At last: Alabama Arise members celebrate grocery tax reduction

By Chris Sanders, communications director | chris@alarise.org

The grocery tax bill passed. After more than three decades of persistent advocacy, Alabama Arise members turned that longstanding vision into reality this year. Every Alabamian will benefit as a result, and the benefits will be greatest for families struggling to make ends meet.

This breakthrough highlighted a 2023 regular session during which Arise members made a difference on numerous priorities at the Legislature. Our advocacy helped an important criminal justice reform become law and helped block efforts to undermine voting rights. (See page 2.)

WHAT THE GROCERY TAX LAW WILL DO

Alabamians will begin paying a lower state grocery tax this Labor Day

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Redistricting ruling is a shot in the arm for democracy
By Robyn Hyden, executive director
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Alabamians received good news this month with the U.S. Supreme Court’s decision in *Allen v. Milligan*. This decision upholds key parts of the Voting Rights Act and requires Alabama to draw new congressional districts by July 21.

The Legislature likely will hold a special session in July to approve two majority-Black (or close to majority-Black) districts. Alabama has had only one majority-Black district for decades, diluting the voting power of Black residents.

The ruling came a decade after *Shelby County v. Holder*, a decision that gutted the Voting Rights Act’s preclearance protections. As we commemorate this anniversary, we are reminded of why protecting Black voting power in Alabama is so critical to achieving our vision of a strong, participatory democracy.

Alabama Arise salutes our partners at Alabama Forward, Alabama NAACP, Greater Birmingham Ministries and ACLU of Alabama for their hard work and vision in the *Milligan* case.

Arise will continue working to advance legislation to protect and strengthen voting rights. And we will keep fighting to ensure that every vote counts and elected officials are accountable to their constituents.

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2023 was a momentous session on Alabama Arise policy priorities
By Mike Nicholson, policy analyst | mike@alarise.org

June 6 ended one of the most significant legislative sessions ever for Alabama Arise and our supporters. Through timely and persistent advocacy, Arise members helped build a better, more equitable Alabama.

While our work continues, we want to highlight the many important strides this year in our movement for a better Alabama for all – and celebrate Arise members’ role in advancing that goal.

This article summarizes some of the key bills on Arise priorities during the Legislature’s 2023 regular session. For information on all bills we tracked this year, visit the Bills of Interest page on our website.

**TAX REFORM**

Lawmakers proposed many significant tax reform bills this session. But none will have more lasting significance to Alabamians than reducing the state sales tax on groceries, a longstanding Arise priority. Thanks to phenomenal member advocacy, our state is finally removing part of this regressive tax.

**HB 479**, sponsored by Rep. Danny Garrett, R-Trussville, became law this year. This legislation will cut the state grocery tax by half in the coming years. This huge victory for tax justice resulted from decades of hard work by Arise members. *(See page 1.)*

**ADEQUATE STATE BUDGETS**

Alabama’s 2024 **General Fund (GF)** and **Education Trust Fund (ETF)** budgets are both significantly larger than 2023. The GF budget is about $3 billion total and includes a 2% pay raise for state employees. It also includes funding increases for Medicaid, mental health care and other state services. The 2024 ETF budget is nearly $8.8 billion, half a billion dollars more than the previous year’s ETF.

**HB 295** and **SB 202**, known as the PRICE Act, were sponsored by Rep. Ernie Yarbrough, R-Trinity, and Sen. Larry Stutts, R-Tuscumbia. These bills would have allowed parents to take tax dollars that otherwise would support local public schools and use them to pay for private schools or home schooling.

Arise and other advocates helped defeat this legislation, protecting nearly
Building momentum for closing the coverage gap

By Debbie Smith, Cover Alabama campaign director | debbie@alarise.org

Cover Alabama has built powerful momentum to expand Medicaid and close the state’s health coverage gap in recent months. In March, Alabama Arise’s Cover Alabama campaign held its first in-person Medicaid expansion lobby day. With the participation of 80 passionate individuals, this event created a powerful platform for advocating Medicaid expansion. (See page 7 for photos.)

Alabamians living in the coverage gap – who earn too much to qualify for Medicaid but not enough to qualify for financial help to buy private insurance – shared their personal stories during the rally before engaging in meaningful conversations with their lawmakers. The event garnered great press attention, shining a spotlight on our state’s urgent need to expand health care access.

OTHER RECENT WINS

In an encouraging development, the House Health Committee held a hearing this...

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Standing up for democracy

Alabama Arise was thrilled to join Shake the Field, Alabama Forward and other groups for the Democracy Now or Never Festival in Montgomery on June 3. The event sought to promote civic participation in advance of the Allen v. Milligan ruling. (See page 2 column on redistricting for more.)

