



Keep Alabama Working PAC formed to promote money transfer to Alabama General Fund

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By **Kim Chandler -- Montgomery Bureau**



MONTGOMERY -- A political action committee has been formed to promote the passage of a Sept. 18 referendum on taking money from a state savings account to prop up the state's ailing General Fund.

The Keep Alabama Working, or KAW, PAC was formed July 25, and has so far received \$125,000 from the Alabama Nursing Home Association. The PAC is promoting a website by the same name: www.keepalabamaworking.com.

The Keep Alabama Working campaign is being backed by individuals and organizations to educate voters about what is at stake with the Sept. 18 vote, campaign spokesman Rick Journey said.

"These are groups of people who see the threat if it doesn't pass," Journey said.

Groups involved in promoting the amendment include the Nursing Home Association, Alabama Hospital Association, Alabama Association of Volunteer Firefighters and others Journey said.

Voters go to the polls Sept. 18 on a proposal to transfer \$145 million a year for three years from the Alabama Trust Fund to the General Fund. The Trust Fund is a state savings account fueled by the state's royalties from offshore natural gas drilling leases in Alabama waters.

The referendum also would alter the distribution formula from the Trust Fund. The General Fund would get an extra \$52 million next fiscal year, under the proposed distribution formula.

Lawmakers wrote next year's \$1.6 billion General Fund budget banking on the amendment's passage.

If it fails, state agencies would have \$197.8 million -- or 11.8 percent -- less than lawmakers budgeted, which could prompt deep spending cuts in Medicaid, corrections and other General Fund programs.

State Health Officer Don Williamson said last month that the state's Medicaid program was facing an "uncontrolled train wreck" if the amendment fails, with a minimum \$100 million shortfall.

Nursing Home Association spokesman John Matson said, "Sixty-eight percent of our residents have their care provided for by Medicaid."

Matson said the amendment failure also would affect Alabamians "outside the walls" of nursing homes if other budget cuts prompt the release of prison inmates or put fewer troopers on the road.

"It's important to just about every resident in Alabama," Matson said.

Tuscaloosa certified public accountant Michael Echols is chairman and treasurer of the KAW PAC.

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