



Alabama government: Massive cuts coming to state agencies

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By



Gov. Robert Bentley.

MONTGOMERY, Alabama -- Leaders of many state agencies say they're dealing with proration in Alabama's General Fund by leaving job openings unfilled and moving to reduce services or lay off employees.

But several said they suspect these steps are just a taste of what's to come next year, when General Fund revenues are expected to plummet \$333 million, 19.6 percent.

"We can survive this year. What terrifies me is next year. There's absolutely no wiggle room left for next year," said Ed Bridges, head of the state archives department.

This is the third year in a row of proration in the General Fund.

Among the changes caused by this year's proration:

The state Department of Public Health plans to gradually reduce annual restaurant inspections statewide from three to two per restaurant.

The state Department of Human Resources on May 1 plans to close an adult day-care program that serves about 380 people, many with physical disabilities, including about 30 people in Jefferson County.

Other changes could come in following weeks, since leaders of the state mental health and Medicaid agencies have yet to say how they plan to deal with spending cuts from proration.

Gov. Robert Bentley on March 16 declared proration in the state General Fund, cutting its budgeted spending in this fiscal year by \$188 million, 10.6 percent, because of lower-than-expected revenues and jumps in open-ended appropriations.

The General Fund, a major source of state money for Medicaid, prisons, courts and dozens of other state agencies and boards outside public schools and colleges, now is expected to spend about \$1.7 billion in this fiscal year, which ends Sept. 30.

Many agencies aren't filling vacancies as people retire, resign or leave for other reasons, and some aren't buying computers or cars.

"Right now, I think agencies are seeing what they can cut without going to layoffs," state personnel director Jackie Graham said.

State Treasurer Young Boozer plans to lay off five of his office's 41 employees May 1, and some remaining employees will take on new duties. "We will continue to provide good service to Alabama citizens," he said.

Other agency heads are planning layoffs but haven't yet told their staffs who will be let go.

Randy Hillman, executive director of the Office of Prosecution Services, said proration will cause layoffs, though he didn't yet know how many, among the roughly 950 people who work at district attorneys' offices statewide. "We're working with everybody trying to stave off some of this," he said.

Agencies, courts and other state offices outside of schools and colleges employed 35,993 people on Sept. 30, according to the state comptroller, a drop of 1,645 employees, 4.4 percent, from a year earlier.

Bentley's chief of staff, David Perry, said Bentley advised Cabinet members in November to expect proration of about 10 percent, "so agencies have had time to plan for it."

"Some of our agencies will be able to handle it better than others," Perry said.

The General Fund is expected to provide about one-eighth of the roughly \$13.9 billion in revenues, including federal grants, forecast this fiscal year for the state operating budget for non-education services. Public schools, colleges and universities get most of their state money from the Education Trust Fund, which was unaffected by Bentley prorating the General Fund.

The corrections department, which oversees prisons, gets most of its money from the General Fund, but prisons will be protected if lawmakers pass a bill to give the department an extra \$45.3 million from the General Fund in this fiscal year.

Corrections officials say the supplemental money, which Bentley requested, is needed to prevent an early release of thousands of inmates.

Many agency leaders said they're bracing for worse budget news in fiscal 2013, which starts Oct. 1. Some windfalls supporting the General Fund this year won't be around next year.

General Fund revenues in fiscal 2013 are forecast by the Legislative Fiscal Office to drop \$333 million, 19.6 percent, from this year's prorated spending level, assuming there are no new taxes, fees or other revenue increases.

Legislators plan to start debating next year's General Fund as soon as Wednesday, and so far they have shown little willingness to raise taxes.

Agencies hit

Among agencies hit by proration:

The state Board of Pardons and Paroles, which on Sept. 30 supervised about 68,500 felons released on probation or parole, will have to lay off employees if a proposed fee increase doesn't pass the Legislature this spring, said board executive director Cynthia Dillard. "We have no idea how many," she said.

The board now employs 539 people, including 343 probation and parole officers. A typical officer last year supervised about 190 cases at any one time, according to the board's annual report. The board now employs 96 fewer people than it did four years ago, a reduction of 15 percent.

A bill by Rep. Randy Wood, R-Anniston, would raise the supervision fee paid by people on parole or probation from \$30 to \$50 per month. Dillard said she hoped the increase would raise \$4 million to \$5 million a year, given that many people likely would claim inability to pay.

Proration chopped the board's General Fund money by \$3.1 million this year.

"We're purchasing no equipment. All of our computers are obsolete," Dillard said. "We've consolidated some field offices to cut down on rent and utilities, and reduced training."

The Department of Human Resources, which among other things investigates child abuse, oversees foster care and runs a federal food-assistance program for low-income people, lost \$9.3 million to proration this year, out of budgeted spending of roughly \$2 billion.

The agency started the fiscal year with 4,233 people and now has 4,100, and plans to leave vacant most of those openings, said agency spokesman Barry Spear.

The agency also is closing after April 30 an adult day-care program that enrolls about 380 people statewide, at an estimated savings over the rest of this year of about \$900,000.

The Jefferson County Committee for Economic Opportunity serves about 30 people in the program, providing meals, recreation and education activities for them so their caregivers can go to work, said Theodore Debro, JCCEO deputy director for community services.

The health department, which now employs about 4,300 people, expects to lose 200 to 400 positions over the next 18 months because of proration and what likely will be a big cut in General Fund money next year, said state health officer Don Williamson.

He said he expects annual health inspections per restaurant to gradually fall from three to two, county by county, as vacancies occur and remain unfilled among restaurant inspectors.

Williamson added that if deeper General Fund cuts are approved for fiscal 2013, as he expects, the department will start closing some county health clinics and cutting hours at others.

The department operates 85 clinics in 65 of Alabama's 67 counties. Jefferson and Mobile counties run their own health departments.

Williamson said the state department may close clinics in counties that have more than one, and that hours may be scaled back elsewhere.

Proration cost the agency about \$6 million this year, roughly 1 percent of its budgeted spending.

The forensic sciences department plans to close after May 31 a one-person office in Tuscaloosa where state and local officials have been able to drop off evidence for drug testing instead of taking it to labs in Huntsville or Hoover, said agency director Michael Sparks.

He also said he may have to close the department's morgue in Huntsville, which employs about eight people who would be offered jobs in the agency's morgue in Montgomery. "It's definitely on the table," Sparks said.

He said the agency employs 191 people, down from 223 three years ago. Among its duties, the agency runs toxicology tests on about 3,000 bodies a year, and Sparks said delays are getting longer and longer.

Proration cost the agency about \$1 million this year, roughly 4 percent of its estimated spending.

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