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## Calendar notes

### MEETINGS

**Auburn** Noon – 1 pm, Thurs.,  
April 20, cluster meeting, Auburn  
UU Busch Center.

**Mobile** 7 pm Mon., May 8, Ala-  
bama Arise Monthly Meeting,  
Providence Outreach Senior Citi-  
zens' Center, 35 North Cody Rd.

### SEMINAR

**Mobile** 8:30 am – 4 pm, Thurs.,  
June 1, a seminar on religion and  
public integrity, co-sponsored by  
Arise, Mobile Area Interfaith Con-  
ference, The Quest for Social Jus-  
tice, Bay Area Women's Coalition,  
and Homeless Coalition of the  
Gulf Coast. Hosted by Dauphin  
Way UMC, 1507 Dauphin St. *For  
speaker list, fees, scholarships and other  
information, contact (251) 450-3345 or  
dwilliams@gulfcoasthc.org.*

## UA Arise chapter wins accolade

The Coordinating Council of Student Organizations at the University of Alabama has awarded the campus chapter of Alabama Arise a silver star for 2005-06. The annual citation goes to organizations that make a positive contribution to both campus life and the surrounding community. It's unusual for an organization to earn a silver star in its first year of activity. Hats off to U of A Arise members and coordinator Elizabeth Hendrix – well done!

# Report

*This newsletter made possible by the members of Arise Citizens' Policy Project*  
Vol. 9, No. 3

April 10, 2006

## Landlord-tenant, tax reform pass

# Double win!

We often ask our members to hang tough for the long haul. The last two weeks brought that message home, as back-to-back victories at the Legislature rewarded Arise efforts on landlord-tenant law and tax reform spanning 13 years and 18 years, respectively.

The Senate passed the House version of the Landlord-Tenant Bill (HB 287, McLaughlin) on Thursday, March 30th, by a vote of 21 to 0, echoing the House's 100-to-0 vote three weeks earlier. Governor Riley signed the bill into law on April 6th. The broad support for the measure reflects its hardwon compromise between tenant and landlord interests.

### On the tenant side, the law:

- defines a habitable dwelling (e.g., heating, electricity, water and sewer in working order);
- limits basic security deposits to one month's rent;
- allows the tenant to break a lease if the landlord refuses to make necessary repairs; and
- prohibits lease provisions that would deprive tenants of these rights.

### For landlords, the bill:

- streamlines the process of evicting tenants who don't pay their rent or

who damage the property; and

- creates a statewide rental housing standard that overrides local rules.

In the hall immediately after the vote, Sen. Lowell Barron (sponsor of the Senate companion bill) called the win "historic" and thanked Arise for "toiling in the vineyards" for this legislation. Although Arise didn't get everything we wanted, Barron said, compromise "is what the legislative process is all about."

The landlord-tenant victory is a testament to teamwork. Thanks to Sen. Barron's procedural skills, Rep. Jeff McLaughlin's shepherding of the bill on the House floor, the negotiating skills of the Alabama Law Institute's Bob McCurley, Rep. Laura Hall's promotion of the bill when no one else would consider it, Sen. Myron Penn's able sponsorship

last year, the fine study by John Pickens and Appleseed, the support of several editors, Arise's tenacity and the phone calls of many members, Alabama

now joins the rest of the Union in providing legal protections for tenants.

The following Wednesday night, April 5th, the Senate approved Rep. John Knight's income tax bill (HB 292) by a

### **Action: Thank your legislators!**

Contact your state lawmakers and thank them for helping make it unanimous for the Landlord-Tenant Bill (HB 287) and the Threshold Bill (HB 292).

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## A few words from Kimble —

**Your investment in Arise yields dividends.** Thanks to tax reform, taxpayers making under \$20,000 will pay \$40 million less in state income taxes next year. Not a bad return on our investment! And for a family of four, another \$260 can buy clothes or medicine. It's also a small step toward making low wages into living wages.

**Our original goal for this year was to make tax fairness an election issue.** We never dreamed that the incumbents would be campaigning on their record of improving the income tax threshold! We're just starting to develop our campaign themes, but how do you like this one:

*This year we raised the income tax threshold from \$4,600 to \$12,600 for a family of four — half-way to Mississippi's \$19,600. Do you support catching up with Mississippi next year?*

**This spin keeps the focus on low-wage workers,** but that goal could be achieved by tax cuts alone. What's missing is our broader statement on fairness:

*Tax fairness means not only lower taxes for those who pay too much, but also higher taxes for those who pay too little.*

**In its most popular form, this comes out as, "I don't think millionaires need a tax break,"** or "I think wealthy people and corporations should pay more." It's sometimes risky to reduce complicated issues to slogans, but these are important issues to plant in voters' minds.

