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Are you covered?

March 31 is the last day of open enrollment for coverage under the Alabama Health Insurance Marketplace. (See *Pages 2 and 3 for more details and information on enrollment efforts.*)

Upcoming events

March 27 – Mobile Area Arise Cluster meeting, Dauphin Way United Methodist Church, noon.

April 6 – Legislative update, Covenant Presbyterian Church, Tuscaloosa, noon.

The staff corner



By Chris Sanders, communications director

It's a problem any editor should love: too much great content. Our policy team works hard all year to update you on proposals that affect the lives of low-income Alabamians. They do a lot of solid analysis and reporting – way more than a monthly print newsletter can hold.

Fortunately, our website has plenty of room. Go to arisecitizens.org for the latest on state budgets, changes to debt collection exemptions and more. You also can join our listserv to get updates by email. It's easy to find, and it'll get even easier as we redesign our website in the coming months. Visit us today!

Report

Vol. 17, No. 3

March 14, 2014

Arise members add to momentum for change

Payday reform bills on the move

By Stephen Stetson, policy analyst

Payday lending reforms are moving quickly at the Alabama Legislature as the 2014 regular session nears its final days. The House this week voted 93-1 for HB 145, which would create a statewide common database of payday loans. Earlier this month, a Senate committee approved SB 410, which would establish a payday loan database and give borrowers more time to repay payday loans. Those votes came after nearly 100 Arise supporters visited the State House in early March to urge lawmakers to reform state laws on payday and auto title loans.

“These bills would help protect many Alabamians from falling into crippling debt,” ACPP executive director Kimble Forrister said. “Alabama still needs to cap interest rates on payday loans at a far more reasonable level, but a database would be a good first step to protect borrowers and communities from the high costs of high-interest loans.”

HB 145, sponsored by Rep. Patricia Todd, D-Birmingham, would make it possible to enforce a current state law that allows borrowers to take out a total of no more than \$500 of payday loans at one time. The state Banking Department last year issued regulations to require use of a common database, but lenders have sued to block the plan. Todd's bill would not reduce the 456 percent APR interest rate that Alabama payday lenders can charge, but it would prevent borrowers from accumulating thousands of dollars of

payday loan debt by taking out \$500 loans from several lenders at once.

SB 410, sponsored by Sen. Arthur Orr, R-Decatur, would give borrowers more time to repay payday loans. Payday loans in Alabama must be 10 to 31 days in duration, though most are two-week loans



Auburn University students were among nearly 100 Arise supporters who gathered March 6 at the State House in Montgomery to urge lawmakers to cap interest rates on payday and auto title loans in Alabama. Thanks to determined advocacy from the students and many other people, payday lending reforms are gaining traction among legislators this year.

in practice. SB 410 would give borrowers four months to repay payday loans and, like Todd's bill, would create a statewide payday loan database. The Senate Banking and Insurance Committee voted 8-1 in early March to send SB 410 to the full Senate. Orr's bill enjoys strong bipartisan support, with nearly half of the Senate signed on as co-sponsors.

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A few words from Kimble

By Kimble Forrister,
executive director

As I write this column in mid-March, we're enjoying an outstanding legislative session. Unlike most years, a lot of our bills are winning committee approval and coming up for floor votes. That shouldn't be unusual, but it is.

Because legislators this year face a June primary election, they agreed to compress their work into 12 weeks, not 15, so they can start campaigning three weeks early. By avoiding some big controversies, they've been able to tackle a variety of smaller matters.

Look at what's cleared committee: payday loan reforms in the House and Senate; a bill to restore SNAP eligibility to people with a felony drug conviction; a bill to let a couple in bankruptcy keep a home valued up to \$60,000; and a bill to allow the redistribution of some unopened HIV drugs. Welfare bills that started out very punitive were softened, as was a landlord-tenant law revision skewed toward property owners. And title loan lobbyists have come to the table to talk to Arise this year.

