On August 25-27, 2006, the Arkansas Citizens First Congress held its annual convention to debate and vote on its legislative agenda for the upcoming 86th General Assembly. More than 100 people from 45 Arkansas organizations, including 65 certified delegates, attended the convention, held at the 4-H Center in Ferndale.

Congress delegates voted to select five legislative priorities to pursue during the legislative session that convened on January 8, 2007, along with 13 issues for a broad agenda.

The five legislative priorities in the 2007 Arkansas Citizens First Congress People’s Agenda for a Better Arkansas are:

- Close the education achievement gap by expanding pre-kindergarten programs for low-income children. In 2005, the General Assembly expanded funding for pre-kindergarten programs by $20 million a year, increasing the total state investment to $60 million a year. Another $40 million is needed to reach every Arkansas child who would qualify for this program. Research shows that high quality pre-kindergarten is the single most effective means of closing the education achievement gap. The Congress also urges the state to study and support other efforts to close the achievement gap.

- Reform Arkansas’ tax system to make it fairer for middle-income and low-income Arkansas families. Research shows that low- to middle income families in Arkansas (those making $33,000 or less per year) pay about 11 cents in state and local taxes on every dollar they earn. The state’s wealthiest families (those making $242,000 a year or more) pay less than 6 cents on every dollar.

- Reform Arkansas’ prison sentencing by repealing the increased minimum wage for restaurant workers who earn tips, costing the average restaurant worker nearly $1,000 a year.

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- Reform Arkansas’ prison sentencing.
IN FEBRUARY THE CITIZENS FIRST CONGRESS ANNOUNCED ITS AGENDA AROUND THE STATE

In Little Rock, the Arkansas Democrat Gazette quoted co-chair of the Congress Bruce Lockett, who said, “This is an organization dedicated to bringing the little person’s issues to the Capitol.” Lockett was flanked by forty volunteers who were in Little Rock to advocate for the Citizens First Congress agenda.

In Stamps, CFC volunteer Debbie Doss told the Texarkana Gazette, “Unless we do everything we can to address the achievement gap, such as providing a quality preschool education, we are writing off entire generations of at-risk children.” Doss does psychological testing for public schools.

In Fayetteville, The Morning News quoted CFC volunteer Alejandro Aviles, who reminded people in Northwest Arkansas to reach out to people elsewhere in the state. “It makes it a statewide agenda, not just a Northwest Arkansas agenda,” he said.

In Gould, president of the Gould Citizens Advisory Committee Curtis Mathis spoke for thirty-five Gould residents who were present. The Pine Bluff Commercial said Mathis urged Southeast Arkansas people to “get involved” and “get a different mindset...You elect these [lawmakers] and you have to hold them accountable.”

HELP SHAPE ARKANSAS’ FUTURE

The legislative session is underway! See what’s happening at www.CitizensFirst.org.

Can you make a call, or send an email? Sign up for the weekly alerts at www.CitizensFirst.org.

Help us plan for the future. Fill out the enclosed survey and mail it in.

Come have lunch with Citizens First Congress members and legislators on Tuesday, March 27. To receive more information, fill out the enclosed survey or call Sean at (501) 376-7913, ext. 16.

Yes, we need leadership for social justice and environmental protection.

Here is my donation to support bringing people together to shape the future of Arkansas:

$__15  __$30  __$50  __$75  __$100  _____ Other

Make checks out to The Panel, 1308 W. Second Street, Little Rock, AR 72201

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Fannie Fields of Concerned Citizens of the Marvell Area and co-chair of the Citizens First Congress addresses the media about the 2007 Peoples Agenda for a Better Arkansas. Go to www.CitizensFirst.org to see more photos and news coverage of the event.

THE PANEL BOARD:
Rev. J.C. Owens, Bearden
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The mission of the Arkansas Public Policy Panel is to work together to help improve Arkansas—our environment, our schools, and our economy. While we focus on state or local issues, the decisions that Congress makes about the federal budget in 2007 will affect much of what we do.

Key programs such as pre school, HIV services, and Clean Water Revolving Loan Fund (which funds construction of wastewater facilities) are partially funded with federal dollars. In recent years, Congress has cut funding for many of these programs, even while it was passing tax cuts that favored the wealthiest among us. These decisions affect people throughout our state, so it's important for us to speak out when decisions are being made.

The federal budget process can certainly be confusing. But with the right information we can make a difference. Here is a basic primer to help you be an effective voice for Arkansans.

**STEP 1:** The budget process starts when the president sends his budget proposal to Congress in early February. This document recommends how much money the government should spend overall, sets funding levels for programs, and outlines changes in federal taxes. It is essentially a presidential wish list.

