



April 15, 2009

An Update on the Tax and Budget System

"Taxes are what we pay for a civilized society." -- Oliver Wendell Holmes

AACF's tax and budget team would like to be the first (and, perhaps, only one) to wish you a Happy Tax Day!

Sometimes we all forget how important our tax dollars are to the health and well-being of our families and communities. Without them, we could not drive safely down paved roads; drink clean water from the tap; enjoy a stroll in our public parks; or rest assured that firefighters can be there in a flash whenever emergencies strike.

During these difficult economic times, Arkansas is especially fortunate not to face the massive budget shortfalls currently faced in other states—which may have life-or-death consequences for thousands of vulnerable children and families. This recent [New York Times article](#) shows what can happen when we do not take a long-term approach to ensuring a sound tax and budget system. So as you file your taxes today, take a moment to be thankful for the privilege of living in civilized society and proud to know that your tax dollars do make a difference.

State Tax and Budget Update

The Arkansas General Assembly has adjourned since AACF's last [Moving Families Forward update](#). In the final week of the session, the legislature passed several bills that will positively impact children and families for years to come—and failed to pass some others. For instance:

- [Act 722](#), introduced by Sen. Joyce Elliot (SB 470), will create a [legislative taskforce](#) on reducing poverty and promoting economic opportunity. AACF hopes to play a major role in shaping the task force's work and its recommendations to the state legislature next year.
- Rep. Darrin Williams' HB2203 is now [Act 1402](#), The Refund Anticipation Loan Act. This Act will require the check cashing industry to more clearly post their (often exorbitant) interest rates, which hurt the economic security of low-income families.

- Despite strong support in the House, Rep. Allen Maxwell's bill, [HB1378](#), did not get through the Senate Revenue and Tax Committee. This would have fixed a technical error from low-income tax relief during the 2007 session, which left out head-of-household taxpayers with two or more children. Given the bill's strong support, this is a disappointing blow to poor, working single mothers who have been paying taxes for two years that should have been eliminated back in 2007.
- Rep. Jim Nickels' bill, [HB1464](#), would have increased the state minimum wage to match the federal minimum wage and help move low-income workers toward economic self-sufficiency. It passed the House by [67 votes](#), but never made it through the Senate.
- Last week legislators also finalized the state's budget through the General Revenue Stabilization Act ([Act 1441](#)), as well as legislation for distributing General Improvement Funds ([Act 1442](#)).

Although it's been less than a week since the regular legislative session ended, it's time for advocates to start getting ready for the first annual budget session in February 2010!

AACF will be issuing a summary of the budget and all enacted legislation that will impact children and families in Arkansas later this month. In the meantime, let your legislators know your thoughts about their work for children and families this session. Click here to [find your legislators](#).

Post-Legislative Conferences in Springdale May 5, Little Rock May 14

Register today!

Arkansas Kids Count Coalition's Post-Legislative Conferences

Little Rock

May 14, 2009

LOCATION TBA

Tentative time: 8:30am – 1:30pm

[REGISTER HERE FOR LITTLE ROCK](#)

Springdale

May 5, 2009

9 a.m. to noon

Jones Center, Springdale

[REGISTER HERE FOR SPRINGDALE](#)

BOTH events will include:

* Informative presentation to open the day's events.

* A de-briefing of the policy activity from the 2009 legislative session.

* Our popular break-out sessions on the health, education, juvenile justice, and child welfare of Arkansas' children and families.

* Especially highlighted during this conference will be the complexities of the economic stimulus package and how it will affect Arkansas families.

The Little Rock event will include a luncheon complete with some inspiring speeches and the awards ceremony to recognize the nominees and winner of the Sister Joan Pytlik Award and demonstrate our appreciation for the Legislative Champions of the 2009 session.

Space is limited. Don't miss out!

*If you would like more information on the topics discussed above, please contact **Ginny Blankenship**, our research and fiscal policy director, at gblankenship@aradvocates.org; **Pat Bodenhamer**, our state tax and budget outreach director, at pbodenhamer@aradvocates.org; or **Candice Smith**, our federal tax and budget policy director, at csmith@aradvocates.org. If you would like to subscribe to **Moving Families Forward**, which provides updates and alerts on state and federal tax and budget issues, please email csmith@aradvocates.org.*