

Calendar

Arise health caucus 10:00-noon Tu Mar 5, Bell Building conference room, Montgomery

Quality of Life Day, 10-3:00 Sat, Mar 16, Community Congregational Church, Montgomery. Sponsored by Arise and other members of the Alabama Organizing Project. The day will include workshops on most issues on Arise's agenda.

Montgomery Arise Cluster 6:00 pm Mon, Mar 25, Jubilee Center

POVERTY QUIZ

Q: Who was the lone U.S. senator who voted this month against restoring food stamp eligibility to legal immigrants?

A: Sen. Jeff Sessions of Alabama cast the single vote against. The Senate approved the measure on Feb. 7 by a vote of 96-1.

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ACCR consensus takes shape –

Supporters line up behind constitutional convention

A bill calling for a constitutional convention is winning widespread support even before it can be introduced. After the proposal written by Alabama Citizens for Constitutional Reform was made public, its competitors began to stand aside to let it pass. Rep. Mac Gipson and Gov. Don Siegelman, who earlier offered their own proposals, are now backing the ACCR proposal, as does Arise Citizens' Policy Project – but we have certain reservations.

Thus far, three measures calling for a convention have been introduced in the Legislature, and the ACCR proposal has been made public but not introduced (*see box*).

Arise staff have reviewed the proposals and posted on our website a chart comparing them. All propose the issue to be on the November ballot. HB 106, by Gipson and Rep. Mike Hill, calls for 12 delegates appointed by "special interests" such as ALFA, AEA, the Medical Association, as well as 105 delegates elected from House districts, plus all former Governors, Lieutenant Governors, and Chief Justices. HB7, sponsored by Reps. Greeson, Oden, and Elwyn Thomas, calls for 105 delegates elected from House

House bills are waiting to be introduced

after partisan fighting dies down. No bills have been introduced for three weeks. Thus we're still waiting for bill numbers for ACCR's plan for constitutional reform, John Knight's income tax reform plan, and Perry Hooper's public transportation bill.

districts. The Governor's proposal, a resolution sponsored by Rep. Marcel Black in the House and Sen. Pat Lindsey in the Senate, calls for 210 delegates elected from the 105 House districts. The Governor had called for an equal number of women and men to be elected, but there is no mention of gender equity in his bill. Arise believes that women should be represented in equal numbers, although achieving that goal would result in a larger body of delegates.

ACTION: Call your state senator and representative and urge them to support the ACCR plan for a constitutional convention, but urge amending it to allow equal numbers of male and female delegates.

Arise prefers the ACCR plan. It limits campaign contributions to \$100 from any one source and prohibits post-election contributions. It also intends that no statewide elected officials nor current members of the legislature can serve as delegates, with the exception of six members of the Senate and six members of the House elected by secret ballot to the Legislative Council. It calls for one delegate to be elected from each of the 105 House districts, ensuring minority representation equal to their proportion in the population. Arise's board, however, recommends that there be gender equity and suggests adding the requirement that one man and one woman be elected from each House district.

Payday loans: more of the same

A “deferred presentment services” bill which would legalize payday loans is ready to be introduced. Arise has seen a draft of the proposed bill and opposes it. This bill is similar to previous bills except for these changes:

§ Borrowers will be allowed to secure a loan debit cards as well as checks.

§ After three rollovers at a maximum of 17.5% (455% APR) the customer can use the option of an extended repayment program for the full amount of the check or debit authorization in compliance with and on terms no less favorable to the customer than those provided in the Alabama Small Loan Act. (The Small Loan Act itself may soon change. A bill that passed the House Banking and Insurance Committee on Feb. 14 allows a \$3 monthly maintenance fee, which makes the amount to repay even greater.)

§ A payday loan may not exceed \$500 nor 50% of the customer's net income.

Attend a workshop on payday lending
9:00-noon Fri, Apr 12, in Montgomery.
Led by Jean Ann Fox of Consumer Federation of America.

Arise strongly opposes proposals of this nature.

Knight changes income tax plan

Rep. John Knight has changed his tax reform proposal, revising his constitutional amendment to allow half of the \$300-plus million revenue increase from his proposal to be appropriated to the General Fund. Since 1935, state income taxes have been constitutionally earmarked for teacher

salaries. Knight made this decision in the wake of the General Fund's recent loss of cell phone taxes as a source of revenue. This fast-growing source of revenue was transferred to the Education Fund during the last special session, preventing proration in the education budget but leaving a funding shortfall in the General Fund.

Rep. Mac Gipson wants to provoke discussion with a variation on Knight's proposal. Gipson offers the same deductions and exemptions without changing the tax rates. The result is a bill he hopes will not raise additional revenue. Gipson also has a variation on the Earned Income Tax Credit. His credit would offer no more than \$26 a year, compared to Knight's \$401 maximum credit.

A few words from Kimble –

Boy, did I guess wrong on this year's legislative agenda! As we were choosing issues at Arise's Annual Meeting, I predicted that nothing serious would happen this year at the Legislature on constitutional reform. The members wisely disagreed and cast 40 votes to add constitutional reform to our list for member action. As I write this on Valentine's Day, the ACCR proposal for a convention is the one issue on our agenda that appears to be gaining support among legislators, although it's still an uphill fight. We have been surprised to see such consensus among supporters of reform. We ought not to be surprised that most of the opposition comes from those on the religious right, who say a new constitution would "remove God from the constitution," and from the no-new-taxes crowd.

If you missed our Lobby Day this year, you missed a good one. It's a heady experience to see 93 Arise members nearly filling the Capitol Auditorium, then to see 40 legislators and over 200 others attend our legislative reception. We were flattered to receive visits from probably the three most influential senators: Barron, Preuitt, and Sanders. Our members were primarily promoting the public transportation bills sponsored by Sen. Rodger Smitherman and Rep. Perry Hooper.

We have spoken out for education reform by signing on as "friends of the court" in the case now before the Alabama Supreme Court. The court appears ready to remove court pressure to reform Alabama's schools. (*See last newsletter for details.*) We have also expressed to Rep. Nelson Starkey our disappointment that his bill to increase property taxes for education now forbids equalizing the per-pupil funding levels between rich and poor districts.

With peace,

Kimble Forrister
Executive Director

Thank you, contributors!

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