**STEP 2:** The action then moves to the House and Senate Budget Committees, which have until April 1 to develop a Budget Resolution for the full House and Senate to consider. They each pass a budget resolution, then work out their differences and vote on the compromise bill.

The budget resolution can be thought of as the blueprint for spending and taxing. It is not a law, doesn’t need to be signed by the President, and even after it is passed, Congress must also pass separate laws to authorize actual spending and tax changes. Even so, the budget resolution is important and largely controls congressional spending decisions for the year.

The budget resolution:
- sets a cap on overall annual appropriations (money for discretionary programs that Congress must vote to fund each year);
- includes changes to budget rules; and
- can set up a “fast-track” process, called “reconciliation,” that makes it easier to cut taxes or reduce spending on mandatory programs such as Medicaid, food stamps, and many conservation and farm programs.

This year the most important item in the budget resolution may be budget rules. Leaders of the incoming Democratic

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**TWO KINDS OF SPENDING**

Congress has two different ways that it authorizes spending money: mandatory or discretionary funding.

Mandatory funding: Congress funds these programs for several years at once through an authorization bill. In 2007, for example, the Farm Bill will be reauthorized. It includes multi-year funding for many conservation and farm programs as well as food stamps and child nutrition programs. Once Congress has authorized such funding, it can not be taken away unless Congress passes a new law. That is very unlikely to happen unless Congress passes a budget resolution establishing a special fast-track budget process called reconciliation.

Discretionary funding: Congress funds these programs every year through the appropriations process. If Congress does not include a program with discretionary funding in an appropriations law, then it receives no federal money that year. Many environmental programs, especially EPA enforcement programs, are funded annually through the appropriations process. So are human services programs like WIC and Head Start.

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**WHEN WE NEED TO SPEAK UP: A FEDERAL BUDGET TIME LINE**

Congress often misses these deadlines, but it's helpful to know when things are scheduled to happen.

By **first Monday in February**, the President presents a detailed budget request to Congress.

By **April 1**, the House and Senate Budget Committees present their draft Budget Resolution for consideration by the full House and Senate.

By **April 15**, the House and Senate pass final Budget Resolution Conference Agreement.

Starting **May 15**, the House and Senate Appropriations Committees start to develop Appropriations bills.

By **June 30**, the House and Senate should have passed all 13 spending bills, and be ready to negotiate a compromise version of each.

By **October 1**, the House and Senate should have passed a final version of each spending bill and all 13 should be signed into law.
majority have indicated that they want to include a strong “Pay-as-you-Go” rule. The “Pay-Go” rule is designed to hold down the federal deficit by requiring that any change in taxes or spending on mandatory programs that would increase the national budget deficit would have to be balanced by another change in taxes or spending (see box).

Congress can adopt Pay-Go without presidential approval. If it does, the Pay-Go rule will reduce the prospect that Congress will pass any new tax cuts.

STEP 3: On May 15, the House and Senate Appropriations Committees start to develop the 13 appropriations bills that set annual funding for discretionary programs (see side bar). Those bills are supposed to have final approval by October 1st. However, Congress rarely completes its work on time and often resorts to temporary funding, called continuing resolutions.

If we speak out early in the year and successfully protect the total funding available for critical programs, our work will be much easier in May when Congress begins allocating the available funds and appropriates actual spending levels for the programs we care about.

In addition to the usual federal budget cycle, this year Congress also must deal with another bill that means a lot to us in Arkansas—the Farm Bill. This bill designs and funds a variety of programs, everything from nutrition assistance and food stamps to land conservation and farm supports. We expect that the House and Senate Agriculture Committees will hold hearings and develop legislation this spring and it’s important that Arkansans are watching and making their voices heard as the legislation is shaped.

The Arkansas Citizens First Congress has hired political consultant Alice Lightle as lobbyist for the 2007 legislative session. Lightle will work with leaders of the Citizens First Congress to build public support and lobby legislators.

After the legislative session, Lightle will join the staff of Arkansas Public Policy Panel as Policy Director. She will identify opportunities and provide technical assistance in policymaking to the coalition and to grassroots community groups.

Lightle is a lawyer and lobbyist with fourteen years experience in Arkansas politics and government. A Searcy, Arkansas native, she has provided legal counsel for the offices of Arkansas governor and attorney general, and managed successful election campaigns for both federal and state candidates in Arkansas.

“This new position that Alice is helping create is a dream come true for us,” said Bill Kopsky, Executive Director of the Panel. “Along with our Organizing Director Bernadette Devone and our community leadership, Alice is helping to build a stronger bridge between local community organizations and the policy and political worlds where change on a macro level is enacted. Together, we are making the public policy process even more transparent and accessible.”

