



The Activist News

Citizens for Limited Taxation & Government
The Commonwealth Activist Network

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The Massachusetts Taxpayer Activist's CLT&G Newsletter

April 1998

It's April 15th, 1998:

Why are We Still Paying that 1989 "Temporary" 18-Month Tax Hike?

A Promise to Keep: 5% Initiative Petition Status Report: 5th Month of Teachers Union Attack Continues By Chip Ford

On March 30th we filed our defense of the signatures the teachers union is challenging with Suffolk Superior Court, along with all the supporting documentation that we've committed the past few months of our lives around the clock to producing, as well as the signatures we've found that should have been certified by the city and town registrars but weren't. Here's the score as we see it stand now:

We lost 437 signatures before the state Ballot Law Commission, mostly of either a husband or wife who signed for the other, putting us 356 signatures below the required 64,928.

We are "conceding" another 263 that were certified but which we have been unable to find belonging to any registered voter.

That puts us down 619 signatures below what we need to qualify for the ballot.

We will contest the remaining 821 being attacked by the teachers union because we have identified the voter in the Secretary of State's Central Voter Registry (CVR) or by other means; of those, we also have 150 city or town voter registration cards identifying the voter's signature.

We will challenge to add almost 2,000 signatures that should have been certified, but were not, which we have identified as belonging to registered voters according to the Secretary of State's CVR.

Oral arguments begin on April 9th (after this goes to the printer). We expect to have the court's decision before May 6th, when the Legislature must vote up or down then we go out and collect another 11,000 signatures to put A Promise to Keep: 5% on the November ballot.

We've been working at this initiative for the longer than I've ever experienced -- *since last Labor Day weekend* though it seems like forever! In the next couple of weeks the court will issue its ruling and the teachers union harassment will finally come to an end . . . for now.

Along with all our briefs and a suitcase full of documentation, we also filed my personal affidavit (on right), in which I summed up the situation as well as I could, and which also sets us up for damages against the MTA and TEAM when we win!

COMMONWEALTH OF MASSACHUSETTS
SUFFOLK, SS
SUPERIOR COURT

BARBARA C. ANDERSON, ET AL

v.

WILLIAM FRANCIS GALVIN,
SECRETARY OF THE

COMMONWEALTH OF MASSACHUSETTS
SUPPLEMENTAL AFFIDAVIT OF ROBERT "CHIP" FORD

I, Robert "Chip" Ford, upon oath depose and state:

1. I am one of the original ten signers of our initiative petition and reside at 22 Franklin St., Apartment 1, Peabody, Massachusetts.
2. I am co-director of Citizens for Limited Taxation & Government and have been since November of 1996. I am also co-chairman of its ballot committee, A Promise to Keep: 5%, and have been since July of 1997.
3. A Promise to Keep: 5% raised \$45,057.00 from 1,586 contributors for all of 1997; the average contribution was under \$30.00. The committee spent \$40,614.70 for our entire statewide signature drive and, due to additional costs incurred in December by this challenge, carried a liability of \$15,025.05 at the close of the year. Except for our four paid staffers, the signature collection was accomplished entirely and exclusively by citizen volunteers.
4. I have organized and served as state coordinator for six statewide initiative or referenda signature drives since 1986, and have served as an advisor or consultant to other signature drives.
5. I obtained a CD-ROM copy of the Secretary of State's Central Voter Registry (CVR) database in mid-December and converted it into a format usable by our volunteers and us. I designed our database program, based on the Microsoft Access database application program, for using this massive amount of data (some 3.5 million voter records, and over 600 megabytes in its original form). Because of its size, only my computer was capable of storing and handling the entire database.
6. Because of the massive scope of our opponents' challenge, I designed our master database program with the capability of being broken down into separate county databases and later re-merged, so we could provide our computer-literate volunteers with a manageable amount of complete and accurate data in a size and format that was usable by them. This task would have been impossible to accomplish without their help.

- Cont'd on Page 2 -

Affidavit . . . Cont'd from Page 1

7. The data we supply to this court is exactly as it appears in the Secretary of State's CVR database. This is in contrast to data provided by our opponents, in which we have found typographical errors that do not appear in the Secretary's.

8. I have worked on this project in various capacities, but have personally overseen and coordinated all data entry and recovery, requiring of me some eighty to one hundred hours every week since mid-December.

