



Office of Senate President Pro Tempore Del Marsh
Press Clips
Saturday, July 19, 2014

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[Sen. Del Marsh opposes tax increases, says state workforce can be cut by 9 percent \(AL.com\)](#)

The top-ranking member of the Alabama Senate said today he opposes any tax increases and said a leaner government and economic growth are the keys to salvaging the state budget.

Senate President Pro Tem Del Marsh, R-Anniston, was asked whether lawmakers should consider any proposals to raise new revenue after Gov. Robert Bentley mentioned that possibility in an Associated Press story this weekend.

"I'm not going to support any tax increase," Marsh said. "In fact, I look at this as a further opportunity to right-size government."

Marsh said the state work force has been trimmed by about 11 percent during the last four years, mostly by attrition. He said he thought it could be reduced by about another 9 percent.

"I'm going to do what I can to right-size government," Marsh said.

Jennifer Ardis, communications director for Bentley, said the governor is also opposed to tax increases.

"The governor's goal is to not raise taxes, period," Ardis said. "We know there is a revenue issue in the next budget year. But it's very early and the governor is looking at all options to make up the revenue shortfall."

Ardis said the governor is also looking at further efforts to streamline government.

Rachel Adams, spokeswoman for House Speaker Mike Hubbard, said Hubbard has not had any discussions with the governor about plans for new tax revenue.

"Given the fact that a large percentage of our Republican legislative candidates have taken pledges against new taxes, any broad-based levies would likely be difficult to pass," Adams said in a statement. "It would be appropriate for the Governor to sit down with Speaker Hubbard, Senate Pro Tem Del Marsh and the rest of the legislative leadership at some point before the next session to discuss the General Fund budget needs and how to best meet them without violating the conservative principles that all of us, including Gov. Bentley, believe in deeply."

[Related: Cigarette tax increase one suggestion for boosting Alabama General Fund]

For budget years 2013-2015, the Legislature has relied on \$145 million from the Alabama Trust Fund to balance the General Fund. But all of the \$437 million voters approved for that purpose in 2012 has been used.

That means the Legislature either has to have new revenue or make cuts when it develops the 2016 budget early next year.

Del Marsh: State workers could be cut 9 percent (Montgomery Advertiser)

The leader of the Alabama Senate on Monday emphatically rejected the possibility of new taxes to address a looming budget shortfall in 2015, instead saying the answer could be further reductions in the state's work force.

Senate President Pro Tem Del Marsh, R-Anniston, said he believes part of the funds to close a gap in the state's \$1.8 billion General Fund budget, which pays for most non-education programs in the state, could be found by cutting another 9 percent of the state's workforce

"I'm not going to support any tax increase," he said. "I look at this as a further opportunity to right-size government."

The senator said he expected the elimination of any positions to occur through attrition.

The state workforce has been reduced 11 percent since 2011, and Mac McArthur, the director of the Alabama State Employees Association, said the result has been increased workloads for state employees. McArthur said additional cuts could affect the delivery of services and leave state departments out of compliance with certain federal guidelines.

"I don't know how you sustain 9 percent cuts, or any significant cuts, period," he said.

Last week, Gov. Robert Bentley said that he was "looking at all possibilities" to balance next year's General Fund. Jennifer Ardis, a spokeswoman for Bentley, said Monday that it was "still very early" to talk about the budget, which will not be submitted to the Legislature until March.

"The governor said all options were on the table," she said. "That certainly does not mean the governor has made up his mind one way or another about those options. His goal is to not raise taxes, period."

The General Fund gets most of its funding from non-growth revenue sources, and has been in a perpetual state of crisis for the past seven years, due to flat growth and mounting costs in the state's Medicaid and Corrections programs. Lawmakers building the budget next year will have to deal with the loss of \$145 million borrowed from the Alabama Trust Fund, and the potential loss of \$50 million in one-time money used in the budget this year that may or may not be available for the FY 2016 budget, which begins on Oct. 1, 2015.

