

# How the State Budget Affects Your Beer Budget

Gentle readers, this is a sort of good news/bad news situation. The good news is that the sales tax on alcohol is going to go away. The bad news is that it won't be until December 1 of this year, and until then, we'll all be paying *more*.

In the 2014 budget that just passed, the sales tax on alcohol is slated to be removed, and the excise tax paid by distributors is expected to increase to compensate. I know, I know, this isn't what you expect to see in the beer column, but believe me this is important. While the effect on beer is negligible, a mere 30 cent raise per gallon, the effect on wine and hard liquor is significantly greater. A 750 of wine will see its price go up about 16 cents at the distributor level, and hard liquor gets a whopping 33 cent increase for the same size. Again, this is at the distributor level.



For those unfamiliar, distributors are the alcohol wholesalers in this country. By law, the sale of alcohol from production to the public has to go through these intermediaries. These distributors face increases that, while on the bottle level amount to less than a dollar on average, at the bulk level add up quickly. An extra \$4 per case in a shipment of 100 cases starts to get expensive, especially for warehouse-type liquor stores that buy in large bulk. The distributors will almost certainly trickle the price increase down. Don't look at them like that; they have to raise prices, it's their business. When costs go up, prices go up. They're not the villains here.

Neither are the liquor stores that will have to raise prices in order to maintain their revenue. Unfortunately, this passes the expense onto the customers.

So, who are the villains in this story? Well ... it's complicated.

The idea was born out of a long-standing movement to eliminate sales tax statewide to foster better competition with Massachusetts and Connecticut. Liquor stores on the border of the state are losing business to the cheaper stores across the line. This is the result of an experiment in order to see if it's feasible to eliminate the sales tax entirely to give RI a competitive edge. The trial run is slated to run for 15 months starting December 1 of this year, however, the new excise tax is going into place already.

Here's where things backfire. With the sales tax still in place, prices are just going to go up, driving

more consumers into the *already* less expensive border states. For the next six months, people will be looking at higher costs. Then come December, hopefully, the sales tax will drop off and people will come flocking. Ultimately, it will *eventually* lower the amount you pay for alcohol. However, this is a tough industry already, and the price increase at struggling local packies could spell doom for the business.

At that point, we can look forward to more job losses, loss of tax revenue because we'll have lost sales venues for the alcohol taxed at distributor level, and possibly businesses filing for bankruptcy.

Things could be even worse for struggling bars and restaurants. An already cutthroat industry at times could become even more treacherous. Glasses of wine at restaurants are already fairly expensive as it is.

So the state government - they're the villains? Well, not really, no. The idea is well-intentioned, but the execution is going to force a hardship on a lot of local businesses, as well as alienate already disconnected consumers. Even with the elimination of the sales tax at the end of the year, this forces a price increase during tourist season, when a lot of beach-dependent businesses need that income.

Essentially, the largest flaw in this new budget is the six month delay. While it may generate more revenue for the state, it does so at a pretty terrific cost. Everyone would love to pay less in taxes, but the burden has to be borne by someone. This is what makes it such a complicated issue. While you can try to blame business, government, or the liquor industry, the real villain is poor planning.

So, what can anyone do about it?

To start with, talk to your local representatives. Maybe the budget can be amended, or the kinks in this trial system worked out while it's in effect. While it's supposed to be a study to determine the feasibility of eliminating the sales tax for good, this study could cost people their jobs or their livelihoods. There will be more on the *Motif* website as this story develops, so check it out and get involved!

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## Chafee Switch: Two Opinions

As the Governor changes his party affiliation for the second time, two Motif writers weigh in:  
Switching Parties Again: A No Lose Proposition for Chafee - by Jonathan Jacobs  
and  
Lincoln Chafee Out of Touch with Rhode Island Families - by Giovanni Calise

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# The Power of a Handshake

The first thing you notice on a visit to the San Miguel School is the handshake. The firm, look-you-in-the-eye-welcome-to-our-house handshake. Everybody gets in on the action: the kids, the teachers and the administrators.

