



OPERATION CLEAN GOVERNMENT

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Legislators Dupe Taxpayers or When a tax break is not a tax break

Case in question, *The Motor Vehicle Excise Tax Elimination Act*

An analysis by William H. Clay

THE ELIMINATION OF THE VEHICLE excise tax is not what it seems. There is no accompanying reduction in spending. Most of the benefit will go to those with high valued vehicles, fleet owners and residents of cities and towns with high vehicle tax rates. **Their tax reductions will be paid for by the state taxpayers.**

The act would not survive the light of day as stand-alone legislation, exposed to public scrutiny and review by the legislators whose constituents will be skewered by the act's reimbursement provision. So it was buried in the 1998 budget bill by Pawtucket Representative Antonio Pires Jr., Chairman of the House Finance Committee. Brought to the floor at the end of the session and put on the legislative fast track, little time was provided for legislators to read and absorb the voluminous budget document before the vote was called. In this way, a wolf in sheep's clothing easily slipped through. The analysis will show that this one should have been entitled "come hither ye with low taxes and share our high taxes."

How does the act work—Effective in the current tax year, the act calls for a seven year phase-out of the tax in the form of incremental exemptions to be subtracted from the assessed values of all privately and commercially owned vehicles and trailers including fleets. The exemption schedule as shown below will work to rapidly reduce and eliminate the tax.

Incremental Exemptions	
1999	\$1,500
2000	\$2,500
2001	\$3,500
2002	\$8,000
2003	\$10,000
2004	\$15,000
2005	all taxes eliminated

During the seven-year phase-out, each of the 39 cities and towns will be reimbursed from the state's general fund for their tax revenue loss. Thereafter, reimbursement will be from sales tax revenues. This is simply a shifting of taxes, not a tax reduction. The amount of annual reimbursement to each city and town will be determined from the evaluation of all vehicles registered to residents of the municipality and the vehicle tax rate set by the municipality for the 1998 tax year. The act freezes all vehicle excise tax rates at the 1998 rate, but permits an annual inflation adjustment based on the US Labor Department Consumer Price Index.

Each tax year, the Rhode Island Vehicle Value Commission sets the value of all vehicles subject to the excise tax and will continue to do so after the elimination of the tax. It must be noted here

that the commission changed its valuation criteria for certain older vehicles, which has resulted in higher tax bills for the current tax year even with the \$1500 exemption. In these cases, the municipal tax assessors have adjusted the bills so that no one pays more tax on a given vehicle

than paid in the previous year.

Who pays the most tax—The table below compares typical 1999 motor vehicle excise tax bills to owners of high and low valued vehicles in cities and towns with varying vehicle rates. Providence residents, due to their higher

tax rate, pay more than five times the excise tax of Little Compton residents and in all cities and towns, owners of the 98 BMWs pay more than 27 times the tax of owners of the 85 Ford pickups. The benefits of the tax elimination will be in the reverse order. The vehicle owners most severely penalized by the tax will receive the most benefit from its elimination and the municipalities that place the highest tax rates on vehicles will receive the largest reimbursement from the state. This raises fairness issues.

Who pays the reimbursement—Since every one who works or spends money in Rhode Island pays taxes in an equal manner into the state accounts from which reimbursements will be made, low wage earners who drive older cars and those who do not own any vehicle will ironically be subsidizing the affluent owners of expensive vehicles and commercial fleet owners.

There is an even more outrageous fairness issue. The amount of excise tax on each vehicle and thus the amount of state reimbursement to each municipality will be determined by the 1998 tax rate on vehicles set by the city or town. The municipalities that have set their vehicle tax rate higher to avoid raising the residential rate will receive the greater reimbursement from the state for each vehicle.

