5 timely and economically feasible.

6 Section 5. This act shall become effective on the
7 first day of the third month following its passage and
8 approval by the Governor, or its otherwise becoming law.