9. We have four paid staffers, who have all worked unconscionably long hours each week since mid-December, but we never would have gotten this far without the selfless work of a score of volunteers across the state and the hundreds upon hundreds of hours that they too have contributed since our opponents filed their challenge and objections.

10. One of the opponents, Jim St. George of the Tax Equity Alliance of Massachusetts, was quoted in the March 9, 1998 issue of Beacon Hill as stating: "This kind of a court case isn't cheap, but from our funders' perspective, it's a hell of a lot cheaper than running a campaign for 10 months."

11. We are seriously concerned for the future of the citizens right to the initiative and referendum process.

12. It has become apparent that collecting the number of signatures required under Article 48 of the Massachusetts Constitution is only the entry fee to a legal challenge and months of calculated legal harassment by bankrolled opponents of the proposed measure.

13. Though it cost our organization \$40,000.00 and almost three months of ceaseless work by our staff and hundreds of volunteers to complete a statewide signature drive, it will cost far more to defend against this challenge and these objections. If we prevail, we will need to collect more signatures, which no doubt will again be challenged regardless of the number.

14. In 1996, another of our initiative petitions was frivolously challenged before the state Ballot Law Commission on the grounds that we had "altered, mutilated, or defaced" our own petition when we hand-stamped in red ink our return address in a blank white spot at the top of each petition form. This tied us up for weeks and cost us tens of thousands of our donors' dollars in legal and other expenses. In the end, the Commission unanimously ruled that the charge was frivolous and threw it out.

15. Frivolous certainly, but it was an unnecessary financial and labor hardship upon us and our volunteers. Our opponents had at least accomplished one of their apparent objectives.

16. They too had made a calculated investment and, as our present opponents have said of this case before you, ". . . it's a hell of a lot cheaper than running a campaign for 10 months."

17. There is currently another petition coming before the Ballot Law Commission (Electric Deregulation referendum). One of the grounds upon which its signatures, 12,000 more than required, is being challenged is that the proponents "altered, defaced, or mutilated" their petition, the exact same charge that in 1996 the Commission unanimously found to be frivolous when used against us. Still, the petitioners must bear the burden of defending themselves against a known-frivolous charge, with no consequences to the objectors.

18. Initially, our present opponents challenged some 4,000 of our certified signatures before the state Ballot Law Commission. They dragged under subpoena large numbers of citizens from across the state who had thought they were only signing a petition, frightening many especially the elderly, inconveniencing all, and bringing a pall over the process in the future. They have subpoenaed a multitude of city and town clerks and ordered them to appear with all their records only to sit idle for hours and days.

19. They are now down to under 1,000 "objectionable" signatures, according to the data they provided to us last week. If the object of this exercise is to identify who is and who is not a legally registered voter, not merely to conjure up technicalities by which to deny a citizen's voting rights in order to keep the initiative off the ballot at any cost, most of the opponents' objections too are frivolous.

20. We have countered most if not all of their objections. We have produced evidence in our defense of voters derived directly from the Secretary of State's own Central Voter Registry and from other lawful sources. We have established that a large number of registered voters should have been certified by the city and town registrars but were not, a much more difficult standard of evidence to meet.

21. Now we can only hope that this court in its wisdom and by its judgement will put an end to this harassment; not just for us but for the future of the citizens' initiative-referendum process.

Signed under the pains and penalties of perjury this thirtieth day of March 1998.

/s/ ROBERT "CHIP" FORD

A Tale of Two "Think Tanks"

The so-called *Massachusetts Taxpayers Foundation*, funded by elements of the business community, is supporting a reduction in the 12 percent savings & investment income tax rate to the rate of wage & salary income. We support this too, but we want *both* rates at 5 percent; we phased-in our tax cut over three years so that there would be plenty of surplus state revenue for both cuts. MTF, however, supports cutting the earned income rate to only 5.75 percent next year and, further than that, only if the state can "afford" it.

