



The Activist News

Citizens for Limited Taxation

The Commonwealth Activist Network

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A Promise to Keep

5%



The Massachusetts Taxpayer Activist's Newsletter

□ August 1999

CLT and Governor Commemorate 10th Un-Happy Birthday; Vow Ballot Question to Rollback "Temporary" Tax

By Chip Ford

"May you live in interesting times," goes the Chinese wish, and it would be hard to beat these times.

State government has never been so flush with our money — money it's extracted from us in good times and bad, under threat or by promise. More money than they can in conscience find legitimate ways to spend.

The state's "rainy day" fund, raised twice, is overflowing by more than a billion dollars with our overpayment of our taxes; this year's surplus is piling up by the hundreds of millions; and the state is waiting for arrival of the first \$350 million installment of its \$8.3 billion share of the national tobacco settlement "taxpayers reimbursement."

The state budget has more than doubled to \$21 billion in a dozen years — it is spending twice as much now as when state government was melting down in fiscal crisis and nobody knew about it, or was talking.

The talk on Beacon Hill is not of returning the over-taxation to its rightful owners, the taxpayers, as any rational person would expect. No, the politicians are plotting to extract even more from us.

First came a new "fee" on our phones to fund the ex-

panded E-911 service.

Right behind that scheme came the call to reinstate Registry of

Motor Vehicles fees for drivers license and auto registration renewals, to generate more funds to pour into the Big Dig.

Then came the shameless breaking of not only another promise but the Legislature's part of a deal with the Weld administration: the phase-out of the capital gains tax in exchange for the Legislature's outrageous 55 percent pay raise.

Now that they've got their pay raise and have enshrined automatic raises in the Constitution, both the House and Senate want to halt the phase-out at 2 percent.

"MINE, MINE, MINE!" the politicians cry. More Is Never Enough! "What's mine is mine, and what's yours is mine too!"

CLT went on the offensive last month, taking head-on the Gimme and Greed lobbies.

First we just said no to the ridiculous E-911 "fee." Somebody had to call it what it was, a new tax, and nobody else seemed to be around. (See Barbara's column on Page 3)

Then we announced that if the Legislature insisted on breaking CLT's out-of-court

Cont'd on Page 2

The Worcester Telegram-Gazette

July 15, 1999

Unhappy birthday

A doleful milestone for "temporary" tax hike

As lawmakers met behind closed doors this week to divvy up \$20.8 billion in state spending -- up almost 7 percent from last year -- the 10th anniversary of Massachusetts' "temporary" income tax hike passed on Tuesday with a notable lack of fanfare.

If the connection occurred to the House and Senate conferees, they weren't letting on.

It was left to Citizens for Limited Taxation & Government, the indefatigable advocacy group for fiscal restraint, to mark the occasion with a mock Statehouse party, complete with an "unhappy birthday" cake. ...



L to R, Barbara at the State House commemoration, with House Minority Leader Fran Marini (at the podium), Rep. Ron Gauch, with Gov. Paul Cellucci and Lt. Gov. Jane Swift (descending Grand Staircase)

settlement by reinstating RMV fees, we would reopen our 1989 lawsuit, pick it up where we left off in 1991.

If we were forced to reopen our lawsuit, then we would again sue to abolish all Registry fees above “the cost of providing the service,” its \$57 million annual budget. Not only would the state not get its estimated \$70-\$100 million more, but it would lose more than \$300 million the Registry currently raking in above the cost of providing the service!

But also we had some fun on July 14th commemorating — not celebrating — the 10th birthday of the “temporary” income tax rate increase. At the foot of the Grand Staircase in the State House we provided the birthday cake, party favors, and a pin-the-tail-on-legislators-against-the-rollback game.

We were joined by Gov. Cellucci, Lt. Gov. Swift, a group of Republican Legislators, the State House press corps, and bemused vacationing tourists in singing “Un-Happy Birthday” to the ten-year old tax hike.

Gov. Cellucci again called on the Legislature to keep its promise and roll back the “temporary” income tax to 5 percent. Otherwise, he vowed they’d face a petition drive he would lead and a ballot question on the 2000 ballot that would let the voters decide.

CLT and the governor have been working on the logistics of combining our forces for another petition drive in the fall.

As you will recall, CLT did it alone two years ago. After months of collecting signatures, we had our petition tossed out after more months of signature challenges by the Massachusetts Teachers Association.