Other measures Marsh said were on the table included consolidation of the state's two budgets; removing earmarks that tie up more than four-fifths of the state's tax revenue and the elimination of some deductions and exemptions.

Marsh declined to name specific exemptions, saying he was not trying to pick on any particular industry. Alabama's tax code lists numerous deductions and exemptions for a large number of entities.

Other proposals may run into difficulty. Much of the revenue earmarked in law is reserved for education. In the past, education budget chairs have rejected unification proposals — including one floated by Bentley — fearing that the accelerating costs in Medicaid and Corrections, combined with lawmakers' unwillingness to create new sources of revenue, would take away money from schools.

Rachel Adams, a spokeswoman for House Speaker Mike Hubbard, R-Auburn, said the speaker had not discussed the possibility of new tax revenue with Bentley.

"Given the fact that a large percentage of our Republican legislative candidates have taken pledges against new taxes, any broad-based levies would likely be difficult to pass," she said in a statement.

Marsh also rejected the possibility of any tax cuts next year, and suggested that lawmakers should look carefully at any economic incentives that may be proposed in the future.

"If we've got this budgetary crisis, we need to look at what we're giving industries, and we need to encourage industries to come," he said. "But we've got to look at the whole picture, and how one thing could affect everything else."

[Sens. Arthur Orr, Del Marsh plan to review Alabama tax policy \(AL.com\)](#)

Some key leaders in the Alabama Senate are planning a review of state tax policy and how some industries are treated differently.

Sen. Arthur Orr, R-Decatur, the chairman of the state Senate's General Fund budget committee, said he wants a full review of tax credits and exemptions as the state looks at ways to close a projected funding shortfall next year.

Orr said the Legislative Fiscal Office is going over state tax laws in detail and will give him a report in August or September.

"Before we consider any type of tax increases we need to evaluate why a lot of exemptions, credits and deductions have been given in years past," Orr said. "They're going through the tax code with a very, very fine tooth comb to evaluate each decision."

Orr said he had gotten a preliminary list from the LFO but declined to say what it includes because he hasn't had a chance to research it.

Senate President Pro Tem Del Marsh said he wants to look at state tax law and make sure industries are treated equitably and in a way that promotes free markets.

Marsh said he believes there are problems with the tax but he declined to elaborate.

"I would argue that we're not a true free market state," Marsh said. "You look into the tax law and look at how many different organizations have a different tax deal and ask yourself, 'Is that a free market?' "

"I'm going to look at all of the tax policy of the state, who gets tax exemptions and why. I want to see the whole picture."

AL.com asked Orr and Marsh the possibility of tax increase proposals today because Gov. Robert Bentley told the Associated Press in a weekend story that the state might have to consider them because of an expected shortfall in the General Fund budget next year.

Jennifer Ardis, the governor's spokeswoman, stressed today that the governor's goal is to avoid tax increases.

"We know there is a revenue issue next year," Ardis said. "But it's very early and the governor is looking at all options to make up the revenue shortfall."

[Cigarette tax increase one suggestion for boosting Alabama's General Fund \(AL.com\)](#)

Gov. Robert Bentley told the Associated Press in a story published this weekend that state leaders need to consider looking for new revenue.

The state has borrowed \$437 million from the Alabama Trust Fund to balance the General Fund the last three years.

But none of that money will be left for the fiscal year 2016 budget.

The Legislature and the governor, Bentley or his Democratic opponent, Parker Griffith, will have to begin crafting that budget early next year.

"We are looking at all possibilities right now for the next four years because we have to. That's my job," Bentley told AP.

He also said: "It's always my desire not to raise taxes, but I also know we have to have revenue."

Bentley had previously said that reducing crowding and other problems in Alabama's overfilled prisons will cost money.