San Miguel, which is celebrating its 20th anniversary, was founded in 1993 by Brother Lawrence Goyette - a Lasallian Christian Brother who began with a vision, \$50,000 in the bank and a lot of prayer.

Goyette, who still serves as executive director, opened in donated space at St. Paul's Lutheran Church in South Providence with two volunteer teachers and 15 boys. A career educator in Providence and New York, he originally planned for the school to be co-ed.

"As I met with educators and church people and community leaders and politicians, the common denominator was so many people said, 'You really might want to consider starting this school and just working with boys, because there are some really serious issues in Providence right now with boys



joining gangs and we're losing a lot of kids,'" he said.

So began San Miguel, a private, independent faith-based (but non-sectarian) school for five dozen boys from low-income families. It has grown to an annual budget now of \$1.2 million and three years ago moved to the former St. Ann's school on Branch Avenue. The boys - 16 in each class, grades 5 through 8 - pay tuition on a sliding scale. But tuition only accounts for about 5 percent of the budget. The rest comes from donations and grants.

By design, the kids are a mix of good and struggling students - boys who are model kids and others who have behavioral problems.

Karen Clements became a teacher at San Miguel six years ago. A graduate of LaSalle Academy, she had planned to stay in Philadelphia after graduating from Temple University. But that all changed when a spot opened up for a 5th-grade teacher and she came for a visit. Why?

"It was the fact that when you walk in the door, every single student comes up, looks you in the eye and shakes your hand," Clements said. "And you join together as a whole school every morning of every day. And the community feeling of it - the fact that we're like family here."

The morning meeting is an integral part of the school day and because of the school's size, it is an

intimate gathering. Every day at 8:20 am, the student body and faculty gather in the school's cafeteria to talk about things like the word of the week, to share announcements or to reflect on what's going on in their lives.

"And you'll end up sometimes with a 12-year-old who gets up and bares his soul," said Goyette. "He talks about his experience at San Miguel right at that moment, warts and all, and all the kids sit there and listen, and then some of them will even have words of advice at the end. What 12-year old kids will do that?"

And what about that handshake? It has, in many ways, become San Miguel's signature.

**Goyette:** One of the things that I've noticed over two or three years is when kids come in in the morning, I'll shake each kid's hand, every teacher in the lobby will extend a hand and say something that's simple like, "How are you today?" The boys will shake your hand, look you in the eye and say, "I'm doing well. How are you?" That's a huge thing with a 12-year-old boy.

**Hummel:** And can I tell you I'm impressed that it's not the wet noodle handshake. You've got to have a nice firm one and look the other person right in the eye.

**Goyette:** And the eye contact is important.

For the first time, the 8th-grade graduation was held last month in the school's gymnasium. It is the last class that went to the old school in South Providence as 5th-graders, ending one chapter of the school's two-decade history. Most will go to private high schools like LaSalle and St. Ray's next year, sad to leave the nurturing environment they've enjoyed, but excited about new opportunities. During the ceremony, Goyette spoke personally, and at length, about each of the 16 new graduates.

Mike Garcia, one of the graduates, reflected on changes he sees in himself that took place over the past four years. "Being a lot more respectful, being a lot more helpful, being a well-rounded person. That's mostly what they teach us here - to be respectful, to be responsible and to do the right thing when adults *aren't* looking and when they are."

*If you know of a person or organization who you think deserves the Spotlight, send an email to [info@hummelspotlight.org](mailto:info@hummelspotlight.org)*

*Editor's note: The Hummel Report now has a monthly feature called The Hummel Spotlight, focusing on people and organizations making a difference in the community.*

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## The Next Stop Remains to Be Seen

Right on schedule, the 7:45 am MBTA commuter train arrives at Wickford Junction, where more than two dozen passengers hop on for the ride north. Some are heading to Warwick or Providence, others all the way up to Boston.