You deserve a lot of credit for building pressure for change. As usual, we're up against big money on several bills, but constituent pressure – and coalition partners and editors and reform-minded leaders – have opened the doors through which our smart, creative, hard-working staff have pushed lots of changes. We especially appreciate the 100 of you – half younger than 30 – who came to Montgomery for a vibrant (and rain-soaked) Legislative Day.

Allow me a closing remark about our income tax. In 1947, voters earmarked it for public schoolteachers' salaries. In 2013, legislators effectively allowed many taxpayers to redirect up to half their tax dollars to private schools, up to a statewide total of \$25 million. This is not the right way to help low-income students. The so-called "Accountability Act" must not be allowed to expand.

Yours in peace and hope,

Marketplace sign-up ends March 31

Enrollment surges as deadline nears

By M.J. Ellington, health policy analyst

Alabama is beating the national average when it comes to progress toward meeting enrollment goals in the Health Insurance Marketplace, according to data released this week by the U.S. Department of Health and Human Services (HHS). From Oct. 1 through March 1 – the first five months of the initial open enrollment period – more than 55,000 people signed up for Marketplace plans in the state. That represents 84 percent of Alabama's HHS target for the period. Nationally, enrollment reached 75 percent of the projection. The sign-up deadline for 2014 coverage is March 31.

"The number of working Alabama families who now have the security of knowing they can afford the health care they need is reason to celebrate," ACPP executive director Kimble Forrister said. "Even more people stand to benefit in the final weeks of open enrollment."

That strong showing is especially impressive given the relative lack of state support, Forrister said. Because Gov. Robert Bentley has refused to expand Medicaid and has declined to operate a state-based Marketplace under the Affordable Care Act, Alabama got less federal funding for enrollment infrastructure, including Navigators and other outreach assisters. Bentley also instructed state workers not to promote the Marketplace.

The HHS numbers tell an even bigger story for Alabama, one that goes beyond just the people who have successfully signed up so far. More than 134,000 Alabamians met qualifications to enroll in a Marketplace health plan, and of that number, more than 67,000 qualified for financial assistance to help pay for coverage. Some 18,000 other people were determined to be eligible for coverage under Medicaid or ALL Kids, according to HHS figures.

Special enrollment periods will be available for some Alabamians even after March 31. People who experience certain life events – including marriage, divorce, job loss, the birth or adoption of a child, or the loss of other insurance – will have 60 days following that event to buy coverage on the Marketplace. Open enrollment for 2015 will follow a different timeline, starting Nov. 15, 2014, and ending Feb. 15, 2015.

Alabama's Navigator groups and others interested in becoming Navigators await guidelines for the next round of federal funding. Last year, HHS issued a call for proposals in April, with an early June application deadline. The state's current Navigator groups are Enroll Alabama, Tombigbee

Enrollment resources

Healthcare.gov. The one-stop shop for health reform and coverage information, including a financial assistance estimator and an online application. Call **800-318-2596** to speak to an enrollment specialist.

Bamacovered.org. Alabama's homegrown service-learning initiative trains student volunteers to help Alabamians enroll. Check out the "Bama Guide" to find help near you! (See column on Page 3 for more.)

Healthcare Authority and Ascension Health (which comprises Birmingham's St. Vincent's Hospital and Mobile's Providence Hospital).

Other outreach work will continue as well. Federally Qualified Health Centers, operated through the Alabama Primary Health Care Association network, are funded through 2015 for their Certified Application Counselor (CAC) program. Dozens of other groups have their own CAC initiatives to help with enrollment. One innovative link in the network is the student-driven Bama Covered campaign. (See Page 3.)

Senate passes bill; House could vote soon **End to lifetime SNAP ban in sight**

By Carol Gundlach, policy analyst

Momentum is building for a bill that would allow people convicted of a drug-related felony to regain their eligibility for food assistance or cash welfare benefits in Alabama. A state House committee this week endorsed SB 303, sponsored by Sen. Linda Coleman, D-Birmingham. That move came after the Senate voted 18-8 for the bill in late February.

House approval would send SB 303 to Gov. Robert Bentley's desk. The bill would allow otherwise eligible people to receive food assistance or cash welfare benefits even if they have a felony drug conviction, as long as they have completed their sentence or are complying with their probation terms, including court-ordered drug treatment. Those provisions would expire in three years unless lawmakers renew them.