Rep. Steve Clouse, R-Ozark, chairman of the House Ways and Means General Fund Committee, said he would support a "moderate increase" in the cigarette tax, something in the range of 20 cents to 30 cents a pack.

"That could potentially raise somewhere in the \$65 to \$75 million range," Clouse said.

Clouse said he would not want a cigarette tax increase so large that it would hurt Alabama retailers in competition with border states.

The Legislature has used \$145 million from the Alabama Trust Fund each of the last three years to balance the General Fund.

Voters approved that transfer from the ATF in 2012. Last year, the Legislature passed a bill requiring payback of the \$437 million by 2026.

The payment due in fiscal 2016 will be \$15 million.

"So that's a \$160 million deficit just from those two items," Clouse said.

[Alabama Secretary of State's office again hitting the road to issue free photo voter IDs \(AL.com\)](#)

The Alabama Secretary of State's office is hitting the road again starting next week with a mobile unit to provide free photo voter IDs.

The cards are for voters who don't have a driver license or other form of photo ID needed to vote under the state's photo voter ID law, which was in effect for the first time in the June 3 primary.

[Related: What you need to know about the photo ID requirement.]

In a news release, Secretary of State Jim Bennett announced a schedule of visits by the mobile unit from July 22 to Oct. 8.

The unit will be on the road a total of 18 days. It made 93 stops before the June 3 primary.

"Some counties recommended that we return to a few more areas and serve the voters there," Bennett said in the news release.

Voters can also get the free photo IDs at their county Board of Registrars office or the Secretary of State's office.

Almost 3,000 free photo voter IDs have been issued, Bennett said.

Next week, the mobile unit will be in Franklin, Lawrence and Colbert counties.

-- July 22, 10 a.m. to 3 p.m., Red Bay Senior Center, Red Bay.

-- July 23, 8 a.m. to 10 a.m., North Courtland Senior Center, Courtland.

-- July 23, 11 a.m. to 1 p.m., Gattman Park, Muscle Shoals.

[Science and Engineering Services announces \\$70 million expansion, 450 new jobs in Huntsville \(AL.com\)](#)

Science and Engineering Services said this morning it will spend nearly \$70 million expanding its manufacturing operations in Huntsville – a move that will create 450 new jobs in the Rocket City.

SES leaders, Gov. Robert Bentley, Alabama Department of Commerce Secretary Greg Canfield, Huntsville Mayor Tommy Battle and others announced the development today at the Farnborough International Airshow in London.

SES will span more than 1.3 million square feet of hangar, manufacturing and integration space in four facilities in Huntsville when the five-year expansion is complete.

"Huntsville remains a strategic hub in the aviation industry and SES is proud to be a part of this community," SES Senior Vice President for Aviation Derek Paquette said in a statement. " ... The expansion of our facilities and capabilities will allow us to even better support our customers and ultimately, the young men and women who fly, drive or operate the products we develop."

SES, which offers maintenance, repair and overhaul services for helicopters, airplanes, ground combat systems and unmanned aerial vehicles, operates two Huntsville locations on Pulaski Pike and Dunlop Boulevard. SES Headquarters and R&D Laboratory are in Maryland, but the company also has facilities in Pax River, Md. and Warner Robins, Ga.

Work on the expansion project, which is expected to begin immediately on its larger 800,000-square-foot facility on Pulaski Pike, will include the construction of hangar bays, new office space, a parking lot, aircraft parking spaces and a new helipad to support commercial and military clients.

Details on incentives were not immediately available, but a news release said the Madison County Commission, Tennessee Valley Authority, Huntsville Utilities and Chamber of Commerce of Huntsville/Madison County assisted with the project.

The SES news is the third high-profile jobs announcement in Huntsville this year. In February, Remington Outdoor said it will create 2,000 new jobs with the opening of a gun manufacturing plant in Jetplex Industrial Park, while Verizon Wireless will add 300 customer-service positions at its Call Center in Huntsville.