Examples of Motor Vehicle Excise Tax Bills in 1999

Vehicle	Providence	Pawtucket	Central Falls	Johnston	Smithfield	Warwick	WGreenwich	Middletown	LCrompton
98 BMW	\$3069	\$2119	\$1945	\$1657	\$1559	\$1383	\$760	\$642	\$557
96 Ford Pickup	846	584	536	457	430	381	210	177	154
89 Toyota	202	139	128	109	102	91	50	42	37
85 Ford Pickup	113	78	72	61	58	51	28	24	21
State reimbursement to municipalities in 1999 for above four vehicles*	\$461	\$318	\$292	\$249	\$234	\$208	\$114	\$96	\$84

*State reimburses cities and towns for the \$1500 exemption from the assessed value of each vehicle. Amount shown is the total reimbursement for the four vehicles (\$1500 x 4 x the municipal vehicle tax rate) / \$1000

Quonset Point Development Forum to be featured at OCG Annual Meeting

All are invited to attend the annual meeting of Operation Clean Government on Sunday, October 31. Following a business meeting and election of officers and directors, there will be a forum on Quonset Point Development. OCG believes this is a key issue for all Rhode Islanders. The impact on the economy, the environment and the infrastructure of the town of North Kingstown and the state, are of great importance, no matter what direction this development takes. For the forum, we are fortunate to have as moderator, Arlene violet; and as panelists, former Governor Bruce Sundlun, Caroline Karp and John Torgan. The discussion should be lively and informative with a question and answer period from the audience to follow. Members and non-members are invited. There is no admission charge.

OCG ANNUAL MEETING

DATE: Sunday, October 31, 1999
TIME: 1:00 - 3:30 P.M.
LOCATION: Scottish Rites Masonic Center, 2115 Broad St., Cranston
Corner of Broad St. and Rhodes Place at Rhodes on the Pawtuxet

Quonset Point Development Forum Moderator Arlene Violet, WHJJ Talk Show Host
Panelists Bruce Sundlun, former Governor of Rhode Island
..... Caroline Karp, Senior Lecturer in Environmental Studies at Brown University and Sierra Club's representative on the Quonset Stakeholders Committee
..... John Torgan, Narragansett Bay Keeper for Save the Bay and a representative on the Quonset Stakeholders Committee
..... Fourth Panelist to be announced

Business meeting to include Election of OCG Officers and Directors to precede the Forum
• Refreshments served • No admission charge • members and non-members welcome
For more information call: 1-877 SWEEP-RI (1-877-793-3774)

Examples of tax rate variations in the current tax year (all at 100% evaluations except where noted)

Municipality	Vehicle Rate	Residential Rate
Providence	\$76.78	\$33.44
Pawtucket	53.00	44.72
Central Falls	48.65	26.25
Johnston	41.46	27.06
Smithfield	39.00	22.40
Warwick	34.60	23.87
West Greenwich	19.02	20.53
Middletown	16.05	17.50
Little Compton	13.94	13.90 (50%)

The descending order of the vehicle tax rates shown in the chart above indicates that through state taxation Little Compton residents will be subsidizing all those above and that Providence will receive subsidy from all those below. Those in between will receive subsidy from all that are below their rate and give subsidy to those above. And so it will be for all 39 cities and towns. **The act in effect will cause a massive transfer of taxpayer wealth.**

The unfairness here is that taxpayers who reside in the municipalities where taxes are lower and affairs are managed efficiently will see their tax dollars flowing through state taxation into the coffers of the poorly managed cities and towns.

See **TAXPAYERS DUPED**
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Point—Counter Point An On-Going Series...

We are featuring a series of articles in the newsletter that set forth alternatives to the political system in Rhode Island e.g.: majority preference voting, proportional representation and third party participation as discussed at our two forums earlier this year. We will conclude the series with an analysis of the virtual single party—one or the other—control of the Rhode Island Legislature for more than a hundred years. The two articles appearing below are part of this on-going series. The editor notes that the views expressed in the two articles, "In Defense of the Two Party System" and "Why We Need Third Parties" are those of the authors. Operation Clean Government does not endorse any political party or any candidates for public office.

POINT COUNTERPOINT

Why We Need Third Parties

by Jay Robbins

IT IS NOW A WELL-ESTABLISHED FACT that many Americans have become apathetic toward our two party system of government. This is indicated by the fact that in the last presidential election, 90 million eligible voters didn't bother to go to the polls, and that only one in four Americans believe their government will do what's right most of the time. However, it is also apparent that they haven't given up on making positive changes via the political system. In fact, more than 60% of Americans surveyed want to see a new political party.

The question now becomes "what kind of new party are the American people looking for and what do they expect of it?" Whatever it is, rest assured that it will not be reflective of the established two party system. **And as more and more Americans demand a smaller, less intrusive, and accountable government,** the more likely that the new political parties will be the ones that will promote the kind of change and integrity being called for by the American public.

