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Bulletin Board

MEETINGS

Auburn Cluster Noon – 1 p.m.,
Thurs., June 26, UU Busch Center.

Montgomery Sat., July 12, summer
membership meeting, location
TBA.

Birmingham Sat., Sept. 6, 11 a.m.
– 5 p.m., Equal Voice regional
convening for a “working families
agenda,” Birmingham-Jefferson
Civic Center.

ACPP is hiring!

We're gearing up for several
new projects, including a
health coverage initiative, and
have openings for policy
analyst and field organizer
positions. For details, please
visit www.arisecitizens.org.

Action Alerts

*Note: Call your member of Con-
gress toll-free at (877) 210-5351.*

- **Please contact your U.S. senator and representative** and ask them to support the Senate's amendment to the supplemental appropriations bill for \$146 million in Katrina Gulf Coast recovery. The amendment includes \$50 million in emergency community development funds requested by Sen. Richard Shelby for Alabama Katrina victims.

- **Please contact your U.S. senator and representative** and ask them to keep in place all moratoria on Medicaid rule changes contained in the supplemental appropriations bill.

Report

This newsletter made possible by the members of Arise Citizens' Policy Project
Vol. 11, No. 3

June 13, 2008

Midsummer session possible

Grocery tax plan remains hot topic

Of all the news coverage and editorial endorsements the Tax Fairness Amendment received this spring, one paragraph deserves to be posted on every refrigerator door in the state:

“With grocery prices skyrocketing, we wonder why any senator would want their constituents remembering that they stood in the way of removing that tax. If this bill fails, every time a voter hands money to a grocery cashier they should think about the senators who stood in the way of removing the state grocery tax.”

– *Montgomery Advertiser*, May 19, 2008

The Senate left Alabamians alone with those thoughts later that day, ending the 2008 regular session without considering the Tax Fairness Amendment. But that didn't end the amendment's hopes of passage for the year. After the dramatic Monday came a surprising Thursday.

The stage had been set 10 days before.

The Tax Fairness Amendment came up one vote short in the Senate on the penultimate day of the regular session. During the week that followed, Arise members generated calls and e-mails to Sens. Tom Butler and Arthur Orr, both of whom abstained in earlier votes. Rep. John Knight, sponsor of the amendment, won a commitment from the leadership that the Senate would vote on both the education budget and the Tax Fairness Amendment on the final day.

When the day came, the gallery was packed with education advocates.

Rumors swirled that the budget filibuster would run most of the day but that late in

the evening a deal would be reached, local bills would pass, and the grocery tax bill would come up. When it did, some senators were expected to filibuster. Supporters of the grocery tax repeal didn't know if they had the 21st vote to bring the bill up for debate, the 21st vote to end the expected filibuster or the 21st vote needed for final passage.

Throughout the day, there were glimmers of a budget breakthrough.

Lawmakers in both houses cited the grocery tax bill as critical unfinished business. Midnight chimed without an education budget, but the necessity of a special session to pass the budget kept hopes for the Tax Fairness Amendment alive.

When the special session was called the following week, the Tax Fairness Amendment was not on the agenda.

Only uncontroversial measures were slated for action. On the third day of the five-day session, numerous Black Caucus members took to the House floor to express their outrage that tax breaks for small business could be passed, while a tax break on the necessities of life could not. In a lunch meeting with Gov. Bob Riley, they gained a commitment to work for a solution in coming weeks.

As the special session ended, Riley asked lawmakers what would be good dates for the next special session.

House Speaker Seth Hammett said likely topics included the grocery tax bill and industrial recruitment incentives. For the Tax Fairness Amendment to be on the November ballot, it must pass the Legislature no later than the first week of August.

A few words from Kimble —

We've heard from several members who got letters from Gov. Bob Riley about the grocery tax bill. Our folks were concerned about Riley's assertion that some families making \$70,000 would have to pay more in taxes if the Tax Fairness Amendment passes.

Here's the deal. A typical childless couple making \$75,000 a year will have to pay \$26 more per year in state taxes if our plan passes. That's 50 cents a week.

Now consider their children. Say their son has a family of four living on \$35,000 a year. His family will have as much as \$1,036 more to make ends meet if this plan passes. Is it worth it to the grandparents to pay 50 cents more a week so their children and grandchildren can have a better life?