The initiative petition to cut the investment income, like ours, needs more signatures in the May-June phase of the drive, and then will be on the ballot. We realize MTF is trying to make a deal to get it done by the Legislature instead of going to the voters. However, this may not work and if it doesn't, the business community will need our support

to be credible in the fall; let's hope it has the good sense not to insist that the combined tax cut is "not responsible." *CLT&G members want them both.*

Meanwhile, *The Beacon Hill Institute at Suffolk University* has done a study of the three Beacon Hill tax cuts: Governor Paul Cellucci's (like the two petitions), Senate President Tom Birmingham's (redistribute the wealth), and the tax cut part of Speaker Tom Finneran's (tiny wage & salary cut, good investment income cut) and has concluded that the Governor's will have the most positive effect on the state economy, stimulating the creation of 29,100 new jobs and about \$5 billion in new business capital by 2001. You can learn more about the study at the Institute's web site: <http://www.beaconhill.org> or connect with the link on ours, <http://cltg.org>.



Conspirators will fell taxpayers on Ides of April

By Barbara Anderson

Never mind the Ides of March, beware the Ides of April. That's when the broken promises return to haunt us. Yon Cassius Finneran has a lean and hungry look, and Brutus Birmingham is taking direction from him as he argues that the temporary tax wasn't temporary. Caesar Taxpayer is about to be stabbed at the Forum.

You can tell the conspirators by the way they talk.

We received a letter from Senate President Thomas Birmingham. It began, "I am in receipt of your missive concerning the nature of the tax increases imposed in 1989 and 1990 . . ."

The letter was a response to one we wrote recently to the Senate president after he accused acting Gov. Paul Cellucci of "a profession of incompetence if he thinks it was temporary."

Since we can't allow our governor to be unfairly attacked on a tax issue, we asked Birmingham whether, in his opinion, anyone who believes anything the Legislature says is incompetent.

We also wondered if the Senate president was being Clintonesque with his statement that "it was not a temporary tax." Did he mean that "it wasn't meant to be a temporary tax" or that "it wasn't temporary because it will be repealed over my dead body?" We really wanted to know.

So Birmingham wrote back and told us. "I concede that early on in the tax-cut debate I stated that the tax increases 'appeared' to be temporary. . . . Since I have learned that your representations cannot be accepted at face value. I did legislative and media research on the issue. I discovered that, unlike 1989, the 1990 increase to 5.95 percent was neither touted as temporary nor written that way."

Well, we didn't say it was. But the '90 increase was built on the 1989 increase from 5 percent to 5.75 percent that never would have happened had it not been sold by legislative leaders as temporary. If a thief "borrows" money from you one year, then steals some more in the next, he is still required to pay back the initial loan.

Birmingham ended his letter with this cryptic suggestion: "Perhaps you could give a course on, 'How to get an initiative petition on the ballot.' After all, you have to make a living just like everybody else." Don't change the subject, Tom.

"Tem-po-rar-y, adj. Lasting or meant to last for a limited time only, not permanent." What part of the dictionary definition does the Democrat leadership not understand? To be temporary, that which was changed must at some point be restored to its original form. That original form was the 5 percent rate that, even before the temporary increase, gave us one of the highest income tax burdens in the country. But Birmingham asked us not to be "tendentious." How'm I doing?

Meanwhile, over in the House, Speaker Thomas Finneran, Ways & Means Chairman Paul Haley and Taxation Committee Chairman Peter Larkin broke another tax agreement when they filed their so-called Taxpayer Relief Plan. They proposed an immediate but insultingly tiny cut in the "earned income" tax rate from 5.95 to 5.7 percent, a decent cut in the so-called "unearned income" tax rate from 12 percent to 5.7 percent, and a dependent exemption and deduction increase.

But backstabbers that they are, they increased the capital gains tax as part of the same package, even though it is still in the phase-down begun less than four years ago when the 55 percent legislative pay increase was on Gov. William Weld's desk. You may recall that vote: As legislators waited to see whether he would sign their raise, they secretly turned a small tax cut for low-income people into a phase-out of the capital gains tax that the governor wanted, and soon everyone who doesn't care about proper process was happy.