Realizing this shift in the political landscape, the Democrats and Republicans have established election laws that made it nearly impossible for third party candidates to get on the ballot

while adopting some of the third party philosophies in order to survive. All the while disseminating that a vote for a third party candidate is a wasted vote. However, through persistent lobbying, lawsuits, and third party activism, the nature of American politics has begun to shift. Because of these unflinching efforts, both the Libertarian and Reform Parties were on the ballot in all 50 states during the last presidential election. Furthermore, ideas of The Libertarian Party that were considered outlandish and ridiculous twenty years ago, such as; abolishing the income tax and IRS, and replacing the bankrupt Social Security system with private retirement accounts, are now part of mainstream political debate.

While third parties have enjoyed moderate success in the national realm, and except for Cool Moose, they have yet to enjoy the same here in Rhode Island. Consider that while Rhode Island's voter registration list reflects that Rhode Island is an overwhelmingly "independent voter" state, **the election laws have been written in a bipartisan manner—even to the appointment of local election officials—so that only endorsed Democrats and Republicans can enjoy ballot access and unrestrained participation in the electoral process.** In effect Rhode Island has an established dual class of political citizenship.

Some voters who want to vote for third party candidates do not do so because they think the third party candidate either cannot be elected or will have no power in a legislative body, if elected. In the Rhode Island Senate, swing votes of but a few third party senators could be used in coalition with Republican and dissenting Democrats to name a majority leader or to sustain a governor's veto. How much negotiating power is that? Such swing votes in the nearly balanced US Senate may have been enough to impeach the president. The holder's of such swing votes would have been able to extract much of what they wanted from either of the major parties.

The idea of supporting a third party in Rhode Island is something every principled activist should contemplate as a worthy effort. A third party could work wonders for our current state of affairs by holding the entrenched minions of the controlling majority party accountable every time they suggest a new tax, create a new bureaucracy, impose more censorship, or subsidize their corporate or union clients. For as long as we keep supporting and electing establishment candidates, they will continue to run, and we will never break free from the chains that are enslaving us.

Jay Robbins is Chairman of the Rhode Island Libertarian Party.

In Defense of the Two Party System

by Ron Santa

THERE HAS BEEN MUCH DEBATE about the existing two party political system we have in this country and a call by some to alter the electoral process to allow greater influence of third parties. Someone once said, "be careful for what you wish lest you get it." I believe that quotation is most appropriate to the discussion of abandoning the two party electoral process in favor of a multiple party electoral process. After all, **the two party system has served this country well for over 200 years,** whereas, the most notorious example of a failure of the multi party system can be observed in modern Italy.

Before discussing the pros and cons of third parties themselves, I would like to address the electoral process. The current plurality process allows the winner of an election to receive less than a majority of the vote; examples include President Clinton in 1992 and 1996 and Governor Almond in 1994. The result is leaders without mandates from the people because more than 50% of the people voted for their opponents. This occurs when a third party candidate receives a significant number of votes in a tight race between the two major party candidates. You might say that the plurality electoral system is not at fault, the problem is caused by the third party.

Third party candidates seldom win an election—Governor Jesse Ventura being a rare exception. Generally the votes that third party candidates get are siphoned from one of the two major party candidates and sometimes alter the results of the election. Such may have been the case in 1992 when Ross Perot took votes away from George Bush, which resulted in Bill Clinton's first election.

Third party candidates also muck up the works during the campaign. They provide cover for the incumbents who try to avoid debates and serious talk on the issues. **Third party candidates cry for equal time and the incumbent is willing to hide behind these cries while avoiding any serious debate.** Such was the case when Congressman Patrick Kennedy managed to avoid a serious one-on-one debate during the last election because there were third and fourth party candidates.

The biggest objection to third party candidates is what would happen in the unlikely event that they won an election, especially if they were to be elected to a legislature. A third party senator or representative would be in a vast minority and would not be able to effectively represent his/her constituents. An example is Congressman Bernie Sanders from Vermont. His voting record shows that he nearly always votes with the Democrats but he has absolutely no power in Congress as an Independent. Even before 1994 when the Democrats were the majority party, Bernie Sanders was not allowed to be a chairman of any committee.

