

FINE GEDDIE

GOVERNMENT RELATIONS

THE FINE GEDDIE REPORT

2022 REGULAR SESSION · WEEK THREE

2022 SPECIAL SESSION · WEEK TWO

JANUARY 28, 2022

*COVID-19 RELIEF TOTALING \$772 MILLION APPROPRIATED:
BIGGEST BENEFICIARIES ARE BROADBAND,
WATER/SEWER PROJECTS & HEALTHCARE*

The Alabama Legislature worked swiftly this week to finish allocating \$772 million in federal **American Rescue Plan (ARP) dollars**, and Gov. Kay Ivey signaled that she would sign the bipartisan legislation into law. The special session devoted to ARP funding ended officially on Thursday, January 27. The regular session will reconvene on Tuesday, February 1.

During the five-day special session, there were no changes whatsoever to the ARP legislation.

- Broadband expansion got the largest share, totaling \$277 million or 36%.
- Water and sewer improvements came in second with \$225 million or 29%.
- Healthcare received \$152 million or 20% of available funds.

A more detailed breakdown is below. ARP established separate sources of funding, each with their own particular purpose.

\$443,343,362.50 from the ARP State Fiscal Recovery Fund

- \$80,000,000 to the Alabama Hospital Association and the Alabama Nursing Home Association for **health care and related services**
- \$51,000,000 to the Alabama Department of Economic and Community Affairs (ADECA) for **broadband improvements**
- \$225,000,000 to the Alabama Department of Environmental Management for **water and sewer projects**
- \$79,500,000 to the **Unemployment Compensation Trust Fund**
- \$7,843,362.50 for reimbursement of costs for the administration, auditing, and reporting requirements of the state and local fiscal recovery funds

\$136,796,346 from the ARP State Fiscal Recovery Revenue Replacement Fund

- \$34,000,000 to ADECA for **broadband improvements**
- \$5,000,000 to the Alabama Department of Public Health (ADPH), or any other health provider to facilitate **telemedicine**

- \$36,796,346 to ADPH, the Alabama Department of Mental Health, the Alabama Department of Rehabilitation Services, or any other state entity of competent jurisdiction, health care association, or health care provider
- \$30,000,000 for assistance to **rural hospitals**
- \$20,000,000 for assistance to **emergency response providers**
- \$11,000,000 for reimbursements of expenses of state inmates housed in **county jails** from March 3, 2021, to December 31, 2021

From the ARP Capital Projects Fund

- \$191,887,857 to be delegated to ADECA to be used for the delivery of **broadband** and related services

The \$772 million on the table this week is only a portion of Alabama’s total ARP allocation, which exceeds \$2 billion. The state is due a second tranche of more than \$1 billion in May.

OTHER ISSUES TO WATCH

On Monday, a **federal court blocked Alabama’s new Congressional District map**, agreeing with plaintiffs in a trio of cases who argued that minority voters were unfairly concentrated in a single district. Alabama Attorney General Steve Marshall has challenged the order and his appeal is pending. Qualifying was set to close for all candidates today, but the order extends the qualifying deadline for Congressional candidates only to February 11. If the court’s order prevails, a new map will be necessary. Reapportionment is a responsibility of the legislature, but if state lawmakers do not act the court will be tasked with redrawing the map so that there is a better chance of a second minority district. Party primaries are May 24.

The Alabama Legislature will reconvene in regular session on Tuesday, February 1 (Day 4).