In the end we fell short by only 26 signatures. With the added manpower and organization offered by the governor, that will not happen again.

You should have received your petition support poll within the past week or two. We hope you’ve already responded. If not, please do so immediately so we can gauge the level of support and commitment CLT can pledge to Governor Cellucci and his team.

Petition Process Toughened by SJC Decision

Last fall, The Coalition for Parental Choice in Education circulated an initiative petition for a constitutional amendment that would allow public money to aid private schools. CLT supports the issue though we were not involved in the petition drive except to help train volunteers.

This was the first initiative petition that had to collect signatures under the recent state Supreme Judicial Court ruling that was made after a challenge to the Electric Deregulation referendum by the utilities. The SJC then ruled that no marks are allowed on initiative petition sheets, and that if a mark — even a squiggle to activate a ball-point pen — is on the sheet, all the signatures on that sheet are thrown out.

Using this ruling, the Secretary of State was required to disallow so many signatures that the CPCE petition fell short. CPCE went to court to get its signatures back; CLT lawyer Steve Epstein

filed an amicus brief in support, as did other initiative groups from across the political spectrum. The Secretary of State and Attorney General also argued that the SJC should be more reasonable and allow marks that did not alter or effect the official summary of the petition. However, the SJC, in an unanimous decision, disagreed and reiterated its original ruling that petitions must be copied exactly and turned in with no markings whatsoever except signatures and the certifications of city/town clerks.

This means no return address, no numbering, no writing the name of the town on the bottom of the sheet for mail use, no squiggles, no food stains, no name of signature collector on top. The only marking allowed is the signature of the voter and his or her address, period. CPCE may appeal to the federal courts. In the meantime, we are working with the Secretary of State’s office to: a) redesign the petition form to officially allow space for a return address, and; b) draft legislation to address the rationale for the SJC decision.



Above: CLT’s 10th Un-Happy Birthday Party table at the Statehouse. Birthday cake, meat cleaver to slice it, “Pin-the-Tail-on-Legislators Against the Rollback” game, and party hats and favors were enjoyed by all.

Below: Good sport House Minority Leader Fran Marini pins a tail.



To summon help, please deposit more of your hard-earned money

By Barbara Anderson

Here's a new one for you. The chairmen of the Legislature's Government Regulations Committee want to tax us to call the cops!

Senator Mike Morrissey (D-Quincy) and Rep. Dan Bosley (D-North Adams) are preparing a bill that will add at least \$2 per year to Massachusetts phone bills to pay the cost of the Enhanced 911 service that we use to call the police, fire department, and ambulance when we are scared, on fire, or having a heart attack.

It seems that the geniuses who decided to fund E-911 with a charge on more than ten 411 calls a month didn't realize that once directory assistance wasn't always free, lots of people would exert themselves to flip through their rolodex, phone book, or phone CD for that eleventh number.

So, the anticipated revenues are not flowing in, and the question becomes: how do we get the money to pay for E-911?

Let's look at the big picture here. As part of the extraordinarily high Massachusetts per capita tax burden, we are still paying the temporary sales tax and the temporary tolls from the middle of this century, and the temporary income tax hike from 1989.

This year, both branches of the legislature have voted to halt the promised phase-out of the capital gains tax and are preparing to override Governor Cellucci's veto of this tax increase.

Something that calls itself the Massachusetts Taxpayers Foundation is advocating an increase in registry fees, even though the Registry already raises lots more than it needs to service its customers.

But this is not enough. There must be some way that the legislature can vacuum the last bit of change from the taxpayers' pocket. Are there no other taxes they can call a fee? No other promises they can break?

How about the basic pledge of protection that is the main

reason we have government in the first place?

Most of us, even libertarians, believe that the primary purpose of government is public safety. Protection from the bad guys, I have on good authority, was the reason our ancestors invented government four thousand years ago. More recently, fire protection became a government program, and many communities have attached ambulances to either the police or fire department.

Now stay with me on this. We are paying property taxes for local police and fire service and state taxes for the state police. When the moment comes that we need a policeman, fireman, or ambulance, it does us little good to yell "help" at the top of our lungs unless they happen to be passing right by.

This is not a criticism of our men in uniform; we cannot expect them to be everywhere at once.

Therefore, it is part of the great Public Safety Plan that we can pick up the phone and call them, or shout "help" in the hope that someone will hear and phone the police, fire department or ambulance for us.

