



Inside This Week's Issue:

2007 Legislative Wrap-Up

CAG Fundraiser ~ April 27!

Celebrate the Bottle Bill on Earth Day

A Pretty Darned Good Session

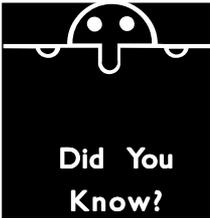
by Norm Steenstra, norm@wvcag.org

Go figure! In spite of the fact that our two major initiatives (Clean Elections and the Bottle Bill) made little progress, this past session may have been one of our best in a decade.

Although our lobby team monitored scores of bills and issues, three defined the session. WV- CAG, in response to horrible abuses by an oil and gas driller, helped organize a coalition of Kanawha State Forest users, pro bono legal expertise, CAG members and, with some savvy lobbying, passed a bill that would protect the Forest from irresponsible drilling practices. Although parts of the bill were weakened as it snaked its way through the legislative process, it was expanded to protect **all** nine State Forests. Some skillful procedural maneuvers by the lobby team, citizen lobbying by the Kanawha State Forest Coalition, and fantastic support by the entire Kanawha delegation resulted in a reaffirmation of the policy that public lands deserve to be protected by more stringent regulations. Enough praise cannot be given to long-time WV- CAG member David McMahon, Esq. for writing the bill and advising our coalition on how to get it through the legislative maze.

Last spring WV-CAG's Ted Boettner, our resident policy wonk, learned about a concept called "combined reporting" which would stop multi national corporations from using accounting shenanigans that allow them to avoid paying state income taxes. Throughout the past year Ted educated legislators on the need to close this tax loophole. Brooks McCabe (D-Kanawha), in particular, championed the cause and introduced a bill in the Senate while Ted worked to have "combined reporting" amended into a tax reduction bill that both the Governor and the Chamber of Commerce wanted passed. To everyone's surprise the bill passed and is likely to be signed into law. So what does this bill do? According to the State Tax Department combined reporting will create \$32

(continued on page 6 - see "Session")



Did You Know?

Capital Eye comes out weekly during the Legislative Session and bi-monthly throughout the rest of the year. If you have questions or comments about its content, please contact us. If you'd rather receive the *Eye* on-line, e-mail linda@wvcag.org

CapitalEye
published
by West Virginia
Citizen Action Group
(WV-CAG)
1500 Dixie Street
Charleston WV
25311

WV-CAG STAFF
Norman Steenstra
Gary Zuckett
Linda Frame
Marge Michau
Ted Boettner

PUBLICATION DESIGN
Damiene Dibble

WV-CAG
was founded in 1974
as a non-profit
membership
organization
dedicated to
increasing citizen
participation
in economic and
political decision-
making.

Our members work
for progressive
changes in federal,
state, and local policies
by educating people
about key public
interest issues ranging
from environmental
protection and
consumer rights to
good government &
health care reform.



To become a
member or to
send comments
and suggestions,
visit

www.wvcag.org,
call us at
304-346-5891,
or e-mail us at
linda@wvcag.org

Moving Ahead

by Gary Zuckett, garyz@wvcag.org

With the dust from Session '07 settling, we can now look ahead to see what mischief we can stir up the rest of the year.

Associate Press quoted me mid-way through the session on how one deals with supporting legislation that has been introduced for several sessions and still not passed. I spoke of the constant refinement process that takes place as critics and proponents work out the kinks and ultimately end up with a better law. This is the case with both the Bottle Bill and the Clean Elections Bill. Both of these worthy issues will be back stronger next year because of the growing grassroots clamor for these common sense proposals.

Clean Elections, Now more than ever!

WV for Clean Elections met to debrief and plan its next moves last week. With everyone from enviros, labor, Council of Churches, League of Women Voters, Social Workers and many more committed organizations on board, one wonders who exactly is opposed? Powerful Senate committee chairs come to mind. This bill has died the past two years in the Senate Finance Committee for no other reason than Chairman Helmick has let it. We will be making sure the voters back home are aware of this and will assist them in letting their Senator know it. This type of arrogance in high places belies the fact that the WV legislature has no term limits to insure turnover like the office of governor.

Of course our work on the '06 PERC database continues unabated. We will have a preliminary quid pro quo report coming out by summer that will identify how much the big winners of the '07 session invested in the lawmakers who voted for casinos and against lower prices for Rx drugs.

Bottle Battle is not over

The people's lobby on the WV Container Law is primed for a summer of activity. Earth Day is the kick-off with the Morgantown bottle bill bash (see page 3). Across the state various Adopt-a-Highway groups will be designing their response to the lies of the litter lobby (Soft Drink & Waste Haulers). We at CAG will be calling on Governor Manchin to provide leadership in this area.

(continued on page 4 - see "Moving")

Life After Session?

by Linda Frame, linda@wvcaq.org

Yes, there is life after the session! Plans are already underway to keep the Bottle Bill in the news and to build more support. We start on **Earth Day in Morgantown on April 22**. Lead House sponsor Delegate Barbara Fleischauer (D-Monongalia) will lead the event which will include a litter pick-up and press release. There will be Adopt-A-Highway volunteers from Mon and surrounding counties, as well as other activists and WVU students. Please plan to join us to celebrate Earth Day! More information will be posted soon at www.wvbottlebill.org (where you can also sign up to receive our Bottle Bill Action Alerts).