Third party candidates usually fit one of three types: (1) those who are outside the mainstream of American politics not believing in either philosophy of the two major parties, (2) disgruntled and dissatisfied members of one of the major parties who haven't been able to get their way within the traditional party, or (3) the so called independent who does not want to work their way up the ranks of a party structure but instead by creating a third party can instantly become the leaders of their organization.

Actually, there is a fourth type of third party candidate and it is the most destructive to our political process—it is the spoiler. The spoiler is a stooge for one of the two major parties who is deliberately running as an independent to siphon votes from the opposition. This is how the spoiler works. Major party A with a "liberal" candidate projects a close election against major party B who is running a "conservative" candidate. Major party A finds a stooge within its ranks who has a "conservative philosophy" and convinces him/her to run as an independent third party candidate. The spoiler with a "conservative philosophy" is unlikely to take any

See **COUNTERPOINT**
Continued on next page

Election of OCG Officers and Directors to Take Place at Annual Meeting

In addition to re-electing the existing directors and officers listed below, Lee Blais and Joe Mellen have been nominated for two open seats for directors.

Lee Blais, Pawtucket, is a former Director of Investigations for the Rhode Island Department of Attorney General under Arlene Violet. He is a Certified Fraud Examiner handling large, complex fraud and corruption cases. Lee holds a B.A. Degree in Government from Trinity College, Hartford; a Master of Public Administration Degree from University of Rhode Island and is a candidate for Juris Doctor Degree at Southern New England School of Law where he is a Dean's Scholar.

Joe Mellen, Pawtucket, an electrical lineman has previously served as an OCG board member. Joe also did yeoman's work in support of the Voter Initiative Alliance and is currently working on the OCG Constitutional Convention Committee. Other activities include United We Stand America Board of Directors in the early 90's, local and state campaigns and he is currently serving as a volunteer speaker for the National Kidney Foundation.

Directors running for re-election: Alan F. Clarke, Potowomut; Anthony Freitas, Providence; Donald Koehn, Providence; and Sandy Mellen, Pawtucket.

Five officers running for re-election: Chair, Robert P. Arruda, Warwick; 1st Vice Chair, Beverly M. Clay, West Greenwich; 2nd Vice Chair, Roger St. Germain, Lincoln; Treasurer, Nolan Byrne-Simpson, Albion; and Secretary, Donald W. Cottle, Portsmouth.

Issues Committee formed to screen items for OCG to consider

THE OPERATION CLEAN GOVERNMENT Board of Directors has instructed the newly-formed Issues Committee to review all issues relating to State government before they come before the full board for consideration. Anyone having an issue for consideration by the OCG Board should submit it in writing to the chairman of the Issues Committee at:

Chairman, Issues Committee
Operation Clean Government,
PO Box 8683, Warwick, RI 02888

If time is of the essence, call:

1-877-SWEEP-RI and request to speak to the the Issues Committee chairman.

ATTORNEYS NEEDED

Operation Clean Government is in need of attorneys to volunteer their time to do legal research, file motions or write legal documents.

Call 1-877-793-3774

The unfairness here is that taxpayers who reside in the municipalities where taxes are lower and affairs are managed efficiently — will see their tax dollars flowing through state taxation into the coffers of the poorly managed cities and towns.

Taxpayers Duped

Continued from page 1

Will it continue to work—Right now state government is basking in euphoria. Times are good. Tax revenues are pouring in. There is a surplus of cash and more to come from the tobacco settlement. Some legislators and the governor scramble to find ways to spend. In their thinking, why not give the taxpayers relief from their irritating vehicle excise tax burden, especially when the revenue loss can be covered with optimistic projections of continued good times.

And good times will be needed to sustain the state's commitment. Already \$25.3 million in 1998 and \$48.2 million in 1999 has been appropriated to cover the program startup. The \$25.3 million reimbursement is only for the first \$1500 exemption on the more than 1,000,000 vehicles registered in the state. Each year this exemption will increase. With the complete elimination of the tax, the state's commitment could reach \$161 million, equal to 20 percent or more of the state's sales tax revenues.

Whether or not a future General Assembly will appropriate sufficient funds to maintain this huge commitment will depend on its own

priorities and resources. Such commitment is not lasting at the General Assembly. To pay for this program, they are renegeing by recommitting the sales tax revenues that a previous General Assembly enacted to pay down the DEPCO bonds. This previous General Assembly had "committed" future legislators to lowering the sales tax when the pay down was completed.