But Senator Morrissey and Rep. Bosley want us to pay more for the privilege of using the phone in an emergency to reach the people we are paying to protect us! We don't buy a cable service without having a television set; what good is it to have public safety if you can't reach it?

Yes, it's only \$2.00 a year. But that's on top of the billions Massachusetts taxpayers already pay, and it's to fund something that should be covered in existing budgets for a service that is useless without it.

Help, police! The legislative thieves are vacuuming our pockets again. But don't call E-911; this is not an emergency, just business as usual on Beacon Hill.

Common Sense • U.S. Term Limits Weekly Commentary #49 "A New Word"

There's a new word in the English language: to "Nethercutt."

To nethercutt means to go back on one's word; to say one thing in order to get elected to public office and then to do the opposite once elected. It means to be dishonest, a hypocrite, an opportunist.

The word comes from Congressman George Nethercutt who defeated the Speaker of the House on a pledge to serve no more than three terms in Congress. Nethercutt has now broken his word to the voters and plans to keep running to cash in on a career in Washington.

The Seattle Times defines "Nethercutting" as, "the cynical, self-serving hypocrisy of someone who exploits others for personal gain."

In stark contrast to Nethercutt, Representative Matt Salmon

and seven others who made term limit pledges have kept them. When asked about Nethercutt's excuses for breaking his word, Salmon said bluntly: "I don't buy those arguments and I can trump all of them with one card: if you give your word you ought to keep it-end of story."

The sports pages recently carried a story about the kind of integrity Mr. Nethercutt lacks. Felipe Alou is the manager of the Montreal Expos a baseball team that has been down on their luck this year. Alou turned down an offer to go to another team, saying: "I always said I would not leave this organization — I had to keep my word. It doesn't matter if you are winning games or losing games. We die with our word."

No wonder people like sports better than politics. There's less chance you'll get "nethercutted."



Shutting down a cash cow

THE ISSUE

Some legislators want to raise Registry fees to pay for highway projects.

OUR VIEW

That is a violation of state law.

Some Massachusetts legislators think that the drivers are not paying enough to the Registry of Motor Vehicles.

The state needs more money to pay for Boston's Central Artery project — the "Big Dig" — as federal funds dry up.

There are other road projects that need money, too.

What better source to turn to, some legislators say, than the Registry.

The Registry generated \$807 million in revenues for the state last year, including \$375 million in license and registration fees.

Yet it cost only \$60 million to run the agency.

The Registry is, in financial terms, a "cash cow."

But there could be more — oh, so much more — in that particular honey pot.

Some on the Legislature's Joint Transportation Committee want the Registry to reinstitute fees for the renewal of driver's licenses and auto registrations. Currently, those licenses and registrations that are in good standing renew for free.

Reinstituting fees of \$33.50 every two years for registrations and \$35 every five years for licenses would generate another \$100 million a year for cash-starved legislators.

These are the same cash-starved legislators who are trying to figure out what to do with the \$800 million surplus the state took in last year and the expected \$500 million extra that is coming this year.

There's only one problem with this grand idea:

It's illegal.

State law says that fees collected by a state agency cannot exceed the cost of operating the agency that collects them. The taxpayer group Citizens for Limited Taxation sued the state in 1989 to enforce that law. The state settled out-of-court in 1991 by agreeing to let driver's licenses and registrations be renewed for free.

Now, based on information in stories in The Eagle-Tribune, CLT says it will go back to court to enforce that settlement if legislators try to reinstitute the fees.

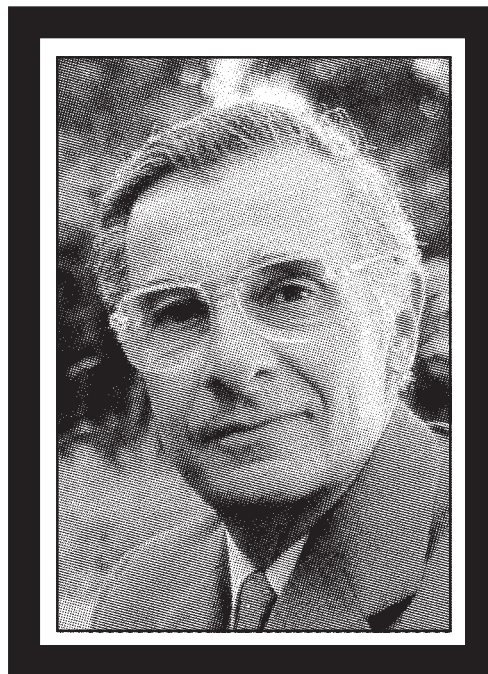
Further, CLT warns it will target not just the reinstituted fees, but all the license and registration revenue the Registry generates above its \$57.6 million operating costs — roughly \$300 million.