The rail service began with great fanfare a year ago, the culmination of more than a decade of planning and a \$44 million investment by taxpayers to build the station and an adjacent four-story 1,100 car parking garage. The garage itself accounted for \$25 million of the total cost.

A year later, the Massachusetts Bay Transit Authority-run service is attracting about 200 daily riders, most going to Boston. But just 80 people a day are paying the \$4 parking rate needed to help offset a half a million dollar annual bill to maintain the mammoth garage. The state needs 500 vehicles parking and paying daily to break even.

Rhode Island Department of Transportation (DOT) Director Michael Lewis says the commuter rail service is very much a work-in-progress, but he is satisfied so far with the numbers the trains are drawing most weekdays. There is no weekend service.

“The total numbers using it are less than we had hoped in the early years. We always knew this was going to take time and I’m not talking months,” Lewis told *The Hummel Report*. “This is years to have the ridership grow to what predications were when the project was planned.”

Those predictions are that 1,500 passengers will ride daily out of Wickford Junction within seven years, and three-quarters of them will pay to park.

“With the employment growth expected in the Providence area and in the state over time, the 2020 projections are that the parking garage will be virtually full,” he said.

It is a long way off from what we saw at the garage last month. One day there was a total of 71 cars on the first and second levels. The third level and the fourth, which is an outside deck, were totally empty.

Lewis says Wickford Junction is where the Providence train station was with the MBTA commuter rail to Boston when it first started in the late '80s, and he's confident one day it will be where the Providence service is now - one of the most popular services on the line.

It is the taxpayers, though, who will have to pick up the tab until then.

That's because the state has a contract with a private company to maintain the garage. Lewis says the price is about \$45,000 a month, more than half a million dollars per year. It is a beautifully landscaped facility, with extensive shrubbery, lush grass, and flowers planted around the garage. The interior of the garage is immaculate and looks much the way it did a year ago when it first opened. Add to that the cost of electricity and snow plowing and the maintenance costs exceed \$650,000 a year.

But DOT figures show revenues generated by parking and concessions brought in just under \$58,000 over the first 12 months, which means a federal grant the state secured had to pick up the difference.

The revenue figures were lower than expected because the DOT offered free parking and rides on Wednesdays during February and March – one of the promotions Lewis hopes will help bring in more passengers.

Lewis says there are also many passengers who are dropped off and don't pay for parking – something we saw frequently on our visits to the station last month. One day, dozens of kids from a local elementary school in North Kingstown arrived for a field trip to Boston – an ideal use for the train service – but most of those who came did not use the parking garage.

**Hummel:** You seem like the manager who's looking at 9-inning game and isn't worried about his pitcher getting rocked in the first couple innings.

**Lewis:** I think that's a pretty good analogy. It doesn't mean when somebody hits a triple off your starter, you're not wondering, 'Hmmm ... was this a good call?'"

But it's likely to be years down the line before we know for sure.

*The Hummel Report is a 501 3C non-profit organization. If you have a story idea or want to make a donation to the Hummel Report, go to [www.hummelreport.com](http://www.hummelreport.com). Or mail Jim directly at [jim@hummelreport.com](mailto:jim@hummelreport.com).*

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## Supreme Court Rules on Same-Sex Marriage

**By Jeffrey Folker**

In two decisions handed down by the Supreme Court of the United States, supporters of equal rights for same-sex and non-traditional marriage scored a key victory on Wednesday, June 26. The decisions, both split 5-4, mark a great expansion of rights for same-sex couples.



Photo by NPR

The first decision of the morning came in the *United States v. Windsor*, with Justices Anthony Kennedy, Ruth Bader Ginsberg, Stephen Breyer, Sonia Sotomayor, and Elena Kagen in the majority.