When the state's economy takes a down turn, and it will, state tax revenues will follow. Then a likely decision by the legislature will be to underfund this program. Cities and towns are wary of any continuing commitment from the state. And they should be, even in the current economy, the legislature and governor have backed away from their commitment to public education. To meet the rising cost of education, cities and towns have had to raise vehicle and property taxes each year.

What is taxpayer response—Most taxpayers are pleased with the elimination of the excise tax. They regard a tax bill from the local tax collector to be more ominous than withholdings from their paychecks and tax bite dribblings at the gasoline pump and cash register. More aware taxpayers are not looking for instant gratification from elected officials. They are concerned with increased government spending and expect their government to implement responsible tax programs that are sustainable and fair to all taxpayers.

Recent OCG Publicity

THE WORK OF Operation Clean Government is gaining wide media recognition. Providence Journal columnist Bob Kerr has featured OCG. On August 15, 1999, a profile of OCG entitled "Watch group burrows deep to root out corruption," by Jonathan Saltzman, appeared on the front page of the Providence Sunday Journal. Since that time, OCG Chairman Robert P. Arruda, has been interviewed by reporters from the Washington Post and Boston Globe. Ellen Barry, Boston Globe reporter, attended the September 2 Board meeting. (At our press time, we are awaiting articles to appear in these papers.)

Preparing the August 15 profile on OCG, reporter Saltzman interviewed several OCG Board members and even attended an OCG committee meeting. He wrote a comprehensively positive article. He objectively interviewed our detractors in state government and included their comments. **We view the comments of these detractors as testimony to the success of our work.** Among those with negative views were Rhode Island Court Administrator Robert C. Harrall, Senator "Bill" Irons, Auditor General Ernest A. Almonte and Representative Paul Crowley. The substance of their negative comments did not merit any immediate OCG response.

Mr. Harrall said, "They (OCG) start out with the assumption that we (government) are dumb and corrupt." We say that while many of our government officials are honorable and ethical, unfortunately the few who are not cast a shadow over the rest. The public holds the state's courts in low esteem, due to scandals and lack of accountability. We believe that it is up to those, who serve honorably there to uplift the court image. Mr. Harrall is in a key position to promote this process.

Senator Irons said he used to be close to several of them (OCG) 10 years ago, but he broke away because they (OCG) see things only in black and white. We say that OCG has not changed, the Senator has. This change came about after being on the outside when the Bevilacqua Senators were in control. Now he is on the inside with Senate Majority Leader Paul Kelly. He is a conscientious and effective Chair of the Senate Corporations Committee. However, the issues in his committee have not been the issues of OCG.

Auditor General Almonte said that OCG tried to skew the audit specifications to favor a friend of OCG Chairman Arruda by lobbying for the traffic court audit contract to go to a "small out of state firm." This is blatantly misleading and untrue. Misleading because it was Almonte, as chair of Chief Justice Weisberger's Traffic Court audit committee, who had control over the evaluation and selection of auditors, whereas OCG had no control or input in this process. Untrue because OCG did not advocate a small firm be selected. We did advocate selecting among out of state firms and included that such auditors should be free of Rhode Island politics. The audit specifications we asked for were the "Standards of Certified Fraud Examiners." **Mr. Almonte, who is a certified fraud examiner, should have known to include the standards in the procedures and not let himself open to OCG criticism.**

Representative Crowley concentrates his legislative work on education issues with which we have not been involved. As to his comment that "they (OCG) thrived during the dark ages of the banking crises, but our influence had faded," we say our effectiveness to influence government is on the rise, as indicated by our increased coverage by the Providence Journal and other Rhode Island media, the Washington Post and the Boston Globe. We'll let the public decide.

Thirteen Senators Supported a Fraud Examination of the Traffic Court

by Beverly Clay

SHORTLY AFTER REPORTING in our last newsletter the vote of the Representatives on the amendment to the traffic court legislation for a fraud examination, the same amendment was introduced on the Senate floor by Sena-

tor Kevin A. Breene. The amendment called for the fraud examination to be conducted in accordance with Standards of the Association of Certified Fraud Examiners and with the commissioning of the fraud examiners in accordance with rules and regulations of the Department of Purchasing.

