

**FOR IMMEDIATE RELEASE**

July 17, 2007

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## **Ministers Say “No” to Phone Tax Bill**

*CHICAGO, IL - the following statement can be attributed to Reverend James L. Demus III, co-director of the Ministerial Alliance Against the Digital Divide (MAADD):*

“The Ministerial Alliance Against the Digital Divide urges Michigan State legislators to give consumers a break and oppose House Bill 4852. This anti-consumer legislation would put a fee of \$1.35 per month on every cell phone, landline phone and Voice over Internet Protocol phone in Michigan, resulting in an unnecessary \$200 million dollar tax on consumers. Worse yet, the tax money would be used as a means to make up for the shortfall in the state budget – funding legislative pet projects that are completely unrelated to operating 911 services.”

“While House Bill 4852 may be an easy way for our legislators to handle a budget crisis, it is just simply a bad bill for Michigan consumers. If imposed, this regressive tax will hit lower income and minority consumers the hardest - causing folks with the least amount of disposable income to struggle more to make ends meet. For example, in Detroit where over 80% of the population is African American, the average family income is under \$30,000 per year. Obviously, \$1.35 per month means a lot more to those families than to some of the most affluent families in the state, yet under HB 4852 both families pay the same tax.”

“Even more disturbing is that House Bill 4852 will only widen the Digital Divide in Michigan. With broadband rates as low as \$12.99 per month, many lower income families can now afford to get on the “information highway”. However, this senseless proposed tax increase will significantly undermine this progress by creating economic obstacles for low income consumers to get and stay on-line. For those impacted, the lack of access to broadband will make it difficult, if not impossible, to further their education or find a job. With the State of Michigan experiencing record unemployment, now is not the time to enact legislation that will decrease Internet access.”

“We strongly oppose giving the government the ability to fund big government pork projects with hard earned consumer dollars. Therefore, we respectfully ask the members of the Michigan State Legislature to also say “no” to House Bill 4852.

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*The Ministerial Alliance Against the Digital Divide (MAADD) is a 15,000+ member next-generation civil rights organization led by ministers that is devoted to bridging the digital divide between those who have ready access to technology and those who do not.*