**Thank you for all you do** to make Alabama more responsive to the needs of all its people.

With peace,

## 2006 Session wrap-up

# Budgets get a breather between tight years

By Ron Gilbert, senior policy analyst

**In a break from the tradition of passing budgets on the final legislative day,** the Alabama Legislature passed and sent to the Governor both the Education Trust Fund (ETF) and the General Fund (GF) budgets early. Passing the budgets is the only action required of the Legislature by the constitution.

### Education Trust Fund

**Buoyed by unanticipated growth in income and sales tax revenues,** the Legislature approved a record ETF budget of more than \$6 billion. The approved budget met or exceeded the original requests of K-12, post-secondary and higher education. In addition, the budget provided pay raises to both current and retired education employees. The Legislature rejected a proposal by the Governor to dedicate \$500 million dollars to a capital improvement plan for schools, choosing instead to maintain two rainy day funds to guard against future proration.

**The Governor returned the ETF to the Legislature on March 29<sup>th</sup>,** requesting that funds from the budget be reallocated

to allow expansion of the proposed income tax reduction to all taxpayers. Both chambers overrode the Governor's veto.

### General Fund

**For the first time in several years,** the Legislature was able to address the General Fund budget without raising new revenue or imposing budget cuts. Federal relief for Hurricane Katrina reduced the state's portion of Medicaid funding by \$125 million. Growth in oil and gas severance taxes, insurance tax income and interest income allowed lawmakers to approve a record GF budget of \$1.65 billion dollars. State employees and retirees received salary increases, and most state agencies saw small increases in their funding for the 2007 fiscal year. In addition, several non-governmental programs cut from prior budgets to save money saw their appropriations restored in an election-year budget.

**The outlook for next year's GF budget is dire,** most observers agree. The biggest challenges will occur in Medicaid, where federal Katrina relief will end and a rising median income will likely trigger another drop in the federal match rate.

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## How other Arise issues fared this session

*In addition to the tax reform, landlord/tenant and funding issues as covered elsewhere in this newsletter, the following is a report on the status of other items included in the Arise 2006 Legislative Agenda:*

**Public transportation** — SB 182 never received a committee vote. The bill, sponsored by Sen. Rodger Smitherman, proposed a constitutional amendment adding public transit to the purposes for which fuel and road use taxes could be expended. Arise and other advocates offered testimony in support of the legislation at a public hearing, and the proposal was opposed by representatives of the Department of Transportation and the road-building industry. A companion bill, HB 353, sponsored by Rep. Laura Hall, never received committee consid-

eration. Arise will be evaluating whether to continue our efforts at amending the constitution, or whether establishing a dedicated source of new revenue will be a better strategy for 2007.

**Moratorium on executions** — Three bills introduced by Sen. Hank Sanders received approval by the Senate Judiciary Committee but failed to get floor votes. SB 29 called for a moratorium on the death penalty; SB 30 would have prohibited execution of mentally retarded defendants; and SB 504 would have prohibited executions for crimes committed by persons under age 18. A companion bill to the moratorium measure was introduced in the House by Rep. Merika Coleman, but failed to get a committee

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### Bush '07 budget proposes deep cuts to human services programs

By Ron Gilbert, senior policy analyst

**Even as states and federal agencies struggle to determine the full impact on human services programs** from the 2006 federal budget, the president's proposed budget for 2007 calls for further reductions in federal spending in virtually all domestic programs other than Homeland Security.

**Both House and Senate budget committees have been working on crafting budget plans for fiscal year 2007.** In recent days, efforts have been focused on the House Budget Committee, which approved a budget resolution on March 29<sup>th</sup>. According to the Coalition for Human Needs, the proposed budget is close to \$10.3 billion short of the cost of providing this year's level of service for discretionary programs. Over five years, the cuts to annually funded programs would swell to \$167 billion. The House plan would also reduce entitlement programs by \$5.1 billion over five years.

**The draconian cuts, however, would not be used to offset a growing deficit.** According to the Center on Budget and Policy Priorities, the reductions would be applied to the cost of \$228 billion in tax cuts, as well as defense spending increases.

**While the budget resolution does not specify expenditures by program, it does provide an outline of spending.** If Congress approves reductions in overall discretionary and entitlement programs, it will be up to various Congressional committees to decide just where the cuts will come. Among programs subject to significant reductions are education, job training, social services, housing, Head Start and nutrition aid.

**GOP leaders had hoped for House approval of the budget resolution before Congress's two-week Easter recess.** Strong differences between GOP moderates and conservatives, along with pressure from human services advocates, resulted in a delay of action. Deliberations on the budget resolution will resume when Congress reconvenes.