The bottom line: Alabama needs a child-friendly tax system. If we expand the dependent deduction from \$500 to \$2,200 and the adult exemption from \$1,500 to \$2,200, the transition will help families with children more than it helps singles or childless couples. But the result is the kind of equity we need.

Not everyone is playing fair. A survey by the National Federation of Independent Business asked one question: Are you willing to give up your deduction for federal income tax? Of course, a huge percentage objected. Then NFIB reported that its members opposed our plan, though they were not told about the trade-off for the grocery tax and a higher tax threshold. House members cried foul, and rightly so.

Do we have your e-mail address? If not, you missed our action alerts on the eve of House and Senate floor action on the Tax Fairness Amendment. They're concise messages, no more than two a week, and you can respond with a click of a button — though your message is more likely to be read if you personalize your opening sentence. To sign up, send your e-mail address to brenda@alarise.org.

With peace,

Locked Out

New report to highlight housing concerns

By Ron Gilbert, senior policy analyst

It seems each day brings more bleak news about the housing market, with an increasing number of home foreclosures and declining home values. At the same time, unemployment rates are rising, and salaries and wages remain stagnant. Despite Alabama's low housing costs, the struggle for a decent place to live has been a long-standing challenge for many.

ACPP next month will release a report on housing concerns, titled *Locked Out: Low Wages and Affordable Housing in Alabama*. Using the HUD definition of "affordable housing" as that which consumes no more than 30 percent of a household's income, the report looks at income and earnings data and the ability of households to obtain housing within that limit. Among the findings of the report:

- Alabama's housing wage — the hourly wage necessary to afford a modest two-bedroom apartment — reached \$11.44 in 2008.
- Alabama's renters consistently spend more on their housing costs than homeowners with a mortgage.
- In 2006, an Alabama household needed an annual income of \$33,515 to purchase a median-priced home. In that year, 46 percent of Alabama households had incomes below \$35,000.
- Though current home purchase prices are declining, the cost of a median-priced home increased 31.4 percent between 2002 and 2006. During that same period, Alabama's median household income increased less than 7 percent.

The full report will be available at www.arisecitizens.com on July 23.

Housing advocates win trust fund task force

By Ron Gilbert, senior policy analyst

Over the last 25 years, nearly 600 cities and counties and 38 states have established housing trust funds to generate financial support for critical housing needs. In the early 1990s, Arise and other advocates supported enactment of a housing trust fund for Alabama, but those efforts met with minimal success. Advocates soon will have another opportunity to highlight the need for affordable and adequate housing for all Alabamians.

Affordable housing supporters across the state saw their efforts rewarded on the final day of the 2008 regular session, when the Senate approved a House-passed joint resolution creating the Interim Alabama Housing Trust Fund Task Force. HJR 183, sponsored by Reps. Laura Hall, D-Huntsville, and Patricia Todd, D-Birmingham, calls for the appointment of a 20-member task force representing developers, financial institutions, governmental entities, elected officials and housing advocates. The task force is charged with studying existing housing trust funds across the country

and developing recommendations for proposed Alabama legislation. The group will report its findings and recommendations early in the 2009 regular session.

"This is a major step," said Marcie Porter of Huntsville, president of the Low Income Housing Coalition of Alabama. "The work of this task force will raise awareness not only about the lack of low-income housing in Alabama, but also about the opportunities we're missing for leveraging housing trust funds with other revenue sources to meet this great need."

AL-WFL Methodists pass tax reform resolution

By Brenda Boman, development director

Affirming the Wesleyan tradition of seeking social justice, delegates to the 2008 Alabama-West Florida Annual Conference of the United Methodist Church adopted a resolution for tax fairness in

[Continued on Page 4]

Mr. Ridgeway goes to Montgomery

By George R. Altman
Mobile Press-Register

NOTE: The following article about ACPP member Jeff Ridgeway appeared in the Press-Register on June 3, 2008. It is excerpted here by permission. We're proud of you, Jeff!

Jeff Ridgeway walked about 20 minutes from his Mobile home to the bus station. It was 3 a.m. on a Monday last month. He took a Greyhound to the capital city, where he would triumph in the Legislature, even as the state's most powerful interests were turned away.

Ridgeway, 43, doesn't drive. He was born with one bad eye, two bad ears and a hole in his heart. Ridgeway's days are divided between a part-time supermarket job and advocacy work for people with disabilities.