*United States v. Windsor* centered on the Defense of Marriage Act (DOMA), signed into law by President Bill Clinton in September of 1996, states “No State, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other State, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such other State, territory, possession, or tribe, or a right or claim arising from such relationship,” and later “the word ‘marriage’ means only a legal union between one man and one woman as husband and wife, and the word ‘spouse’ refers only to a person of the opposite sex who is a husband or a wife.”[1] In writing for the majority, Justice Kennedy declared DOMA to be unconstitutional in that it violates the Fifth Amendment (“no person shall...be deprived of life, liberty, or property, without due process of law”).

Immediately after the ruling on the Defense of Marriage act came the court’s decision in *Hollingsworth v. Perry*, where the court ruled that California’s Proposition 8 had no standing in court.

Prop. 8, as it has come to be known, reads as follows: “Only marriage between a man and a woman is valid or recognized in California.” By throwing the case out on procedural grounds rather than declaring it to be unconstitutional, the court missed an opportunity to issue a definitive ruling on the constitutionality of same-sex marriage. At the same time, throwing the case out allows the ruling of the lower courts to stand (which struck down Prop. 8 for violating the equal protection clause).

While the two decisions mark an immediate win for supporters of same-sex marriage, only time will tell the lasting impact. For now, let’s celebrate.

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[1]H.R. 3396 (104th): Defense of Marriage Act



# Lincoln Chafee Out of Touch with Rhode Island Families



Tonight when Rhode Islanders go to bed, the main issue on their minds will be how to maintain a fair job to put food on the table and provide a better lifestyle for their children. After all, in a state that continues to rank toward the bottom in national unemployment, it is a fair assumption that this is a leading concern for most Rhode Islanders. I can assure you that the last thing on 99.9 percent of Rhode Islanders' minds during this economy is whether they should shift party affiliations ... again. So how tuned in is our political leader Linc Chafee with the average Rhode Islander?

In these difficult times the focus should be on family, not corrupt politics. Our young adults are forced to leave their families and the place in which they grew up simply because of the lack of jobs. They are graduating from college with mortgage sized student loans and are searching for new states to raise a family. Hard working families in the middle class are losing their homes because their paychecks continue to decrease while property taxes continue to increase. Seniors are having a hard time paying for quality health treatment and prescriptions. Despite endless promises by one political party that voting for their plans will decrease health costs, the reality is that health costs continue to increase at unrealistic levels. Rhode Islanders' 1<sup>st</sup> Amendment rights and religious freedoms continue to be imposed upon by special interest groups, forcing citizens to act against their consciences. Rhode Island continues to rank toward the bottom in public education. And Rhode Island received an "F" in business friendliness by the Kauffman Foundation.

During these hard times, we look to our political leaders for solutions to these dire problems and hope



they will provide a path to ensure Rhode Island will once again be a quality state in which to raise a family. After all, we do elect politicians to lead, not sit around pointing fingers and doing nothing. So to fall in line with the true leader he is, Linc Chafee recently set up a press conference to address a major concern in Rhode Island.

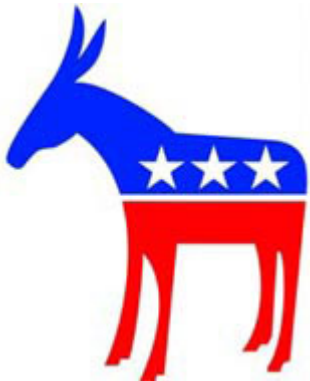
Did he announce that Rhode Island moved up significantly in the ranks for education? Has unemployment dropped enough to provide jobs for our graduating college students? Have property taxes been reduced in line with the national average? Unfortunately our fearless elected political leader did not announce any of these; he could not even announce the dreaded pothole situation in the state has improved. So what was the point of his press conference? Linc Chaffee wanted to announce that he was changing political parties ... again.

While most of Rhode Island is fighting to save their jobs and provide for their families, all Linc cares about is saving his own job. This one act says a lot about the character of the new leader of the RI Democrat Party. Instead of focusing his time and resources on improving the economy, Linc is strategizing with political advisers while Rhode Island families continue to struggle.