Senator John A. Patterson, spoke in favor of the fraud examination amendment. Senator Teresa Paiva-Weed, Senate Judiciary Chairwoman and author of the Traffic Court legislation, spoke against the amendment, stating that "a comprehensive fraud examination had been done and there was no evidence of fraud." Operation Clean Government had prepared and provided a 14-page packet for all Senators showing in chronological order the inadequacies of the audit development; implementation and procedures of the audit referred to by Senator Paiva Weed. Funds were allocated for a fraud examination, but we did not receive one.

Thirteen Senators knew the truth and were not convinced by Senator Paiva-Weed's assertion. However, the amendment was defeated 25 to 13. Congratulations to the following 13 Senators who had the courage to vote against the leadership. They heard and represented their constituents.

Voting for the amendment: (13) Senators Dennis Algieri, David Bates, Leo Blais, Kevin Breene, Marc Cote, James Donelan, Walter Felag, Michael Flynn, June Gibbs, Daniel Issa, Jonathan Oster, Mary Parella, John Patterson.

Voting against the amendment: (25) Senators Roger Badeau, John Celona, J. Clement Cicilline, Daniel Connors, Michael Damiani, Daniel DaPonte, William Enos, Paul Fogarty, Hanna Gallo, Maryellen Goodwin, David Iglozzi, William Irons, Thomas Izzo, Paul Kelly, J. Michael Lenihan, Patrick McDonald, Teresa Paiva Weed, Rhoda Perry, John Revens, Elizabeth Roberts, Eleanor Sasso, Susan Sosnowski, William Tocco, Donna Walsh, Charles Walton.

Present but not voting: (3) Senators Thomas Coderre, John McBurney, Dominick Ruggiero.

Abstaining: (3) Senators Frank Caprio, Catherine Graziano, John Roney

Absent (in Washington): (6) Senators Stephen Alves, Robert Kells, Michael McCaffrey, Joseph Montalbano, Leonidas Raptakis, William Walaska.

Letters to the Editor

We invite letters to the editor. We reserve the right to determine the appropriateness of letters for inclusion in the newsletter. Send letters to: Operation Clean Government, PO Box 8683, Warwick, RI 02888 or e-mail to WmHClay@aol.com

Counterpoint

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votes away from major party A's "liberal" candidate but can be expected to take some votes away from major party B's "conservative" candidate. In a close election, the votes that the spoiler siphons away from the major party B candidate can provide the margin of victory for major party A.

After saying all these negative things about third parties and third party candidates, I believe that third parties provide a significant role in the process. Often third parties are the first to publicly address a controversial issue and start a national debate on the subject. Take for example the issue of the national debt. For many years prior to Ross Perot, conservatives in the Republican Party were discussing the impact of this debt and the need to address it. However, the conservatives within the Republican Party were never able to bring this issue to the forefront for debate. It took Ross Perot, as a third party candidate, to focus the nation's attention on the national debt and today even the Democrats are discussing using the surplus to reduce our debt.

Even more important than raising new issues for national discussion, third parties create a positive impact on the political process by keeping the two major parties on their toes and avoiding complacency. Both Democrats and Republicans are wary that a third party might take hold and replace them as one of the two major parties. However, I believe that until such time as a third party develops extensive grass-roots support and organization, we will be left with two major parties—Democrats and Republicans.

Some say that in Rhode Island we are nearly a one party state and I would like to conclude this discussion on the dangers of a one party system. First let me state that the report of the demise of the Rhode Island Republican Party is premature. Certainly, 1996 was a devastating election for Republicans, but the governor remains a Republican along with eight senators and thirteen representatives. More importantly, there are numerous elected Republican City/Town Councilors and School Committee Members. However, the state legislature remains and has been a Demo-

cratic stronghold having sufficient numbers to override any governor's veto. It is this Democratic dominance of the Legislature that creates the one party system in this state. Without the ability to sustain a veto, the governor of an opposing party cannot defeat any legislation passed by such a legislature. An unchecked legislature can and did give us the pension system, the traffic court, RISDIC, and countless other programs designed to benefit some legislators and their friends at the expense of the taxpayer.