Leave a lasting impact with a legacy gift

By Jacob Smith, development director jacob@alarise.org

Alabama Arise has set long-term goals like a fairer state tax system and state budgets that provide opportunities for all.

Together, we have made meaningful steps toward these goals. And our members – with monthly or one-time gifts – help us keep up the momentum every day. We are so grateful.

However, this vision won’t happen overnight.

There’s a type of gift that you probably haven’t considered – one that will ensure you continue to join us in Alabama Arise’s work even past your lifetime. That’s leaving us in your will.

Regardless of your income, making a will is an important step to ensure your end-of-life wishes are known.

There are online tools that can help. And consulting a financial planner would be a great idea, too. You don’t even have to tell us that you included us. (Though we would be glad if you did!)

We would love to share sample language or chat about the legacy you want to leave Alabama. Reach out to me at jacob@alarise.org.

Thank you for your ongoing work and contributions to building a better Alabama.
2023 SESSION

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$600 million of public education funding.

VOTING RIGHTS

HB 209, sponsored by Rep. Jamie Kiel, R-Russellville, did not pass this session. This bill would have criminalized many efforts to assist voters with absentee ballot applications or completed ballots. Arise and other groups successfully stopped this bill, which passed the House but never reached the Senate floor.

CRIMINAL JUSTICE REFORM

SB 154, sponsored by Sen. Will Barfoot, R-Pike Road, became law this year. This legislation will make it harder for the state to suspend people’s driver’s licenses for failure to pay traffic tickets. Arise and our partners at Alabama Appleseed strongly supported this bill.

HB 24, sponsored by Rep. Reed Ingram, R-Pike Road, became law despite Arise’s opposition. This legislation will criminalize asking for money on the side of roads, punishing many Alabamians facing housing insecurity. Federal courts have found similar laws unconstitutional in recent years.

HB 229, sponsored by Rep. Chris England, D-Tuscaloosa, would have allowed resentencing of certain incarcerated individuals sentenced to life imprisonment without parole under Alabama’s Habitual Felony Offender Act. This bill passed

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the House and gained Senate committee approval, but it never reached the Senate floor. Arise supported this bill and expects a similar one to be filed next session.

DEATH PENALTY REFORM

England’s HB 14 would have required a unanimous jury sentence to impose the death penalty. The bill also would have made the state’s judicial override ban retroactive. This bill received a public hearing but did not leave the committee. Arise supported this bill and expects a similar one to be filed next session.

OTHER ISSUES

SB 196, sponsored by Sen. Arthur Orr, R-Decatur, would have increased government transparency by improving Alabama’s open records process. This bill passed the Senate and gained House committee approval but did not pass in the House. Arise supported this bill and expects a similar one to be filed next session.

SB 242, sponsored by Sen. Keith Kelley, R-Anniston, would have undermined tenant protections by removing the cap on the amount of the security deposit that landlords can charge to renters. Arise opposed this bill, and it died without reaching the Senate floor.

MEDICAID EXPANSION

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year specifically focused on the benefits of closing the coverage gap. This hearing came on the heels of Cover Alabama’s rally. And it marked a significant milestone, as the first time legislators formally discussed Medicaid expansion in a committee hearing. The hearing provided an important platform to educate lawmakers and the public about the positive impact Medicaid expansion can have on our communities.

Meanwhile, we also celebrated the recent success of North Carolina, which passed Medicaid expansion in March. That move means Alabama is now one of only 10 states that has not yet expanded its Medicaid program.

We are determined to change that. We will continue advocating for our state to join others in providing vital health care access to those in need.

LOOKING FORWARD

In April, Arise and Cover Alabama partnered with Doctors for America to conduct a highly engaging half-day advocate training session. Fifty people attended the event in Birmingham or online on a Saturday morning. This event equipped our advocates with the knowledge and tools needed to advocate effectively for Medicaid expansion. And Cover Alabama’s June 21 call-in day generated more than 500 messages urging Gov. Kay Ivey to expand Medicaid.

Thank you to each and every one of you for your unwavering support, dedication and passion for health justice. Together, we are making significant strides toward Medicaid expansion in Alabama.

Let’s continue to raise our voices, engage with lawmakers and advocate for equitable health care access for every Alabamian.
We were excited to see more than 120 people participating in Arise’s 2023 Legislative Day on April 11 in Montgomery. Arise's longtime push to decrease the state sales tax on groceries took center stage, and our members' energy was palpable. Our supporters' passionate advocacy, this year and in so many previous years, got the bill across the finish line! Cover photo: Arise members and supporters gather in front of the Alabama State House during our Legislative Day. Above: Rep. Penni McClammy, D-Montgomery, speaks alongside Sen. Merika Coleman, D-Pleasant Grove, at the Legislative Day news conference. Below left: Advocates from the Alabama Coalition for Immigrant Justice (ACIJ) were among the Arise supporters from across the state who attended Legislative Day. Below right: Arise’s McKenzie Burton (left) and Whitney Washington (right) pose for a photo with longtime Arise member Helen Rivas.
More scenes of Arise in action!