Speaking of Adopt-A-Highway volunteers, hundreds of our state's wonderful litter clean-up folks responded to our survey at the beginning of the year and overwhelmingly support the Bottle Bill. To show their frustration for the lack of legislative support for the bill, many are participating in a work stoppage and will not be conducting their spring clean-ups. These folks know first-hand that beverage containers make up a significant portion of the litter on our roadways and WANT HELP from the state. Specifically they want the Bottle Bill to be passed since it has a proven track record in 11 other states. No other litter control measure works better. They are tired of the excuses and tired of picking up after others, only to have the same clean stretch of road immediately dumped on again. After the Bottle Bill failed to make it on any committee agenda this session, several Adopt-A-Highway volunteers came up with the idea to stop doing pick-ups and are leading the charge on their own. But none of this would have happened if it weren't for Mark Blumenstein of Greenbrier County, who went all out to raise the money for the survey mailing and has been a rebel-rouser ever since. Thanks, Mark!

I'd also like to take a minute to thank the sponsors of this year's bill: Delegates Fleischauer (D-Monongalia), M. Poling (D-Barbour), Hatfield (D-Kanawha), Fragale (D-Harrison), Hamilton (R-Upshur), Brown (D-Kanawha), Tabb (D-Jefferson), Miley (D-Harrison), Manchin (D-Marion), Beach (D-Monongalia), Canterbury (R-Greenbrier). Senators McCabe (D-Kanawha), Foster (D-Kanawha), White (D-Webster), and Wells (D-Kanawha). Also, House Judiciary Chairwoman Carrie Webster (D-Kanawha) helped us tremendously throughout the session as we changed course and focused our lobbying efforts in the House this year. Thanks also to the WV Environmental Council for its support and guidance during the session and for helping spread the word through its newsletters and action alerts. We couldn't get anything done without our whole team.

We'll keep you posted on other activities and campaigns that are in the planning stage for later this year. Thanks for your support!

("Moving" - continued from page two)

Boom in Appalachia

As your wallet screams at the gas pump, more and more holes are being drilled in West Virginia for its black gold. Along with the holes come lots of collateral damage: polluted water wells, toxic pits, bulldozed hillsides & meadows, destroyed fences and trees, disrupted landowners' lives, and on and on. After our victory securing additional protections for our state forests, we are now looking at a revival of the Oil and Gas Reform Coalition that was active during the 80's. If you know of anyone locking horns with the oil and gas drillers have them get in touch with us right away.

Coalitions R Us

Both here and on the national scene we are active in many active coalitions on Health Care, Tax & Budget Justice, Opposing the Escalation in Iraq (and setting a timeline to bring 'em home). Through West Virginians United for Economic and Social Justice and our national affiliate, USAction, we are in coordinated multi-state campaigns to make sure your voice is heard from Charleston to Washington. Listing them all would take another article. In the meantime I want to mention just a few coalition victories from the session:

One home-grown coalition, West Virginians for Affordable Health Care, www.wvahc.org, helped shepherd a bill through the Session that requires insurance companies to cover children up to the age of 25 under family policies. This one measure, which went through relatively unnoticed, is probably the biggest expansion in health coverage in our state since WV-CHIP (Children's Health Insurance Program) went into effect in 1998. Get on the e-mail list to keep abreast of the latest in progressive health issues (and to see what they're cooking up for "Covering the Uninsured Week in April").

The WV Consumer's Alliance brokered a compromise with the WV Chamber of Commerce on a bill that give judges discretion on venue for out-of-state lawsuits. Even though it was an "agreed to" bill from both sides, the US Chamber of Commerce decided it didn't adequately restrict West Virginia citizen access to their own state's justice system and are bombarding our governor with robo-calls to veto it. The Venue Bill (HB 2956) was passed unanimously by both the House and Senate but now it appears that the governor will veto it. Please take a minute and call the governor's office and ask him to sign the HB 2956. His number is (304)558-2000 or 1-888-438-2731 (toll-free).

Please tell the governor: "I am calling to ask you to sign HB 2956. It's a good bill that will keep out-of-state lawsuits out of our courts, but not limit the rights of West Virginians."

As you can see, we will be busy even though the session is over. It takes just a second to sign up for our Actions Alerts so you can stay up to date on these and other issues. Just visit www.wvcag.org.

WV Moving Forward on Fiscal Policy

by Ted Boettner, ted@wvcag.org

The passage of SB 749, which will create a system of combined reporting that will close corporate tax loopholes effective 2009, is a major step forward in combating tax avoidance by large and profitable businesses. Combined reporting is widely viewed as the best way to stop businesses from avoiding taxes by shifting income (on paper) from one to another. SB 749 would make West Virginia the only state below the Mason-Dixon Line that puts combined reporting into practice, but this progress comes at a price.