A one party system is decidedly worse than a multiple party system but it is third parties that are contributing to the perpetuation of the one party legislature in this state. Third parties wind up fracturing the already small opposition thereby guaranteeing the success of the one party in the elections. Rather than establishing third parties and dividing the opposition, third party candidates should join the minority party, run for office and get elected. Checks and balances would be restored to the legislature and the dictatorial one party system would be eliminated.

Finding candidates to run against the established one party legislature is not an easy task and the Republicans were not able to contest every seat in the last election. In fact, in some elections the only opposition to the incumbent Democrat was a third party candidate. None of the third party candidates were elected. I believe their chances would have been improved had they run as Republicans. Perhaps their election as a minority party member would have generated a sufficient number of Republicans to create a sustainable veto for the governor. Perhaps with a sufficient number of legislators to sustain a veto, the governor could be more aggressive in battling the one party legislature. I conclude with an invitation to all third party candidates who are interested in a more representative government to unite under the banner of one minority party and defeat the one party structure of this state.

Ron Santa was the 1998 Republican candidate for U.S. House of Representatives, RI First Congressional District.

The Legislature and the Leadership: WHAT'S WRONG WITH THIS PICTURE?

By Stephanie Rivera

TWO MEN CONTROL THE FORTUNES and the future of the citizens of Rhode Island. They have never run for statewide election. They have never run for election outside of their own districts. Yet they alone cast a shadow over all legislative efforts in this state. The Governor is a mere figurehead by comparison. Who are these men? One is a lawyer from Pawtucket, who was elected by his district in 1980 to the RI House of Representatives and gained the Speakership in 1993. The other is a stockbroker from Smithfield, elected in 1984 to the RI Senate, becoming Majority Leader eight years later.

These two men, with the cooperation of their appointed deputies and a faithful retinue consisting of union lobbyists and various house and senate members, control what legislation comes out of committees and what does not, what legislation is rewritten and how, and whether it survives final passage to become law. Yet, the overwhelming majority of voters in this state have never voted for either one of these men; and it is dubious whether they ever would if given the opportunity. That is, if either were to risk losing their current political fiefs by running for higher office.

It has become clear in the last fifteen years or so that what is happening politically in this state is representative democracy gone awry. The Democratic Party controls both the house and the senate by wide margins. The Republican Party can no longer field viable candidates for the legislature, and so the gap is widening. The faces of the leadership may change, but the system remains firmly entrenched. It is a system of patronage, a system of favor-doing that includes judicial appointments, seats on boards and commissions, subsidies, pensions, sinecures, grants, special legislation, and other lucrative rewards for cooperating with the leadership and keeping them in power. It has whittled away the freedoms which are associated with a democratic system: the people's right to know, the people's right to be represented by office-holders who reflect their issues and concerns, and the people's right to redress the wrongs that are committed by those in public office.

The debacles that have occurred in state government over the last two decades are not only an indication of a major break-down in our present legislative system but a barometer of the public's inability to control the fiscal policy of this state. First, it was the RI Mortgage Finance Corporation (RIMFC), and its failure to comply with its mandate to award mortgages to qualified low-income families. Instead, it ended up benefiting the children and relatives of legislators and other state officials. On the heels of this scandal came the raid on the state employees' pension fund, approved by the senate and house during the closing hours of the 1987 session, part of a package of 67 bills which they were expected to reject or accept on one vote. The deceptively simple description, "an act relating to the state retirement system," lulled the senate and house members into voting it through without realizing that it would entitle union leaders to generous state pensions, even though they were not employed by the state. Had it not been for the intervention of then newly-elected State Treasurer Nancy Mayer, this would have cost the state upwards of six or seven million dollars, even though the bill was repealed in the following session.

A few years later came the collapse of the RI Depositors Insurance Corporation (RISDIC), for which the taxpayers went in hock for \$637 million. (As of this date, only one person has gone to prison for the most flagrant misappropriation of funds in the state's history.)

But the creation of a full-blown judicial traffic court from what had been a simple traffic adjudication court is an example of how insolent the General Assembly leadership had become, despite a recent history of egregious legislative mis-

conduct. The court was a misfit from the very beginning, with reports of its sloppy operations as early as 1992. Obviously, nothing was done about it, because it suited its creators; one of whom, Speaker John Harwood, defended its conduct until the bitter end. Why? Because it was a lawyer's dream. Who knows how many attorneys benefited from their clients' growing desperation at losing their licenses or paying exorbitant fines?