Alabama is one of 10 states where people convicted of a drug felony face a lifetime eligibility ban under the

Supplemental Nutrition Assistance Program (SNAP). Alabama also is one of 12 states where a similar ban applies to benefits under the Temporary Assistance for Needy Families (TANF) program. The bans apply even to people with a decades-old offense.

Sen. Trip Pittman, R-Montrose, said SB 303 could help people as they try to overcome a drug addiction and become productive workers. "It's important to encourage people and try to give them support to be able to make good personal decisions," Pittman said last month. "People who have paid their debt ... will be able to get modest amounts of money that hopefully will get them on a better path."

ACPP also is monitoring other bills nearing House passage. One would require drug tests for TANF applicants with a drug conviction in the last five years. The Department of Human Resources (DHR) would pay for initial drug tests under Pittman's SB 63, as

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Sen. Arthur Orr, R-Decatur, speaks at a news conference at Arise Legislative Day on March 6 in Montgomery. Arise supporters urged senators to back Orr's SB 410, which would give borrowers more time to repay payday loans and create a common statewide database of payday loans to make it possible to enforce current state limits on them. "This year is really looking like a year when you will have made progress," Orr said.

Lending reform

[Continued from Page 1]

Work to cap interest rates on title loans in Alabama also continues. HB 406, sponsored by Rep. Rod Scott, D-Fairfield, would reduce the rate on title loans to 36 percent APR, down from the current 300 percent APR. Scott's bill also would require lenders who repossess and sell a borrower's vehicle to return any sales proceeds that exceed the amount owed and other reasonable expenses. More than half the House's members co-sponsor HB 406.

The reform movement is growing. ACPP is one of the 15 groups that constitute the Alliance for Responsible Lending in Alabama. The Alabama Federation of Republican Women and the Alabama Citizens Action Program also have expressed support for change.

Health check

Behold the Young Invincibles of Alabama!



By Jim Carnes, policy director

People ages 18 to 34 – the healthiest segment of the population – are key to the success of the new Health Insurance Marketplace, and maybe even the Affordable Care Act itself. From the start, stakeholders have sweated whether enough hardy young adults will enroll and pay premiums to help offset older enrollees' health costs.

We won't know the answer for a while, but in the meantime a dynamic group of Alabama college students is turning that question on its head. They aren't just asking, "How can we get young people enrolled in the Marketplace?" They're asking, "How can young people help the Marketplace succeed?"

Bama Covered is the brainchild of Josh Carpenter, a Florence native, UAB alumnus and Rhodes Scholar. From his faraway perch at Oxford University last October, Josh watched the roll-out of the Marketplace back home and recognized the role his peer group could play in turning a public relations nightmare into an Alabama success story.

"The technical barriers were terrible, but they were temporary," Carpenter said. "We had to make sure the initial frustrations didn't keep people from finding out what options were available for them and their families. It's all about changing the conversation."

Within a few weeks, Josh arranged leave from his studies, enlisted friends and began knocking on doors of potential partners and student leaders. Today, on 15 four-year and 31 two-year campuses, more than 600 trained Bama Covered service-learning volunteers are helping their fellow students and neighboring communities understand new coverage options and enroll. Their homegrown project is the only one of its kind in the country, and it's helping thousands of Alabamians improve their lives. Find out more at bamacovered.org.

Thank you for your support!

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Lifetime SNAP ban

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well as any later required tests if the applicant passes them. Someone else could receive benefits on family members' behalf if an applicant fails two or more tests. The bill would have to be reauthorized in 2017.

Other bills to add new requirements for SNAP or TANF recipients also are a House vote away from the governor's desk. SB 115 would require people to apply for at least three jobs before applying for TANF. SB 116 would bar the use of TANF benefits in bars or casinos or to buy alcohol or tobacco. SB 87 would forbid DHR to seek statewide waivers of federal SNAP work requirements for able-bodied, working-age adults. For more details on these proposals, visit arisecitizens.org.