Our first Legislative Day since 2020 was a vibrant event. Left: Arise supporters smile outside the State House. Center: Policy analyst Mike Nicholson speaks about criminal justice reform. Right: Arise’s Robyn Hyden (right) and Carol Gundlach (left) and Anna Pritchett of AARP Alabama meet with Sen. Andrew Jones, R-Centre, to thank him for championing the fight to untax groceries.

Speaking out for health justice

Alabama Arise’s Cover Alabama coalition held its first lobby day on March 21 in Montgomery. More than 80 people came to the State House to support our movement for Medicaid expansion. Left: Attendees show signs in support of expanding Medicaid during a news conference. Right: Arise board member Kenneth Tyrone King speaks to the importance of expanding Medicaid to ensure affordable health coverage for nearly 300,000 Alabama adults with low incomes.
GROCERY TAX

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weekend. HB 479, sponsored by Rep. Danny Garrett, R-Trussville, will cut the state sales tax on groceries from 4% to 2% in two steps. The reduction will apply to all items defined as food under the Supplemental Nutrition Assistance Program (SNAP). When fully implemented, the law will save Alabamians the equivalent of about a week's worth of groceries every year.

The first step will take effect Sept. 1, when the state grocery tax will drop from 4% to 3%. The next reduction, from 3% to 2%, will come in September 2024, as long as Education Trust Fund (ETF) revenues have grown by at least 3.5% over the previous year. If they haven't, the reduction will occur in the first year when revenue growth does meet that threshold.

HB 479 also allows (but does not require) cities and counties to reduce their sales taxes on groceries. The law allows localities that reduce their grocery tax to reverse some or all of that reduction later. But localities cannot increase local grocery taxes above their current rate.

Garrett's bill emerged late in the session but quickly gained overwhelming bipartisan support. The House passed the bill 103-0 on May 25, and the Senate followed with a 31-0 vote June 1. Gov. Kay Ivey signed the bill into law June 15.

Garrett joined with Sen. Andrew Jones, R-Centre, and Lt. Gov. Will Ainsworth to guide HB 479 through the Legislature. But the bill's passage also rests on the foundation laid by many other legislative champions through the years. They include former Rep. John Knight, D-Montgomery; former Sen. Hank Sanders, D-Selma; Sen. Merika Coleman, D-Pleasant Grove; and Reps. Laura Hall, D-Huntsville, Penni McClammy, D-Montgomery, and Mary Moore, D-Birmingham.

WHAT COMES NEXT IN OUR WORK TO UNTAX GROCERIES

HB 479 is a watershed moment in Arise’s work for tax justice. That work will continue. The new law doesn’t eliminate the entire 4% state grocery tax, and it doesn’t replace the revenue.

The state grocery tax is an important funding source for public education, bringing in about $600 million annually. That is about 7% of this year’s ETF budget.

"Revenues are strong enough for now to reduce the grocery tax without causing severe harm to education funding," Arise executive director Robyn Hyden said. “But history tells us that good economic times won’t last forever.”

Legislators this year created a study commission to recommend sustainable ways to eliminate the rest of the state grocery tax. HJR 243, sponsored by McClammy, requires the commission to report its findings and recommendations by November 2026.

Arise will seize that opportunity to push lawmakers to close tax loopholes skewed in favor of wealthy people and highly profitable corporations. One such loophole is the state income tax deduction for federal income taxes (FIT). Alabama is the only state that still allows a full FIT deduction.

The state grocery tax is a cruel tax on survival that drives many Alabamians deeper into poverty. Arise is committed to building on this year’s success and ending this tax forever. With our members’ continued advocacy and support, that is another vision we’ll turn into reality together.
July 18, 6 p.m. - Building on our vision
Our vision for a better Alabama can be realized with commitment and perseverance. Together, we are committed to policy changes that matter to those who are marginalized by poverty, and we persevere in raising our voices for change. Join this session to discuss advances we made this year and to hear from each other about potential policy priorities moving forward.

August 8, 6 p.m. - Building on our hope
We continue to be fueled by hope in our vision of a better Alabama for all. This session is another opportunity to discuss the progress we made this year and to hear from each other about the changes you want to see next year.

We're listening!

Three ways to lift your voice and share your vision for our 2024 policy agenda:

- Register for one or both of these online summer listening sessions.
- Contact your area organizer about arranging a virtual or in-person meeting for your community.
- Talk to your area organizer about submitting an issue proposal by Aug. 18 if you are the contact person for an Arise member group.

Registration is required. Sign up here:
ALARISE.ORG/2023TOWNHALLTUESDAYS

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