Only seven months into 2014, Battle said it is already an "excellent year for Huntsville and all of Alabama."

"With this announcement, SES is demonstrating what we've been saying for quite some time now," he said in a statement. "In Huntsville, you can do your research, development, engineering and

manufacturing all in the same location. This systems approach is why Huntsville continues to be on the radar for companies looking to innovate and create."

Earlier today, the state announced GE Aviation will spend \$50 million to build a new 3-D printing operation at its facility in Auburn.

SES Chief Executive Officer E.J. Sinclair said the expansion will benefit existing customers, as well as new programs supporting the DoD, aircraft original equipment manufacturers (OEMs) and foreign military customers.

SES, which currently employs 750 in Huntsville, serves mainly the U.S. Department of Defense, Department of Homeland Security and other international governments.

"The announcement of SES is great news for Huntsville and the entire state," Governor Robert Bentley said. "We have positioned ourselves to be a leader in aerospace and aviation, and the SES expansion is further proof of that success. I appreciate the leaders at Science and Engineering Services LLC for the investment in Alabama, and I look forward to the company's continued success in Huntsville."

City of Huntsville Director of Urban Planning Shane Davis and Business Relations Officer Harrison Diamond will hold media interviews to discuss the SES project later this morning at City Hall.

'You have permission to break the rules,' Bice tells educators at statewide conference (AL.com)

Plan 2020, the State Board of Education's effort to improve the graduation rate to 90 percent by 2016, is working, and that's because more teachers are thinking outside of the traditional classroom models, said Tommy Bice, state superintendent of education.

Bice was the keynote speaker Monday at the opening session of the statewide MEGA Conference for educators, held at the Arthur R. Outlaw Mobile Convention Center.

He noted improvements in the statewide graduation rate, from a baseline of 72 percent in 2012 to 74 percent in 2013. That's 1,800 more high school graduates in the first year of the Plan 2020 initiative, he said, and if that trend continues, the goal of reaching a 90 percent graduation rate by 2016 is within reach.

"We are now at an 80 percent graduation rate, the highest it's ever been," he said. "You made more of a difference in these two years than we did in a decade."

Bice repeatedly urged the 1,800-member audience to continue coming up with innovative ways to motivate students, without fear of reprisal from the state education department. "Let me give you permission to be as creative as you need to be," he said.

"Serve children, not programs or a legislative agenda."

The theme of the professional development conference was "Every child a graduate – every graduate prepared," and 2,700 educators were expected to attend sessions offered throughout the week. The conference includes exhibits from 116 vendors.

Bice showed the audience several photos and videos from his visits to schools across the state, including Castlen Elementary School in Mobile County, where he watched fifth-graders create code during a computer science lesson.

RELATED: Watch teens from Mobile, Baldwin schools rock the house at MEGA Conference opening session

He repeatedly urged the teachers to reject the status quo. Imagine a policy environment that encourages and rewards creativity, he said, and allows room for risk and even failure. "There is not a successful business in this state that does not build risk and loss into its business plan," he said.

Technology is changing how, when and where kids learn, he said, illustrating his point by asking everyone to stand up, bring out their smartphones, and take selfies. "Kids can learn anywhere at any time. ... There is nothing in state law that says school has to happen between the hours of 8 a.m. and 3 p.m.," he said.

"It's up to us to imagine what that might look like."

He also told the teachers not to worry about test results: "We're not so worried any more about getting to the dadgum test."

Test scores should not be used for anything except to help teachers make better instructional decisions, he said – a declaration that garnered widespread applause.

But Bice's most strongly emphasized message to the educators was to put their students first and foremost. Don't be afraid to shake things up at school, no matter who might put up a fuss about it, he said.

"I challenge you and give you this homework; whatever role you play, think about the children you serve," he said. "What are we going to do to create a learning environment so that we can be successful? You have permission to break the rules and call me later.

"We'll continue to see achievement soar if you're willing to step out and do what's right for our kids."