The Panel has also added other important new staff members.

Little Rock native Sean Johnson, a recent graduate of American University in Washington, also fills a new position as Citizens First Congress Coordinator. Johnson was an intern for Senator Mark Pryor and has worked in local election campaigns.

Chicago natives and Americorps VISTA Members Tanzania Walker and Gail Young are Panel organizing apprentices working in southeast Arkansas. Walker was educated at the University of Arkansas at Pine Bluff and has worked with children and women’s groups in Texas and Arkansas. Young has experience working as a jailor, a school teacher, and enrolling children in the ARKids First insurance program.

Texas native Brett Miracle is a VISTA Member working to strengthen the Panel’s communications and administrative systems. She has degrees from Trinity University in political science and physics, with added experience in website maintenance and project facilitation.
by providing alternatives to long-term incarceration of non-violent offenders. Alternative sentencing for people convicted of nonviolent crimes such as drug possession will save Arkansas taxpayers money and rehabilitate those who are not a danger to society.

- Protect our environment by recognizing global warming as a threat. The state should take appropriate steps to reduce carbon dioxide emissions, and develop alternative, renewable sources of energy.
- Create an Arkansas AIDS/HIV Minority Task Force. This task force would focus on HIV/AIDS prevention, intervention and treatment programs, particularly in rural areas, for Arkansas' minority community. Statistics indicate that 40 percent of new AIDS cases are in the African-American community.

The Congress plays a supporting role for broad agenda issues, which are led by individual coalition member organizations. Read about the thirteen issues on the broad agenda at the Congress website at www.CitizensFirst.org, and see the latest Action Alerts. Besides the adoption of the priority and broad agenda items, the convention also featured presentations from state and national experts on education and other issues, including Rebecca Jacobsen, a researcher with the Economic Policy Institute in New York.

On the evening of August 26, an Honoring Our Heroes banquet was held, featuring Arkansas Court of Appeals Judge Wendell Griffen as keynote speaker. The following awards were presented:

- “Dragon Slayer”/overall outstanding activist award: Curtis Mangrum, co-chair of the Gould Citizens Advisory Committee.
- Southeast Arkansas activist award: Gould Citizens Advisory Committee.
- Southwest Arkansas activist award: Lee Davis Hines, founding leader of the Southwest Arkansas Good Government Commission. Mr. Hines passed away this year.
- Northwest Arkansas activist award: Teresa Mauer, who runs ATTRA (Appropriate Technology Transfer for Rural Areas, an information hotline).
- Agricultural activist: Arkansas Farm Community Alliance
- Civil rights activist: Margarita Solorzano, director of the Hispanic Women’s Organization of Arkansas.
- Economic activist: The Rev. Stephen Copley, chair of Give Arkansas A Rai$e Now, the group that successfully advocated an increase in the state minimum wage.
- Education activist: Arkansas Advocates for Children and Families
- Environmental activist: Debbie Doss, chair of Arkansas Conservation Coalition and conservation chair of the Arkansas Canoe Club

On the final day of the convention, delegates and other attendees heard speeches from three candidates for Governor in the November 7 election: Independent candidate Rod Bryan, Republican nominee Asa Hutchinson, and Green Party nominee Jim Lendall. After each candidate’s speech, the audience had an opportunity to ask questions. Many of the questions solicited the candidates’ views on economic fairness and economic development.

This year’s Citizens First Congress convention was a major success, and demonstrated the power of coalition building and grass roots activism. With the help of CFC members, the next legislative session has the potential to be one from which all Arkansans can truly benefit.

Rowett is the Research and Communications Director of Southern Good Faith Fund and a steering committee member of the CFC.
Organizing in Rural Arkansas

Rural Arkansas people have a vision for the future of their communities. The Panel collaborates with community people to help them create the plans and build the organizations they need to realize those visions.

Across the state, new community groups are creating positive local changes and influencing policymaking at the state Capitol.

The Stamps Citizens in Action, the Wilmot Concerned Citizens and the Gould Citizens Advisory Committee involve local residents in beautification campaigns and neighborhood watch programs. They put out flyers, get support from businesses and have convinced their city councils to pass new ordinances that support their efforts.

As people get involved, the groups begin educating them about their voting rights. They hold voter registration and Get Out The Vote campaigns. In 2006, voter turnout in Stamps increased 14.7% over the previous non-presidential election. In Wilmot, it more than doubled (106%).

Their political forums draw in local candidates who answer questions from voters. In 2006, Stamps Citizens in Action members listened to a candidate for sheriff and decided to support him. Victor Rose became the first African American sheriff in Lafayette County, and one of only a handful elected in Arkansas since Reconstruction.