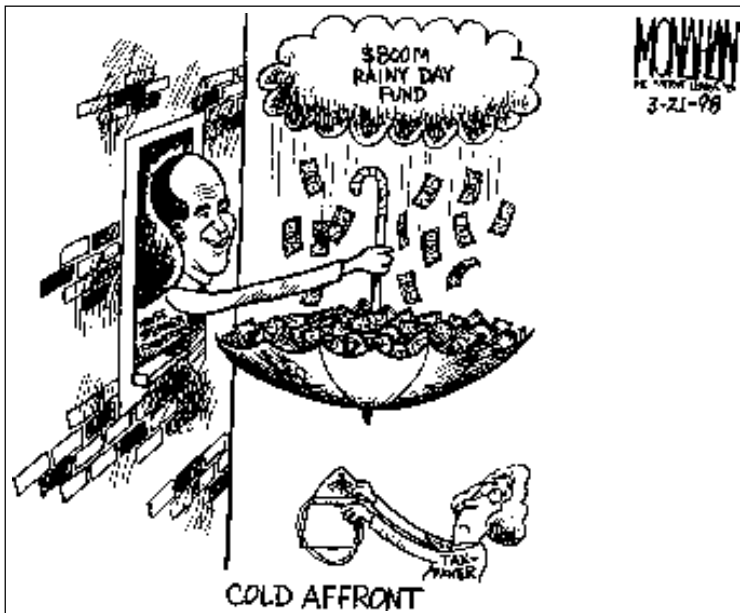
At the time, we warned the celebrating business community that the capital gains tax could just as impulsively be increased again once legislators felt secure with their higher paychecks. Who will help trusting investors get the knives from their backs now?

Republicans tried to remove the capital gains tax increase from the plan, but got only five Democratic votes from the Cassius-controlled House. Their effort to reduce the income-tax rate to 5 percent failed, too. Et tu, Brutus? Yes, the Senate won't keep any promises either.

And there's Caesar Taxpayer, the guy who saved the Empire during the state fiscal crisis, lying on the floor in a pool of blood.

That's what he gets for trusting politicians.

Barbara Anderson is co-director of Citizens for Limited Taxation and Government. Her column appears bi-weekly (and is often syndicated).



Boston Herald, Wednesday, March 25, 1998

LETTERS

Tobacco tax purpose not just for kids

Big Government is salivating over the potential windfall from a \$1.10 - \$1.50 tax increase on tobacco ("Study: Major tax hike will drastically cut teen smoking," March 24). Assertions that another tax "for the children" is only to prevent kids from taking up the nasty habit ring hollow. Government has found a new, vulnerable and, most important, available source of vast new revenue to keep expanding its reach.

If Vice-President Al Gore and the anti-tobacco lobby want to convince us that their motivation is pure they can prove it: Include a revenue-neutral tax credit for adult smokers. Every dollar an adult pays in tobacco taxes should be offset dollar for dollar, deducted directly from a smoker's income tax.

Children do not file tax returns, and adults would be relieved of tax oppression thinly disguised as child protection.

Chip Ford, Peabody



Finneran “Taxpayer Relief” Plan: Really A Tax *Increase*: “Biggest tax cut in state history” *raises taxes by \$148 million more than it cuts*

CLT&G NEWS RELEASE

Friday, March 13, 1998

Wake up, Massachusetts!

Memo to State House media: **LOOK AT THE NUMBERS!**

Start with this year, tax year 1998: According to numbers released by the House leadership, the bill reduces taxes \$302.3 million (Speaker Finneran’s chart says \$304.3 million but the addition is wrong):

\$278.6 million with the earned income tax cut; \$64 million with the new dependent exemption; \$58 million with the new dependent deduction; for a total cut of \$400.6 million. The leadership then admits it raises the capital gains tax by \$98.3 million, and claims a net tax cut of \$302.3 million.

The present Stabilization Fund transfers money to the Tax Reduc-

tion Fund for an increase in the personal exemption at the level of \$930 million.

The Finneran “Tax Relief Plan” adds another \$450 million to the Stabilization Fund before the tax cut is triggered.

That is another ***tax increase*** for 1998 of \$450 million, along with the admitted \$98.3 million capital gains tax increase, for a total tax ***increase*** of \$548.3 million.

As noted above, the total tax cut is \$400.6 million.

The bill has a net tax *increase* of \$147.7 million for 1998 — at the same time the state carries a record surplus.