The main question to ask us all as Rhode Islanders is why we continue to settle for less. We do not deserve to be in the bottom in education and employment year after year. We do not deserve to have our families torn apart because of the lack of jobs. We do not deserve to lose our houses due to exorbitant property taxes so our elected politicians can provide lavish lifestyles for their supporters. And we do not deserve a one party government whose new leader continues to prove politics is more important than Rhode Island families. Linc found his home with the Democrat Party; however, Rhode Island deserves better.

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## **Switching Parties Again: A No Lose Proposition for Chafee**



At the beginning of June, Governor Lincoln Chafee announced a change in party affiliation ... again. The once Republican Senator turned Independent Governor has now changed uniforms once again to that of a Democrat.

In a Guest Mindsetter® opinion piece with GoLocal Providence, Chafee wrote, “This isn’t about politics, it’s about principles. For nearly three decades, I have been in public service to do what is right for the people of Rhode Island. Today, with this decision, I believe I am advancing that cause.”

Actually, having one of the lowest (if not the absolute lowest) approval ratings of governors in the nation, this was a no lose situation. His meeting with Obama resulted in a presidential endorsement and the opportunity to raise national contributions to supplement his war chest for a difficult 2014 Democratic primary battle against the money-train General Treasurer, Gina Raimondo, and the well-liked Mayor Angel Taveras. The switch to D on the ballot could also win him back some of the unions he lost by backing down to Raimondo in the state pension cuts. Yes, pension *cuts*. *Not reform*. The worst that comes out of this is a loss followed by a likely Presidential appointment to a D.C. position as a consolation prize.

“Education. Infrastructure. Workforce development. Tax relief for middle class Rhode Islanders. Quality, affordable health care. Environmental protection. Tolerance of diversity. These are my priorities and guiding principles as governor.” Wrote Chafee, “They are the same priorities I have always had, since I started my career as a Republican. But as I survey the political landscape, I realize that these priorities are overwhelmingly the priorities of one party – the Democrats.”

Perhaps, then, he should show more initiative as a governor to embrace these guiding principles. Christine Hunsinger, Governor Chafee’s communications and media relations director, said that Chafee stands strong on lowering the corporate tax. Furthermore, Chafee’s office responded to questions about Rhode Islanders for Tax Equity’s proposal of raising taxes 2 percent on those earning \$250,000 and over by saying that the Governor supports increasing taxes on the rich on a national level, but the measure has demonstrated an adverse impact on a state level due to close proximity with neighboring state’s borders. So much for the middle class. He has taken recent steps on environmental protection by hiring former Ocean State Action leader and environmental activist, Kate Brock, as a policy analyst. That is a step in the right direction. Workforce development has certainly failed, seeing as the state unemployment rate has ticked *up* another tenth of a point and still remains well above the national average. Jobs are still being lost in the thousands every month and the RI Department of Labor and Training faces a FY ‘14 reduction in budget of \$131 million. Again, so much for the middle class. Education has been a fiasco with protests by students, parents and teachers over high-stakes testing and his continued support of the less than popular Education Commissioner Gist. In all, Chafee has not acted much like a Democrat.

Finally, although a second term can’t be discounted as a possibility, his move may have one altruistic outcome in the likely event of his loss. Chafee could make rain for Raimondo and, if that doesn’t win him back a portion of union support, it will generate a split of less progressive Democratic voters and hand the primary to Taveras.

A final note from his explanation to GoLocal for his decision to choose yet another party, “Dad chose to name me after one of his heroes, Abraham Lincoln, father of the Republican Party. I recently came across a quote attributed to my namesake that I believe is fitting for the decision I have made. ‘I am not bound to win,’ he said, ‘but I am bound to be true ... I must stand with anybody that stands right, and stand with him when he is right, and part with him when he goes wrong.’” Yes. He quoted the father of the Republican Party to describe his change from Independent to Democrat. Perhaps he’ll quote Ross Perot when he switches to the Cool Moose party in 2018.