In Gould and Wilmot, members of the new groups gained seats on the city council or have been appointed to city council committees.

Leaders from these groups worked together in the Southeast Regional Council to get two bills submitted and passed through the legislature in 2005. One law protects the archives that were being discarded from the historic black schools and other rural schools being consolidated. The other facilitates the transfer of closed school buildings to community groups. In 2006, the Gould community used the new laws to acquire its former school and get their former school’s trophies displayed in the new school.

The Concerned Citizens of the Marvell Area (CCMA) helped to secure a 99-year lease on closed school buildings. The buildings will be used for a community center and senior citizen homes. CCMA ran its own slate of candidates for the Phillips County Democratic Central Committee and won six seats.

In Dumas, seventy teenagers from five southeastern towns held a SpeakOut last summer and formed the Southeast Youth Council. Their delegates attended the convention of the Arkansas Citizens First Congress and helped elect the 2007 Peoples Agenda for Arkansas.

Southwest Arkansas Good Government Commission pulled in area organizations to a caucus meeting, where they discussed regional issues in preparation for the legislative session. Members of the Northwest Arkansas Progressive Coalition are leading the current campaign for an Arkansas response to global warming. NAPC hosted a press conference in February.

Arkansans for Excellence in Education (AEE), a statewide group with chapters in the local community groups, met with Columbia University researcher Rebecca Jacobs to deepen their analysis of Arkansas’ achievement gap between lower and higher-income students and between white students and students of color. AEE is developing policy initiatives in workshops and caucus meetings. They are studying individual school districts and supporting legislation in 2007 to increase funding for pre-kindergarten education.

Our hearts go out to the people of Dumas who suffered injuries and lost businesses, homes and jobs when a tornado ripped through the community on February 24. Several community groups working with the Panel are located in the Dumas area. Leaders from these groups and the Panel’s VISTA volunteers have aided in the recovery effort. If you want to help, contact the Panel at 501 376-7913, ext. 10.
Since the 1970’s, the Panel and our partners – the Arkansas Citizens First Congress today, and previously, the Arkansas Fairness Council – have advocated for revamping the state’s regressive tax code. Finally, in 2007 we have some progress to report.

The Governor and Legislature agreed to a tax relief package of a little over $300 million dollars, targeted mainly at middle and low income Arkansans. The package had four components:

- Act 195 of 2007 raises the Arkansas minimum income tax to the Federal poverty line ($9,800 for an individual or $20,000 for a family of 4) and indexes it for future years so it will continue rising. It is directly targeted at low-income families. This measure will eliminate 60,000 tax returns a year and cost the state coffers $32 million.

- Act 110 of 2007 cuts the state sales tax on food in half, down to 3%. The cut will cost the state $253 million. It benefits both low and high income taxpayers. This measure is not as progressive as the income tax cut, but any cut to nearly any sales tax has a net progressive effect.

- Act 142 of 2007 increases the Homestead Exemption by $50, benefiting home owners and costing the state $50 million.

- Act 185 of 2007 cuts the sales tax that manufacturers pay on energy. This cut is not progressive, benefiting large manufacturing facilities. Some argue that this is good economic development, but others point out that the manufacturing base is shrinking rapidly anyway because of globalization and this cut is unlikely to have much effect. It will cost the state $350 million.

What’s the net effect? We started this legislative session with a tax system where poor families paid over twice the total tax rate that wealthy families pay. The changes this session are small improvements to that system, but they are small. What is more important is that this is the first time the Arkansas Legislature has acknowledged the unfairness of the Arkansas tax code, and then done something about it.

We hope their commitment continues into future years. More substantive reforms are still needed. These tax cuts were made far easier for lawmakers because Arkansas has a $850 million dollar surplus. This allowed lawmakers to cut taxes this year without cutting vital programs or services. What will they do in the future, if surpluses shrink and they need to raise taxes again? That’s when legislators will have to make the difficult choices about whether to raise taxes on those most able to pay, or slide backwards on their commitment to fair taxes.

Congratulations to all of us who have fought so long for fair taxes, especially Arkansas Advocates for Children and Families which has worked on this issue for many years. At Arkansas Public Policy Panel, we will continue working for a fair tax system in Arkansas. We hope you’ll join us. Find out more about Arkansas’ tax system at our website: www.ARPanel.org

Arkansas Public Policy Panel thanks the following funders and donors for supporting our civic engagement and education work. Without you, we couldn’t do what we do. Thank you!

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….and many individuals in and outside Arkansas
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Fill Out a Survey and Win Free Ice Cream!

Hazel Pruitt and Norvell Dixon of the Gould Citizens Advisory Committee traveled to the Capitol to speak with their legislator, Rep. David Rainey of Dumas