*For additional information on the progress of the FY2007 federal budget, point your browser to [www.cbpp.org](http://www.cbpp.org) and [www.chn.org](http://www.chn.org). To get updates and alerts on federal as well as state issues, sign up for our listserv by clicking "Join the Arise discussion list" at [www.alarise.org](http://www.alarise.org).*

## A note from Melissa Oliver, legislative coordinator Member action crucial to success

**What a great session it was!** The stars may have been aligned just right, but I'd rather think it was our hard work beginning to pay off. Since Arise's issues are such difficult ones and our opponents such formidable ones, it takes education, continued explanation, and *all of us* speaking up regularly to make our concerns known.

**Arise's educational efforts on tax reform have been remarkable.** Workshops have been vital not only in helping people understand how unfair Alabama's tax system is, but also in pointing out ways to correct the problems. We need to continue this effort because tax reform is not over.

**Our Alabama Tax & Budget Handbook** was a great success and really got the message out in understandable terms. It now needs to be revised – to reflect this year's win! – and put in the hands of every voter, with your help.

**The landlord-tenant victory was a long time coming.** It tried our patience, but in the end we were able to get a good bill that offers new hope to tenants. Thanks for all your help, concern and understanding about necessary, meaningful compromise.

**Arise has had great press coverage** – our issues are newsworthy! We must continue to talk to editorial boards of the small papers, which have a wide readership. We need local people who know those editors to make this happen. Many of you have written letters to the editor, and we need to expand this effort since it shows that citizens all over the state *are* concerned about Arise issues.

**Most of all, for continued success,** Arise needs members to continue speaking to their own legislators. Your efforts to visit your legislators personally and

explain the Arise 2006 legislative agenda were so helpful. This will be vitally important next year, as there will be many new legislators who may not know about Arise and its agenda at all! Our goal is to make sure each legislator has at least one visit – if not more – *before* the session begins! Please make a personal commitment to be a part of this effort.

**And once the session begins, Arise must show its many faces at the State House.** We certainly need you to come to Montgomery for public hearings and also just to spend some time walking the halls with me or even just sitting as a group in the galleries. Many organizations do this regularly and they *are* noticed. Arise can do this also with your help. It is interesting and often just plain fun.

**Your calls and letters to legislators continue to be vital** to Arise's success. I personally thank all of you who have taken time to do that this year and ask that you keep it up! The legislators really do pay attention. It shows them that their own voting constituents care about Arise issues.

**Surely there are more of us out there!** Tell your friends about Arise, invite them to meetings and to Lobby Day and to the State House. Our main strength is in our numbers, and we need to reach out and increase them.

**Since I'm only one face of Arise, I have appreciated all your help** to make good things happen this year. It's *your* victory! I wish you all had been there to hear the congratulations Arise got, not only from legislators but also from their staff, other lobbyists, and news people! I look forward to working with you again next year and as always am open to your suggestions and ideas.

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# Your support means so much!

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*As we celebrate this year's successes and look to the future, it's heartening to see our membership growing. ACPD thanks the following individuals and organizations for their generous gifts received between February 17 and April 7, 2006:*

Will & Laura Anderson, Birmingham  
Beverly Andrews, Mobile  
Ann Askew, Birmingham  
Carolyn Barham, Bessemer  
Jeannette R. Bell, Birmingham  
Neal & Anne Berte, Birmingham  
Carol Binder, Birmingham  
Joan Boltz, Montgomery  
Brenda & Jerry Boman, Notasulga  
Stan Brockway, Huntsville  
Marcia M. Bystrom, Muscle Shoals  
Hill Carmichael, Birmingham  
Doug Carpenter, Birmingham  
Sally Cauthen, Duxbury, Mass.  
Nancy Chambless, Montgomery  
Betty Copeland, Birmingham  
Harris L. Cornett, Montgomery  
Robert Cowan, Montevallo  
Saradell Crawford, San Antonio, Texas  
Rev. Jay Croft, Montgomery  
Fran Cronenberg, Auburn  
Portis Cunningham, Montgomery  
Annette Dean, Birmingham  
Ton & Vaughn Devos, Birmingham  
Betsy Dobbins, Birmingham  
Lynn Douglas, Birmingham  
Tom & Doreen Duley, Birmingham  
Nancy & Gary Dunavant, Birmingham  
Debbie Elliott-Taylor & Stephen Taylor, Washington, D.C.