An amendment to the bill reduces West Virginia's business franchise tax rate from 0.55 percent to 0.20 percent over the next five years. While combined reporting is expected to generate \$33 million per year once fully implemented, the reduction in the business tax rate is anticipated to cost as much as \$75 million annually. This puts West Virginia in the red by about \$42 million once both are fully implemented. If lawmakers don't find additional revenue somewhere else, then either government services will be cut or the tax burden will shifted somewhere else.

Another fly in the ointment is the Council of State Taxation (COST), a right-wing organization funded by huge multi-national corporations like Chevron, GE, American Express, to name a few. COST sent a letter on March 15 to Governor Joe Manchin asking him to veto SB 749 on technicalities. While the tax department does plan to introduce legislation next year to clean up this bill, the only real technicality is that these transnational corporations will have to start paying the same taxes as West Virginia homegrown businesses. CAG and others plan to send Governor Manchin a letter supporting this bill.

On another note, CAG has been working hard over the last couple of months to help organize a new tax and budget policy think tank in West Virginia. The name of the organization is the West Virginia Center on Budget and Policy (WV CBP). The group will participate in a national network of similar organizations that already exist in over half the states as part of the State Fiscal Analysis Initiative, sponsored by the Center on Budget and Policy Priorities, and the Economic Analysis and Research Network, an initiative of the Economic Policy Institute. The steering committee for the WV CBP is made of labor unions, faith groups, non-profits, attorneys, academics and public interest groups. Its focus will be on how policy decisions affect all West Virginians, including low- and moderate-income families, other vulnerable populations, and the important community programs that serve them.

All too often legislation dealing with fiscal matters is passed without any idea of its effects on teachers, public employees, those receiving help through state

(continued on page 7 ~ see "Fiscal Policy")

Important Events

Weekly Vigils Continue/Town Hall Meeting

WV Patriots for Peace Vigils every Friday from noon to 1:00 p.m. across from the Tidewater Restaurant at the Town Center Mall in Charleston. Help hold the Wall of Remembrance. For more info, please visit www.wvpatriotsforpeace.org. **Stay Tuned! In early April there will be a town hall meeting in South Charleston on the Iraq War. Check out our website calendar at www.wvcag.org for more details!**

April 4: "Sir! No Sir!"

Free. Taylor Books, 5:30 PM. David Ziegler's documentary chronicles the resistance to the Vietnam War, beginning in the 1960s, by GIs who contributed to underground newspapers, planned demonstrations and refused to continue in battle. For more information, please call 343-9456.

("Session" - continued from front page)

MILLION in increased revenue next year at a cost of 2 new tax department employees. We at CAG take tremendous pride in Ted's vision, diligence and persistence in starting with an idea few had ever heard of and translating it into state law. When was the last time you thought of WV-CAG as a revenue and job creator?

Sometimes victories come in defeating bad bills. 16 years ago WV-CAG championed a solid waste law that created a policy of modern medium-sized landfills designed to take care of the state's solid waste needs, not the nation's. Unexpectedly this session, a large coal and land company had a bill introduced to undermined our solid waste policy by permitting a large landfill to bring millions of tons of out-of-state garbage into McDowell County. This very selfish and arrogant proposal went so far as to make it cheaper for out-of-state waste to be dumped here than our own garbage. Needless to say we couldn't let that happen and placed our hopes on the new House leadership which had promised a more open and deliberate scrutiny of the issues. Our confidence was well placed and after a public hearing, tons of grassroots phone calls, and intense lobbying by CAG and Environmental Council teams, the bill was never considered in House Judiciary. The fact that this bill was a Senate leadership priority and was pushed by a gang of high powered lobbyists made this victory all the sweeter.

As CAG's legislative coordinator I must say how proud I am to have worked with such a talented group of people from OVEC, the Environmental Coalition, the Clean Elections Coalition, the Bottle Bill Coalition, and the Kanawha State Forest Coalition who made all the difference.

supported programs or the general public. As many up at the Capitol know, having timely analysis and information is critical to moving an idea to policy or stopping a bad piece of legislation, and that’s where this think tank comes in. It will help provide those working toward economic justice with the credible source of information they need to advance their cause. WV CBP plans to conduct analyses on a whole range of issues, including the allocation of public resources through the budget process, and revenue policies, including tax equity and the impact of tax changes on the short and long-term fiscal health of the state. They may also include economic opportunity and income mobility, and the effectiveness of the social safety net programs in meeting the basic needs of children and low-income working families.

The group plans to do this by publishing reports, briefing papers, fact sheets as well as presentations to policymakers and organizations. The WV CBP should be up and running by mid-summer.

For more information visit www.wvcbp.org.

*Annual CAG Fundraiser
April 27
Tickets available now!
Please see insert for details.*



We Need Your Support!
We can’t do it without you !

Please renew your membership or send a donation.

Name: _____

Address: _____

Here’s my donation of __\$15 __\$25 __\$50 __\$100 Other \$_____

Clip and mail with your check to West Virginia Citizen Action Group, 1500 Dixie St., Charleston, WV 25311

Donate safely and securely on-line at www.wvcag.org!!!!

THANKS!