



What's Up in the Legislature?

March 15, 2009

Republican leadership at the Legislature expects to put forward a 2010 budget this week addressing the shortfall now estimated at \$3.6 million. This will be in response to Gov. Brewer's 5 point plan for 2010 which includes the proposal of a temporary tax increase to raise revenue.

The Senate is still not hearing bills. The House expects to be on a relaxed schedule pending budget work – most House committees are not meeting this week.

Child Care Funding Restored

Last week's big news was the passage of a strike everything bill (SB 1184 later changed to HB 2051) on Thursday authorizing the expenditure of \$18 million in federal stimulus funds for childcare for low income families. The enabling legislation also included a long list of adjustments to the 2009 budget. Members on both sides of the aisle recognized the need to heed Gov. Brewer's request to keep 15,000 children in day care. Subsidized day care is vital to the ability to work for low income parents.

This bill was passed overwhelmingly in both houses:

Senate: 23 Y 4 N 3NV

(Voting No: Senators Ron Gould, Thayer Verschoor, Jack Harper and Russell Pearce;
Non-voting: Leah Landrum Taylor, Jonathan Paton, Linda Lopez)

House: 50Y 6N 4NV

(Voting No: Representatives Judy Burges, Steve Montenegro, Carl Seel, Sam Crump, Laurin Hendrix, and Andy Biggs; Non-voting: Representatives Rich Crandall, Bill Konopnicki, Robert Meza and Kyrsten Sinema)

If your legislators were among the 74 members of the Legislature who supported this legislation, please take a moment to thank them for taking action in a timely fashion.

HB 2286 (Charitable Tax Credit) Passes House – 55 Y 1 N 4 NV

This bill will now go to the Senate for consideration.

As passed by the House, HB 2286 eliminates the establishment of a baseline year as a requirement to take advantage of the charitable tax credit (\$200 per individual or \$400 per married couple). In addition qualifying charitable organizations must be certified with the AZ Department of Revenue to meet the following requirements:

1. Verification of the organization's status under section 501 (c)(3) of the Internal Revenue Code or verification that the organization is a designated community action agency that receives federal Community Services Block Grant monies.
2. Financial data indicating the organization's budget for the prior operating year and the amount spent on services to residents of the state that receive federal Temporary Assistance for Needy Families benefits, are low income residents, are chronically ill, or are physically disabled children.
3. A statement that the organization plans to continue spending at least 50% of its budget on services to residents of the state who meet the criteria described above.

Elimination of the baseline year to simplify use of this credit has been a longstanding agenda item for Voice of the Poor. Thank you for helping us by contacting your Representatives and urging passage. We will keep you posted on the status of the bill in the Senate.