It seems reasonable to believe that Mr. Harwood was one of those attorneys, since he practices before this court. The question remains: Why else would the General Assembly vote down a bill to seek a fraud audit of the monies lost in the Great Traffic Court Scandal – a reported \$39,000,000 – unless it might turn up embarrassing, if not incriminating evidence against politically influential lawyers who took advantage of the gross violations of law carried out by Judge Palozzi's court?

We must begin to consider new paradigms of government which welcome fresh ideas, opinions, and strategies for dealing with the ever-changing world at large. The most direct route for achieving this is through a Constitutional Convention, in order to open up the system and provide for much-needed innovation. Such a convention would provide access to the delegates for sweeping reforms in the way we set up our legislature and the way in which we grant powers to the three governing bodies-executive, legislative, and judicial.

Both leaders, Speaker Harwood and Senate Majority Leader Kelly, ignored the public's demand for accountability and a full investigation, blatantly creating and passing legislation to replace the notorious court with one not only surpassing it in expense and largess, but which penalizes the victims of the scandal, rather than the perpetrators.

In its long-awaited opinion on the Ethics Commission's ruling that legislators sitting on public boards and commissions were in violation of the RI Constitution's statute on the separation of powers, the RI Supreme Court has shown very clearly that it knows on which side its bread is buttered. With the exception of Justice Flanders, the Court, whose members were either appointed or confirmed by pre-arrangement of the leadership of the General Assembly; and whose salaries, pensions, and tenure are determined by that legislative body, voted that such conduct was permissible and did not present a conflict of interest. In this case alone, the Governor has been overruled, the Ethics Commission has once

more seen further erosion of its influence, and the Justices have emerged from over a year of deliberations with a verdict that dispels any illusion that they are anything more than creatures of the legislature.

The time has come to reassess the way in which the citizens of this state are governed. It is obvious that unless we do so, we are in peril for our very principles of right over wrong. Corruption on any level of government is intolerable, but corruption unaddressed and allowed to fester creates within the public body a hostility to and a distrust of authority. This degree of cynicism is dangerous to the well being of society and leads to the disruption of the political process and eventually to lawlessness.

We must create the opportunity to change the system and make it more reflective of the people's concern for responsive leadership, for representation which will address the issues of open government and accountability at every level. What is

needed is a vision of where Rhode Island is headed in the next century. We must begin to consider new paradigms of government which welcome fresh ideas, opinions, and strategies for dealing with the ever-changing world at large. The most direct route for achieving this is through a Constitutional Convention, in order to open up the system and provide for much-needed innovation. Such a convention would provide access to the delegates for sweeping reforms in the way we set up our legislature and the way in which we grant powers to the three governing bodies-executive, legislative, and judicial.

In addition, issues having to do with how we vote and for whom we vote can be addressed. Right now, there are states that are already incorporating such concepts as Proportional Representation, which encourages more participation in elections of candidates and voters. This concept addresses two problems that have plagued Rhode Island politics for years: 1) the dearth of candidates, and 2) the low voter turnout. We need to think of ways to cut the size of our moribund legislature; while at the same time making it more efficient, more representative of the people's concerns with how to provide for their families, and more focused on lessening the burden on taxpayers than increasing it.

Whatever new approaches to government are considered in a Constitutional Convention, the aim should be to provide for greater participation by both the major parties and the independent parties as well, and to ensure that no single individuals will have a lock on power, such as Speaker Harwood and Senate Majority Leader Kelly enjoy at this time.

Stephanie Rivera is a member of Operation Clean Government

Have you seen the OCG Website?
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WHO WE ARE...

OPERATION CLEAN GOVERNMENT is a grassroots organization working to bring about positive changes in Rhode Island state government. We advocate the passage of legislation which will provide Honest, Responsible and Responsive state government. We file ethics complaints and alert the public to government wrongdoing via OCG newsletters, press releases and appearances in the electronic media.

Dues are \$12 for an individual membership and \$15 for a family membership. Donations of any amount are also welcome. As an all volunteer organization, there are no salaries or compensation other than the satisfaction that we are giving our best effort to make a positive difference in Rhode Island. Our costs include newsletters, mailings, office materials and supplies, publicity and public forums.

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First Thursday of every month - 7:00 PM
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