His advocacy role brought Ridgeway to Montgomery for the last day of the regular legislative session. It was his final chance this year to pass a bill he feels will give more respect to people with disabilities. Ridgeway's measure will require that any new state laws refer to people with disabilities as people first, not simply as disabilities. For example, "disabled" is changed to "individuals with disabilities" and "mentally ill" is changed to "individuals with mental illness."

He started chasing down lawmakers early in the morning. But the Legislature would accomplish very little that day. A bill to repeal the state's grocery tax died. A bill to ban smoking in most public places died. . . . Even the education budget, which the state constitution requires lawmakers to pass, died. Each of the measures had garnered much attention and the support of influential lawmakers and lobbyists – but failed as filibusters burned precious minutes.

By late Monday night, about a dozen bills were scheduled for consideration before Ridgeway's

little-known measure, and only a couple of hours were left before the session ended.

Rep. Randy Davis, R-Daphne, made an appeal to his fellow lawmakers. Ridgeway got up very early to take a bus here, Davis said. He's been waiting all day for his bill to pass and likely



Mobile activist Jeff Ridgeway

won't be able to catch a bus home until 1:40 a.m. . . . The House should at least consider his bill, Davis said.

Representatives did not simply hear the bill. The 105-member House approved it unanimously and invited Ridgeway to the House floor to be personally congratulated by lawmakers. Davis said he had never before seen such an invitation.

"I have to give all the credit for moving this bill to Jeff," said Sen. Ben Brooks, R-Mobile, who sponsored the bill. "His energy and his diligence really were the key."

After shaking hands with lawmakers on the House floor, posing for pictures and talking to reporters, Ridgeway eventually made his way back to the bus station. His success didn't really sink in until he got on the bus, Ridgeway said.

"I was so hopped up, it wasn't even funny," he said. "I slept. I don't know how."

Another long ride took Ridgeway back to Mobile. It was 5:15, Tuesday morning. He walked home.

Katrina notes

Nearly three years after Hurricanes Katrina and Rita, survivor advocates across the Gulf Coast are hopeful that new federal funding soon may accelerate the recovery effort. On May 22, the U.S. Senate approved by a veto-proof margin Sen. Richard Shelby's request for \$50 million in housing recovery funds for Alabama as part of the supplemental appropriations bill. The bill now goes back to the U.S. House, where a floor vote is expected in mid-June. If it fails to receive a veto-proof majority in that chamber, it will return to the Senate (*see Action Alert, p. 1*).

Hurricane Katrina caused the largest displacement of Americans since the Great Depression. More than 100,000 coastal residents remain in temporary or damaged housing or have become homeless. Among those affected in Alabama, some 1,200 families in Mobile County – 130 of whose homes were totally destroyed – applied for relief under an emergency Community Development Block Grant (CDBG) in January 2007. Almost a year and a half later, none of the 130 homes have been rebuilt.

This first CDBG will serve fewer than 10 percent of the applicant households. Hundreds more people likely need help but did not make the deadline. Families had one week to pick up the English-only application.

Shelby's request came in response to two Washington visits by advocates from Alabama Arise, SOS Boat People, South Bay Communities Alliance and Bay Area Women Coalition of Trinity Gardens, where some 60 homes remain under blue tarps awaiting roof repair.

"Our congressional delegation doesn't have a strong record of backing Katrina relief," ACPP executive director Kimble Forrister said. "It gives Arise members new leverage when they can ask their congressmen to support Senator Shelby's request."

Your support means so much!

Some recent donors noted that their contribution to Arise seemed like "a good use for a portion of our 'stimulus' tax rebate check." We couldn't agree more. Please consider using a portion of your federal rebate check to help Arise "stimulate" support for fairer state policies. It could mean a lot for those who really need a break!

Arise Citizens' Policy Project thanks the following donors for gifts received between Feb. 24 and May 31, 2008:

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Methodists

[Continued from Page 2]

Alabama on June 4. The resolution noted two key facts: that Alabama is one of only two states that fully tax groceries, and that Alabama imposes the nation's highest income tax on a family of four at the poverty line (\$423 on an income of \$21,201 in 2007).

Boldly stating that "fairness demands not only lower taxes for those who have paid too much, but also higher taxes for those who have paid too little," the resolution calls upon state leaders to pursue tax reform that promotes fairness, adequacy, transparency and simplicity.