We'll take them one step further — the state should stop — right now — using Registry revenues to pay for highway projects.

It is clearly against the law.

See next page for CLT's apparent big win!

Ray Shamie, 78, Dies of Cancer



On June 9, 1999

CLT issued the following statement:

Citizens for Limited Taxation wishes to express its deep sadness at the death of Ray Shamie, as well as its gratitude for his inspiration and his support.

CLT was founded in 1974 by Edward F. King, who received early encouragement and financial assistance from Ray for the campaign against the proposed graduated income tax. The organization was always meant to be a permanent voice for the taxpayers, and Ray did his best to keep us around. He was one of the original members of the CLT Board of Directors, and one of CLT's largest contributors; we could not have done Proposition 2½ without him.

In 1992, he was awarded the first Warren T. Brookes award by our grateful members at our annual dinner.

Ray believed in lower taxes, limited government, and personal responsibility, but his real inspiration came from his happy, hopeful, honorable attitude toward political action. His sense of humor and easy laughter made activism fun. We'll miss him.

State Senators

who voted for the state income tax rollback

- June 9, 1999 -

Sen. Guy Glodis (D-Worcester)

Sen. Robert Hedlund (R-Weymouth)

Sen. Michael Knapik (R-Westfield)

Sen. Brian Lees (R-East Longmeadow)

Sen. Henri Rauschenbach (R-Brewster)

Sen. Jo Ann Sprague (R-Walpole)

Sen. Bruce Tarr (R-Gloucester)

Sen. Richard Tisei (R-Wakefield)

Sen. Susan Tucker (D-Andover)



The Outsiders Track

By Barbara Anderson

Unhappy birthday to the 10-year old income tax hike. We didn't ask CLT members to come to the State House for our media event because the anniversary date was the same day as the All-Star game and **Governor Cellucci** was available only at 3 PM; we knew traffic would be bad. Still, after reading about it on **Chip Ford's** e-mail update, Boston resident **Doug Krick** and **Byron Roscoe**, who works in Cambridge, showed up to help us celebrate. Byron wore the party hat that both Chips and the Governor refused ... Next year we plan a bigger bash for the 11th birthday as we're heading for the year 2000 ballot. You are all invited.

House Minority Leader **Fran Marini** (R-Hanson) and Assistant Minority Leader **Rep. Ron Gauch** (R-Shrewsbury) were very good sports and played pin the tail on the donkey, which we had labeled "Legislators Against the Rollback." Other supportive legislators at the "party" included **Sen. Joanne Sprague** (R-Walpole); Assistant Minority Whip **Mary Rogeness** (R-Longmeadow), **Paul Frost** (R-Auburn), **Susan Pope** (R-Wayland); and new representatives **Brad Hill** (R-Ipswich), **Scott Brown** (R-Wrentham), and **Reed Hillman** (R-Sturbridge).

In preparation for his state rep. campaign, Doug Krick has compiled a list of outdated and outrageous Massachusetts laws; you can find his list on his internet website at:

<http://www.angelfire.com/ma2/krick/oldlaws.html>.

CLT activist **Anne Hilbert** served as a member of the Weymouth Charter Commission, whose unanimous support encouraged local voters to change the form of government from a representative town meeting to a mayoral council which, Anne says, "is more accountable to the people." From what we hear from local activists about Weymouth, one can only hope.

The Concord Coalition for Good Government defeated the June 17th override, 53 to 47 percent. Marblehead taxpayers weren't so lucky; the debt exclusion for \$43 million in new schools passed easily. In related news, Salem school superintendent **Herbert Levine**, who recently accused me of "murdering" the minds of children because of Prop 2½, just got a pay raise to \$100,000 a year. Hey, at least I'm not a thief!

I had a "getting re-acquainted" meeting last month with long-

time CLT friend **Andrew Natsios**, the new Secretary of Administration and Finance for the Cellucci Administration. Andrew was one of the four legislators who originally drafted Proposition 2½, and was one of its strongest defenders in the Massachusetts House during the early 1980s.

Summer Entertainment. If you didn't see the movie *The Castle* yet, try to find it in a local theater, or make a note for when the video comes out. It's an absolutely delightful comedy about a wonderful Australian family fighting eminent domain. But I've recommended the wrong movies to my mother often enough to know I should warn you about the language: other than that, no sex or violence, just hilarity.