Joe Elmore, Birmingham  
Anne Fitts, Selma  
Christine Freeman, Montgomery  
Jim Gatling & Debbie Pendleton, Montgomery  
Michael Goodrich, Birmingham  
Sr. Marilyn Graf, Mobile  
Barbara Grant, Montgomery  
Richard Grooms, Birmingham  
Philip & Edah Grover, Birmingham  
Carol Gundlach, Shorter  
Ruth Gynther, Auburn  
Dennis Hale, Notasulga  
Dr. & Mrs. Fletcher Hamilton, Birmingham  
Judith Hand-Truitt, Birmingham  
Benga Harrison, Birmingham  
Jack & Heidi Hataway, Montgomery  
Curtis T. Henson, Auburn  
Helen Holdefer, Birmingham  
Peter Horn, Birmingham  
Randolph & Frannie Horn, Birmingham  
Rev. Kenneth & Dorothy Hughes, Fairhope  
Stewart A. Jackson, Birmingham  
Stan & Gracie Johnson, Birmingham  
Mark Johnston, Nauvoo  
Paul & Jarcia Kosinski, Huntsville  
Robin Lambert, Harlan, Ky.  
Elizabeth Lambertson, Birmingham  
Philip Lasater, Montgomery  
John & Cecilia Latham, Birmingham  
Charles Leverett, Birmingham  
Gary Lewis, Gadsden  
Kathleen Liles, Birmingham  
Ron Manning, Brierfield  
Suzanne Martin, Birmingham

Eleanora Mauritsen, Fairhope  
Kathy McMullen, Birmingham  
Larry Menefee & Laurie Dill, Montgomery  
Karolyn Mersmann, Birmingham  
Nathan Morgan, Omaha, Neb.  
Freya & Loch Neely, Huntsville  
Caroline Novak, Montgomery  
Sr. Mary Robert Oliver, Birmingham  
Cary Page, Birmingham  
Larry Pollock, Decatur  
Ria & Ed Pulles, Huntsville  
Amelie Ratliff, Brookline, Mass.  
Julie Reardon, Birmingham  
Olivia Richardson, Pine Apple  
Helen Rivas, Birmingham  
Anne G. Rutledge, Huntsville  
Dick Sales, Birmingham  
Michael Scarborough, Huntsville  
Nina Senn, Huntsville  
Ruthie Sherrill, Tuscaloosa  
Dorothy & Samuel Shippen, Prattville  
Joe & Nora Sims, Prattville  
Deborah South, Birmingham  
Cecilia Street, Mobile  
William Sutherland, Florence  
Frances Sutton, Wetumpka  
Elaine E. Vancleave, Birmingham  
Susan Vaughn, Montevallo  
Connie Wagnon, Birmingham  
Luverna M. Waid, Gadsden  
Charles Whartenby, Huntsville  
Robert L. Williams, Birmingham  
Alex Woodall, Bessemer  
BellSouth, Birmingham  
Daughters of Charity, Birmingham  
Daughters of Charity, Mobile

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## Double win!

*[Continued from Page 1]*

vote of 34 to 0. (It passed the House 101 to 0 on March 16th.) The measure will raise Alabama's income tax threshold from \$4,600 to \$12,600 for a family of four in tax year 2007 (*for a more detailed description, see the March 16th newsletter at [www.alarise.org](http://www.alarise.org)*). Gov. Riley, who called for raising the threshold in his 2007 budget proposal, has promised a "prompt signature" on the bill.

**This year's victories shatter some old assumptions.** In preparing for the 2006 legislative session, we addressed the customary election-year jitters by calling on legislators to make tax fairness a campaign issue for the fall. We used *The Alabama Tax* &

*Budget Handbook* to educate the public – and public officials – on how our system works, how it compares with those of other states, and how we could improve it. And we teamed up with other advocacy groups to find fresh approaches to our issues.

**It was the lessons of many disappointments that helped shape these new strategies.** Now we have an opportunity to learn from success.

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## Other bills of interest

*[Continued from Page 2]*

vote. We expect these measures to be introduced again in 2007.

**Constitutional reform** – Proposals to remove racist language from the Ala-

bama Constitution and to allow voters to consider whether to convene a constitutional convention failed to get floor votes in either the House or the Senate. We anticipate bringing the proposals back to the Legislature in 2007.

### Arise endorsement issues:

*PAC-to-PAC transfer bill (HB93/SB138)*

– House version is still alive as the session moves toward its last day on April 17th, though action is unlikely. *Disclosure bills (HB90; HB113/SB123)* – These bills were not reported out of committee.

*"Money Follows the Person" (HB169)* –

This bill made it to a special order calendar but was carried over and later indefinitely postponed.

*Indigent Defense Commission bill (HB490/SB328)* – This bill was not reported out of committee.