And everybody voted for it! *Finneran rolled them all again.*

The Media Responds to CLT&G Exposé

By Barbara Anderson

After my column (*See Page 3*) deadline, alert CLT&G activist Allen Karon noticed something else about the House “tax cut” package: it was actually a ***tax increase!***

In an obscure section of the Ways & Means Committee draft of the bill, Finneran once again raises the cap on the state “rainy day” fund, making the net tax cut into a net tax increase. CLT&G sent out a news release (*above*), which unfortunately hit at the same time as Joe Kennedy announced he wasn’t running again. However, a few days later *The Boston Globe* called us, and its lead story on March 18th was headlined “**Finneran’s move could offset tax cut**” and ended: “**in Anderson’s view, Finneran’s plan to raise the cap actually amounts to a \$300 million tax hike. That increase wipes out the \$300 million savings the Finneran purports to save taxpayers, she says.**”

This was followed by editorials in newspapers around the state. Some samples:

“Anyone touting legislation as the biggest tax cut in state history had better make sure more than words ends up in people’s wallets. House Speaker Thomas M. Finneran’s otherwise sensible plan to cut the state income tax will be tarnished if he insists on a little-advertised provision to increase the state reserve fund by an amount that could, in the first year, offset a significant part of his flaunted reduction.” (*The Boston Globe*, Mar 19)

“Last year Finneran led the charge to find ways of using a surplus. It now turns out that his ‘tax cut’ legislation, passed by the House unanimously after the Republican alternative was predictably voted down, would raise the cap on the rainy-day fund

from 5 percent of state tax revenue to 7.5 percent. That would prevent the automatic setting of a higher personal exemption in the state income tax, another instance of the Legislature going out of the way to break its word to the taxpayers. It could salt away so much money that the net effect of Finneran’s bill could be an increase of \$148 million, according to Citizens for Limited Taxation and Government.” (*The Boston Herald*, Mar 20)

“House Speaker Thomas M. Finneran, D-Boston, is once again trying the wool over the eyes of his favorite dupes — the Massachusetts taxpayers.” (*The Lawrence Eagle Tribune*, Mar 21)

“Finneran and some other legislators have all sorts of ideas about what they’d like to do with the surplus. Finneran argues that the rainy day fund isn’t big enough to keep the state above water in the next recession. He wants to raise it to 7 ½ percent of state revenues, or about \$1.4 billion. Under that plan, you could kiss your tax refund and/or tax cut goodbye.” (*The Quincy Patriot Ledger*, Mar 21)

Although House Republicans had tried to substitute Gov. Cellucci’s bill, which is like our petition, for the Finneran plan, they received support from only five Democrats; in the end they all voted for the package, thinking it was a net tax cut.

After our analysis, Treasurer Joe Malone sent a letter to Senate President Tom Birmingham urging him to remove the tax increases from the bill when the Senate acts on it. Gov. Paul Cellucci promised to veto the final bill if it contains tax increases. And best of all, Tom Finneran lost some of his inexplicable credibility. So far, taxpayers, we are holding our ground.

One promises much, to avoid giving little.

Luc Vauvenargues, Marquis de (1715–47), French moralist

Promises are the uniquely human way of ordering the future, making it predictable and reliable to the extent that this is humanly possible.

Hannah Arendt (1906–75), German-born U.S. political philosopher

A prince never lacks legitimate reasons to break his promise.

Niccolò Machiavelli (1469–1527), Italian political philosopher

The man who promises everything is sure to fulfill nothing.

Carl Jung (1875–1961), Swiss psychiatrist



The Outsider's Track

By Barbara Anderson

On the one hand . . . **Joe Sciacca**, *Boston Herald State House* bureau chief who let *The Boston Globe* scoop him on our Finneran "tax cut" exposé, and must have needed to explain why he didn't read our news release, wrote in his March 30 column: "Unfortunately, CLT has become all but irrelevant. . . CLT can't even get its act together enough to get a referendum slashing the state income tax rate on the November ballot."

On the other hand . . . political reporter **Michael Crowley** wrote in the March 20 *Boston Phoenix*: "And a private citizen like the antitax activist **Barbara Anderson**, who has never held elective office, can almost single-handedly cow legislators into paying fealty to her tax-slashing demands."

Well, hardly single-handedly, **Chip Ford** cows legislators too. **Chip Faulkner** has slashed his share of taxes. And since last the Track appeared, CLT&G's office manager **Paula Collins** moved to Illinois and was replaced by **Loretta Hayden**, who is presently project co-ordinator of our petition defense and counter-challenge.

