

Voice of the Poor Newsletter

February, 2010

www.voiceofthepoor.org

www.stvincentdepaul.net

Governor's Proposed State Budget:

The state faces a \$1.4 billion deficit in the *5 months* remaining in FY 2010. A deficit of over \$3 billion is projected for FY 2011. There is an ongoing structural deficit meaning the state's expenditures do not match its revenues. A summary of budget cuts proposed by the governor include:

- Return to '06 funding levels for K-12 education triggering reductions in federal support
- Elimination of all-day Kindergarten
- Maintains university funding at '06 level (75% of '08) level
- Elimination of KidsCare health coverage for 47,000 children
- Reduction of AHCCCS rolls by 25% eliminating coverage for 310,000 individuals
- Reduced service for 17,000 seriously mentally ill adults (about half of that population)
- Elimination of cash assistance for 10,000 families
- Places a hard cap on day care assistance; eliminating service for more than 10,000 children in working poor families
- Closes Dept of Juvenile Corrections transferring minors to county detention centers.
- Reduces State employee pay by 5%.

This budget assumes an immediate approval by the legislature of the one-cent increase in state sales tax unsuccessfully sought by the governor for the past year. It also assumes approval of a referendum to rollback AHCCCS eligibility. Cuts in low income healthcare will result in a loss of \$2 federal dollars in matching funds for every \$1cut. President Joe Riley and the diocesan board remain committed to the proposed increase in sales tax. Help SVdP persuade the legislature that they MUST vote for the temporary sales tax increase. Go to AZLeg.gov and click on "Who is My Legislator?" Call or e-mail your message. Not hearing from constituents is taken as approval of the status quo.

Bills:

Over 700 bills have now been filed. VOP's Tom Finnerty is reviewing bills and compiling a list pertaining to the Voice of the Poor Legislative Agenda. On the VOP list currently are 7 immigration bills, some with enforcement provisions that have been defeated in the past (House bills 2042, 2383, 2384, 2531, 2532, 1027 and SB1070). The diocesan board voted unanimously on Jan. 20 to oppose HB 2161 (payday lending; regulation). The bill was scheduled for House Banking and Finance on Jan. 25.

HPRP is up and running at JP II Special Ministries:

On January 7 over 40 representatives from SVdP Conferences *within the boundaries of the City of Phoenix* attended training by City of Phoenix staff for screening appropriate clients for this program. The HPRP program will use federal stimulus funds to assist families and individuals whose job loss is a direct result of the current economic downturn. The \$7 million program is expected to be in effect for approximately 3 years.

Phone line for HPRP (602) 850-6706 and HPRP FAX (602) 850-6718 will be monitored by four volunteers on Monday, Wednesday and Friday who will review applications prior to submission to the City of Phoenix staff at the Travis Williams Family Service Center.

Diocesan Board Supplements Funding for FAM:

The board approved supplemental funding for FAM of \$4,000 monthly through June at its December meeting. This funding will allow FAM volunteers to continue to offer emergency housing and utility assistance for an average of 20 cases monthly referred by conferences.

VITA (Free tax preparation for low income families) are announced:

Go to this site at Arizona Community Information and Referral for locations in Arizona for free help in tax preparation. <http://cir.org/seasonal-tax-vita.html>

Trained volunteers will assist with filing for the Earned Income Tax Credit and child tax credit as they apply.

HB 2161 (payday lending; regulation) The bill included provisions to add a database to enforce one loan at a time provision and proposed a maximum of outstanding loans of \$500 at 15% fee for a two-week loan. However, based on a lack of credibility in the payday loan industry, both Voice of the Poor and the SVdP Phoenix Diocesan Council voted unanimously to oppose the bill. SVdP was not alone in this opinion. The bill was withdrawn pending further support. Payday lending in Arizona is scheduled to "sunset": on July 1, 2010.

Voice of the Poor meets monthly during the legislative session. Meetings are open. Our next meeting on Mon. Feb. 15 will be held off campus due to the holiday. For information or to submit an item on the agenda, contact Lucy Howell at howishome@aol.com.

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The following letter was sent to all members of the Arizona State Legislature by Joseph J. Riley,

President, Phoenix Diocesan Council of the Society of St. Vincent de Paul, on February 1, 2010.

I am writing to you on behalf of the Board of Directors of the Society of St. Vincent de Paul's Phoenix Diocesan Council. The Society has nearly 3,700 members serving the state's needy at 88 parish-based Conferences of Charity and our other facilities throughout central and northern Arizona. We are acutely aware of the dire condition of the state's economy and budget. We appreciate the fact that difficult decisions must be made regarding budget cuts and know that decisions made in the short term will have long-term impacts on Arizona.

As a faith-based organization offering direct emergency assistance, we have experienced a dramatic increase in requests for help over the past 18 months. Last year the Society provided more than \$8,000,000 in direct aid for rent and utility assistance, food, healthcare, furniture and clothing. Our members made some 54,000 home visits and delivered more than 300,000 food boxes to those in need. This is in addition to the many thousands of individuals we regularly serve in our dining rooms, thrift stores, homeless programs, transitional living shelter and medical/dental clinic. We collaborate with other agencies and, when appropriate, refer clients to DES, CAP and Phoenix Family Service Centers. Our resources are stretched to the limit and we are finding that a growing number of families cannot access public benefits because of staff cutbacks and the escalating volume of calls.

A year ago, with the backing of our diocesan board, I wrote to you expressing support for the temporary one-cent sales tax increase proposed by Governor Brewer to raise revenue for the state budget. We took this position in the hope that the legislature would act to preserve safety-net programs such as KidsCare, AHCCCS, services for the seriously mentally ill, subsidized child care and cash assistance (all of which have been drastically cut or, in the case of KidsCare, eliminated in the governor's proposed budget) in a time of great need. We greatly fear and anticipate that the strained resources of Arizona's charitable organizations combined with significant reductions in public benefits will result in a wave of homelessness (including children and senior citizens) and impact hospital emergency rooms in a way we have never seen before.

Our board respectfully requests that you vote to place the governor's proposal for a sales tax increase on the May ballot to allow much-needed revenue to begin flowing to the state. We are asking all members of the legislature to lay aside partisan differences and support placing the proposal before the voters with the goal of preventing further cuts to these vital programs for those who so desperately need them.