



Advocacy Alert

OREGON FOOD BANK
OREGON HUNGER RELIEF TASK FORCE

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take five

(actions that take five minutes or less)

Action:

The fight to stop the President's cuts is working! Please don't let up now. Call your Representative toll-free at **1-800-459-1887**.

Message:

- Oppose any proposal that forces cuts in human needs programs by setting spending as low as the President's budget.
- Oppose funding set so low it is a direct threat to children, seniors, and working families who need food, housing, Head Start, and education.
- Support funding levels high enough to prevent cuts. Don't cut services to low-income Oregonians.

Take Action with ease...

www.oregonfoodbank.org



ADVOCATE

Senator Smith honored as anti-hunger hero

At an awards ceremony in April, Oregon Governor Kulongoski, honored U.S. Senator Gordon Smith, with the first Jerry Tippens Advocacy Award.

The Jerry Tippens Advocacy Award recognizes an individual who has demonstrated a high commitment in word and action to combating the root causes of hunger. The new award is named in honor of Jerry Tippens, a tireless advocate and former Oregon Food Bank (OFB) Board chair who died in 2005.

"Senator Smith ... has worked tirelessly and courageously to fight federal budget cuts and help his colleagues understand the connection between those important safety-net programs and the issue of hunger," said Governor Kulongoski. as he urged all Oregonians to support the Senator's continued effort to fight cuts to low-income and working families at the federal level.

"Hunger is not a Republican issue or a Democrat issue. It is an American issue," stated Senator

Smith in a letter read in response to receiving the award. "We are privileged to live in the freest and richest nation on earth, and I believe we all share a responsibility to do what we can to ensure that no one is hungry."

As lead republican, Senator Gordon Smith was instrumental in creating the Senate Congressional Hunger Caucus. He has been the most important leader in the U.S. Congress in protecting funding for food stamps and Medicaid.

The passage of payday loan reform — a real victory for hard working Oregon families

We have all seen the neon signs popping up across the state advertising quick cash payday loans. However, the reality for thousands of hard working families is that the promise of quick cash was a guarantee for long term debt and financial crisis. This is because the short-term loans, at rates exceeding 521%, were nearly impossible to pay off by the next payday. As a result, the majority of borrowers renewed their loan, paying a new set of interest and fees. After 8 weeks of this debt cycle a

\$300 loan cost a family \$240 in interest and they still have to pay back the \$300.

The passage of payday loan reform during the legislators special session was a real victory for economic fairness and a great win for all of us who have been working to secure payday loan reform in Oregon. Congratulations and thanks goes out to the amazing coalition of activists and volunteers: Ecumenical Ministries of Oregon, Lutheran Advocacy, OSPIRG, AARP,

SEIU, Our Oregon, OFB, OHRTF, FOOD for Lane County and food banks from around the state joined with hundreds of volunteers who made this victory possible.

The vote during the special session wrote in to law the ballot measure backed by advocates for economic fairness. Starting in July 2007 the new law will:

- Cap interest at 36% annually;
- Limit fees to \$10 per \$100 borrowed on the first loan;

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Legislative Yellow Pages

State Legislative Information
1-800-332-2313 (outside Salem)
(503) 986-1000 (in Salem)
www.leg.state.or.us/citizenguide

Federal Legislative Contacts
Rep. Wu (District 1)
(503) 326-2901
Rep. Walden (District 2)
(541) 776-4646
Rep. Blumenauer (District 3)
(503) 231-2300
Rep. DeFazio (District 4)
(541) 465-6732
Rep. Hooley (District 5)
(503) 588-9100
Senator Smith
(503) 326-3386
Senator Wyden
(503) 326-7525

Kicking the Kicker?

While the recent special session helped alleviate shortfalls in the Department of Human Services and school districts throughout the state, little was said about the deep cuts that have been made over the years of recession, and none of the programs cut were made whole again.

In order to address the true need in Oregon, the Oregon Hunger Relief Task Force believes it is time to look at the tax base and make some needed changes. One obvious candidate for closer scrutiny is the 'kicker law'.

"There's a reason no other state has such a law. It's bad policy. It's nutty economics," states a recent editorial in the *Oregonian*.

The editorial goes on to

lament the fact that: "...the regional irony is stunning. Washington State's economy has rebounded, too, producing a \$1.4 billion revenue surplus. That state pumped \$600 million of it into education and healthcare, and invested in a rainy day fund. Yet Oregon will give back all its unanticipated revenue... not because it isn't desperately needed, but because someone failed to forecast it."

While eliminating the kicker for individuals may be difficult in the current climate, the corporate kicker has come under increased scrutiny because up to 85% of the funds returned go out of state and do not help Oregon's economy or citizens in the least.

An article by Betsy Hammond in the April 16, 2006 *Oregonian* reveals further analysis about corporate taxes:

"When Oregonians file their state income tax returns, they will be on track to pay \$10.6 billion over two years—nearly 90 percent of the tab for state government—while corporations that do business in Oregon will pay \$705 million.

The disparity results from two decades of decisions by state lawmakers to recast tax policy to favor corporate interests, particularly big manufacturers and large out-of-state companies.

Despite election-year rhetoric that businesses

are overtaxed, no state asks businesses to pay a lighter share of its state budget than Oregon does, according to the Council on State Taxation, which represents big business.

Instead, Oregon households shoulder the tax burden for schools, health care, public safety and other state services."

And to think, this is even before considering the \$205 million in payments to corporations that would result from the corporate kicker this year! Even Randall Edwards, Oregon's State Treasurer, has editorialized about ending the corporate kicker. Isn't it time to keep Oregon's money here in the state to help all of its citizens?



The Advocacy Alert is published jointly by Oregon Food Bank (OFB) and the Oregon Hunger Relief Task Force (OHRTF).

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"Act to End Hunger" Executive Summary: Record strides

The *Oregon Hunger Relief Task Force* has just released the update to their five year strategic plan to end hunger, entitled, *Act to End Hunger: 40 Ways in Five Years to Make a Difference*. The updated summary report details the progress that has been made on 20 of the action items since the original plan was created in April 2004, and details proposed next steps in Oregon's fight against hunger.

Help spread the word and engage more people in the concrete action steps in the report! To view a copy, go to www.oregonhunger.org. For hard copies, call 503-236-7773.

Payday loan reform a real victory

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- Give people 31 days to pay off their loan; and,
- Limit rollovers allowed to two.

During floor debate, opponents of the legislation made it clear they will work hard to roll back the protections we've won

and continue supporting an industry that will stop at nothing to protect their predatory practices.

We must remain united to protect this victory from any chipping away by the industry in the 2007 state legislative session. So

again, a big thanks goes out to everyone who stood up for real reform. We will all need to continue our efforts and advocacy to make sure big-moneyed payday loan lobbyists do not change one single protection this law puts in place.