State Budget to Get Additional Cuts

A new report this week from the Legislative Fiscal Bureau predicts a deeper deficit for Wisconsin’s budget than previously thought. The additional $1.6 million of decreased tax revenues means that the Legislature will have to seek additional cuts in the Governor’s budget. The WCC and others will continue to urge that these cuts not be made at the expense of our state’s most vulnerable residents.

WCC Urges Support for Food Assistance for Legal Immigrants

Wisconsin’s FoodShare Program (formerly known as food stamps) helps low-income individuals or those unable to work because of age or disability purchase food. The WCC is asking readers to contact their state legislators and ask that FoodShare benefits for “qualified aliens” not be eliminated as the Governor’s budget currently proposes. Qualified aliens are legal immigrants under federal law. Undocumented immigrants are not eligible for this benefit. In this worsening economic climate, the number of individuals in need of FoodShare is expected to increase. Please urge legislators to provide sufficient funds in the budget to provide for the expected increase in requests for FoodShare.

U.S. Bishops Urge Catholics to Comment on Embryonic Stem Cell Research Guidelines

The United States Conference of Catholic Bishops (USCCB) launched a new “Oppose Destructive Stem Cell Research” campaign this week, equipping citizens to contact Congress and the National Institutes of Health (NIH) to oppose embryonic stem cell research and support ethical cures and treatments “we can all live with.”

The campaign site explains that the NIH guidelines “would—for the first time—use taxpayer funds to encourage the killing of embryonic human beings for their stem cells.” It continues,
“Embryonic stem cell research treats innocent human beings as mere sources of body parts, as commodities for our use.”

Readers are urged to contact both NIH and Congress because members of Congress and the Administration have expressed interest in pursuing an even broader policy. “They want to obtain stem cells by destroying human embryos specially generated for research through in vitro fertilization (IVF) or cloning procedures – a ‘create to kill’ policy,” the campaign page explains.

The NIH draft guidelines are open for public comment through May 26. The USCCB campaign homepage is www.usccb.org/stemcellcampaign.

**Tax-Exempt Status at Risk for Low-Income Housing**

The viability of housing for low-income families and individuals, including the elderly and people with disabilities, is in serious jeopardy due to a very restrictive ruling by a Dane County Circuit Court. Advocates for such housing are pressing legislators to remedy the situation, either by a budget amendment or separate legislation.

The problem stems from a recent Dane County Circuit Court ruling and an advisory opinion letter from the state Department of Revenue that give a very narrow definition to the "rent use" provisions of existing state law. The rent use language defines how rental income from property may be used.

The Court ruled that such income can only be devoted to maintenance and debt retirement. This is a standard few rental property owners can meet. Many providers of low-income housing in Madison may lose their tax-exempt status as a result. And it is likely that other cities will follow suit. Low-income housing programs around the state, such as those operated by Catholic Charities agencies, may be affected if this happens.

Legislators are considering a number of options to solve the problem. One is to remove the restrictions on use of rental income altogether. Another would be to create a list of other permissible uses for rental income within the statutes. This could or could not include making property tax exemption contingent on housing following certain income and rent limits. The state could also remove the 10-acre limit in existing law on the amount of exempt property a non-profit owner may own within a municipality. Tax exemption could also be tied to housing financed by the Wisconsin Housing and Economic Development Authority.

The WCC urges readers to contact state legislators today, urging them to protect the tax-exempt status of rental property. Please make one or more of the following points in your own words.

1. Non-profits agencies provide housing, treatment and counseling, caregiving, job training, and other valuable services to low-income tenants.

2. The requirement that limits the use of rental income to debt service and maintenance is too narrow and prevents non-profit groups from using income to supplement services they provide to their clients. Most non-profits cannot sustain housing and other programs with such a restrictive law.
3. If non-profits are forced to abandon these programs and services, local governments will have to “pick up the slack.”

**Upcoming Hearings of Interest**
(N.B. Only bills of interest are flagged. In most cases, committees will be considering other bills as well.)

**Assembly Committee on Education**
10am, Tue., May 19, 417-N

**AB-116. School Conference Leave** (Black) Requires certain employers to grant leave for school conferences and activities to all employees.

**New Bills of Interest**

**SB-198. Drugs** (Robson) Permits drugs and supplies to administer drugs to be donated and dispensed under the drug repository program. To Health.

**SB-199. Voter ID** (Leibham) Requires certain types of identification to vote. To Labor, Elections & Urban Affairs.

**SB-202. Bullying** (Kedzie) Requires school policies on bullying. To Education

**AB-259. Alzheimer’s** (Krusick) Care and treatment of persons with Alzheimer’s disease or related dementia in residential care facilities; reports on residential care facilities. To Aging & Long Term Care.

**Web Sites of Interest**

http://www.legis.state.wi.us/waml
- Who are my legislators

Directory of Senate Members

Directory of Assembly Members

http://www.legis.state.wi.us/leginfo.html
- 2009-10 Session Schedule
- Weekly Schedule of Committee Activities
- Senate and Assembly Daily Floor Calendar

*Capitol Update* is a periodic e-mail on legislative issues from the Wisconsin Catholic Conference.

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