Chip Ford gives five stars to *Term Limits*, a paperback novel by **Vince Flynn** (Pocket Books - \$6.95). Its cover summarizes: "Taking America back ... one politician at a time. What if America's leaders were held accountable for their broken promises — and made to pay for their corruption? Vince Flynn brings to life a chilling scenario of Washington under siege ... a tour de force of action and suspense takes the ultimate American ideal — a government of the people — to a devastating extreme."

Here's a household hint for political activists from my banker, who noticed my bumper sticker collection and recommended an item that removes them easily after the election. It's called Goo-Gone, is citrus-based, and he found it at Kitchens Etc. at the Northshore Mall in Peabody. It's also used for removing annoying stick-on labels on glasses, etc.

And from an internet friend, this news item of interest: "**Massachusetts Teachers Association** delegates approved a \$24.9 million budget (\$296 in dues from each full-time member) and an additional \$2.15 million for the union's public relations campaign (\$30 from each full-time member). Referred to the executive committee and board of directors for consideration was a new business item that would require MTA to 'research and disseminate to members information about the major organizations and publicly-traded corporations involved in the advancement of the privatization of public education.' If only I could corner the copyright on the 'right-wing conspiracy flow chart' I could retire." Hey, MTA. Over here! Put CLT on that list!

A Big Win for CLT!

The Boston Herald • Wednesday, July 28, 1999

Senate prez KOs Registry fee hikes

by Ellen J. Silberman

... Birmingham's opposition to the fee hike puts him on the same side of the issue as Barbara Anderson and the Citizens for Limited Taxation and Government, which had been planning to sue the state to block the fee increase.

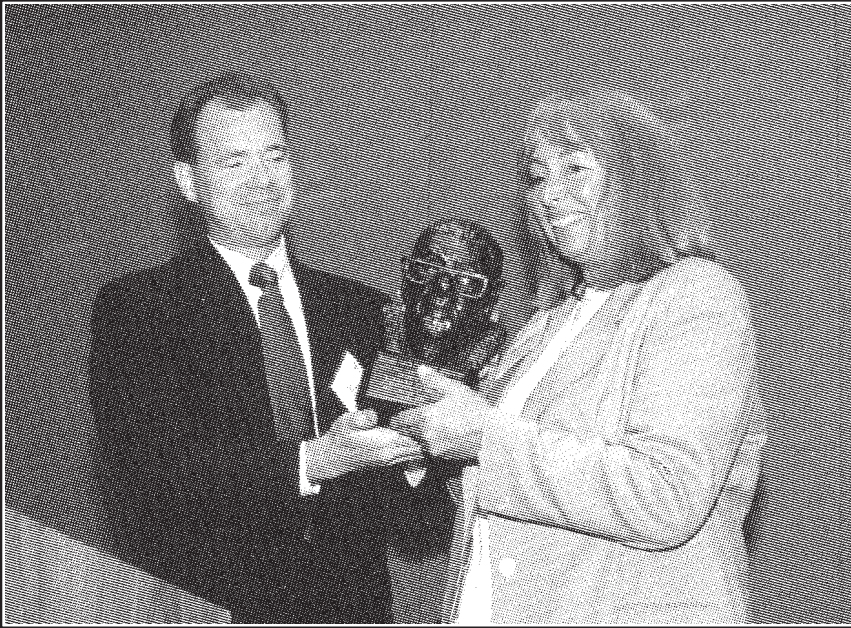
"Welcome aboard, Tom," said Chip Ford, director of operations for CLT&G, a group that has often criticized Birmingham

for his claim that the state can't afford to drop the income tax rate from 5.95 to 5 percent.

Birmingham said it was "novel" to be on the same side of an issue with Anderson. But added, "I don't plan on making a habit of it."



Barbara Receives Lifetime Taxfighter Award from Howard Jarvis Taxpayers Association



John Coupal, executive director of California's Howard Jarvis Taxpayer Association, (above left) presents his organization's Lifetime Taxfighter Award to Barbara Anderson. The honor was bestowed on June 11th at the National Taxpayers Union Conference and 30th Anniversary Gala in Washington, D.C. Barbara's in good company as the fourth recipient of the award; President Ronald Reagan was the first!

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The "Temporary" Tax 10 Years Later -- Roll it Back by Petition?