As we all learned from the close results of our petition drive, *every single volunteer* is an essential component of any CLT&G success. Then there are the many petitioners and drivers who went beyond the call of duty, both on the petition drive and during the present Massachusetts Teachers Association teachers union challenge: we plan to publish a list when this project is done. And then there are the Super-Volunteers who have been in the office almost every day, working with Loretta to identify enough signatures to get us on the 1998 ballot. Their photos appear here. They were assisted by many others, with special mention for frequent volunteers **Bill McKibben** and **Paul Muliero**.

Heaven is on our side, too. And then there is an Angel. Her name is **Sarah Blood** and she just showed up one day in December and offered to help. She says she is a veteran of the petition drive to repeal rent control, an issue that survived a similar challenge, but we know she is more than that and understand her heavenly need not to be photographed.

Special thanks to long-time member **Barbara Levings**, who volun-



When he is not perusing bills to find secret tax hikes, **Allen Karon (Activist-Canton)** has been pouring over petitions to save our signatures

teered last year for the project of putting five years' worth of press clippings that mention us into our CLT&G history binders. She's still working on it. These binders, which were begun by my father in 1980, are the reason we can quickly recall everything that has happened on tax policy in Massachusetts, then remind the Legislature of its broken promises.

Yes, there is still talk radio in Massachusetts. Beacon Hill Institute Director **David Tuerck** and I shared three hours on the **Jerry Williams** show on March 29th. **Chip Ford** and I were with **David Brudnoy** on March 4th. I update listeners on the **Paul Sullivan** show at WLLH in Lowell (AM 1400) on Thursday mornings at 8:00, and on the **Al Needham** show on WESX in Salem (AM 1230) every third Friday from 11:00 to noon.

And now, former CLT executive director **Don Feder**, a *Boston Herald* columnist, will be hosting WRTP (Where Real People Talk) at AM 650 every Monday through Thursday from 6-7 PM.

The MTA challenge has kept us from doing much socializing for the past few months, but we did get to **Paul Scott's** Salem kick-off for Governor's Council on March 31st. Paul's wife **Georgina Scott** is one of our most active volunteers, visiting town halls to check voter registration cards and spending days going over signatures in her district. However, because of a surprise spring snowstorm, **Chip Ford** and I missed the campaign kick-off for **Steve Olson**, one of our top activists who is running for State Rep. in Plymouth. **Chip Faulkner** lives closer, so he was there and told us it was a success without us!

We are still closely watching the Amirault case as it winds once more through the courts. Our support for **Gerald and Cheryl Amirault**, who were falsely accused of child abuse in the infamous Fells Acre Daycare Center case is rivaled only by our contempt for their persecutors, Attorney General **Scott Harshbarger** and District Attorney **Tom Reilly**.

If you have to rent a car, look for a dealership in Revere! The new convention center bill created a tax on rental cars in Boston; we expect entrepreneurs in neighboring communities will be ready to offer a tax-free alternative to airport rental agencies.



Between battles with the Weymouth political establishment, **Ann Hilbert** too was digging for more signatures.

When bad men combine, the good must associate; else they will fall one by one, an unpitied sacrifice in a contemptible struggle.

Edmund Burke - 1729-1797, Thoughts on the Cause of the Present Discontent. Vol. i. p. 526



Charlie in the MTA

(To the tune of "Charlie on the MTA")

Lyrics by Bradford E. White, CLT&G activist poet

Let me tell ya a story 'bout a teacher named Charlie,
on a tragic and fateful day
He had ten bucks in his pocket, but now it's missing
He got mugged by the M.T.A.!

Chorus: But did the kids ever learn, no they never did learn
and their fate is pay unearned (poor li'l children)
They must beg forever on the streets of Boston
they're the kids who never did learn.

Well the union got its dues from Charlie's paycheck on Friday
To fight his taxcut-to-be
On Monday they came back for his last few nickels
To pay lawyers a hefty fee.

Poor ol' Charlie didn't want to teach in-doc-trination,
sex education and self-esteem
He'd rather spend his time teaching math and reading
But the union said he had to join TEAM.

Chorus: But did the kids ever learn, no they never did learn
And the M.T.A didn't care (poor li'l children)
It was much too busy keeping tax cuts off the ballot
Making all of us pay more than what's fair.

Citizens for Limited Taxation & Government

The Activist News

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THE 9TH APRIL 15TH WE'RE PAYING THAT "TEMPORARY" TAX !