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# Grab Your Spooks at the Providence Ghost Tours

By Jeffrey Folker

The Providence Ghost Tour: where orbs, shadows, specters, poltergeists and other things go bump in the night. You do not need any special equipment or ritualistic knowledge - no EMF recorder, night vision goggles, séances, Ouija boards or extra-sensory perception are necessary. All that is required is a pair of comfortable walking shoes, an open mind and a date to share a night on the town in Providence. Not interested in the supernatural? That's ok too - with knowledgeable tour guides, the tour is a wonderful way for visitors to learn about the oft-violent, dark history of Providence.

Though I have never personally heard Marley's chains rattling (that's a reference to Charles Dickens's *A Christmas Carol*, in case you missed it) I admit I am a bit of a skeptic when it comes to supernatural entities residing in our world - if I do not see it, I do not believe it happened. While my family jokingly refers to our friendly household poltergeist (which we have affectionately named Harold, apparently Casper was too obvious of a name), I have never encountered anything that leads me to believe ghosts and spirits actually exist. Then again, neither have I seen anything that definitively proves they do not exist, either. Either they do exist and I just have never seen them, or they do not exist and I have been correct all along. Whatever the truth may be, it does not matter what I believe.

The tour begins at Prospect Terrace Park on Congdon Street at dusk (College Hill, Providence) 'neath the statue of Roger Williams and the epigraph that reads "Here reposes dust from the grave of Roger Williams." Why dust from the grave of Roger Williams and not the body of Rhode Island's founding father, you ask? My question to the tour guide was not allowed to hang in the air very long: in the first of a series of frightening tales about Providence's dark past, we learn that his grave and casket - originally located in Swan Point Cemetery off Blackpoint Boulevard - had been invaded by an apple tree looking for decaying flesh to use as fertilizer. Talk about a way to capture the interest of your audience.

Over the next hour and a half, the tour makes stops at the homes of famed Rhode Island Horror/Sci-Fi/Fantasy writer H.P. Lovecraft (think Seinfeld's half-man, half-bear-pig, only substitute man-half-bear-pig for a man-half-octopus-dragon) and the site of one of Rhode Island's unsolved murders; the Woods-Gerry house and its camera battery-sucking patio; Brown's John Hay Library (I'll leave this gory surprise for the tour guides); and Brown's University Hall, which acted as a hospital (read: amputation ward) during the American Revolutionary War. Walking down Benefit Street, we stop at the Providence Athenaeum. Standing across the intersection from the oldest family house in Rhode Island, we search for the ghost of the drunkard and "goth before it was goth," (to quote our wonderful tour guide Elise), Edgar Allen Poe. The climax of the tour centers on the corner of Benefit Street and Angell Street and the dangers of "furious riding" - you will have to take the tour to find out exactly what that is.

Providence Ghost Tours run every night from July 1 through November 16.

For more information and tickets, visit their website at [www.ProvidenceGhostTours.com](http://www.ProvidenceGhostTours.com).

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# Let the Good Times Roll at the Providence Artisans Market

By Jeffrey Folker



With something for everyone, it is really hard *not* to have a good time at the Providence Artisans Market. Bring the kids, bring the picnic blankets, and bring the family dog. If you are bold, even bring the ol' guitar and earn a few bucks on the side.

From the best organic beef, local scallops, City Farm produce and herbs, honey from Pharmacy Herbs, pastries from Seven Stars Bakery, samples from Narragansett Creamery, produce from Arcadian Fields, to some of the best locally made crafts from Upcycled Glass (focused on making vases, cups, and jars from recycled glass), natural soaps from the Stella Marie Soap Company (“natural soap with a quirky flair”). Tack on some stalls selling one of a kind jewelry, paintings, photographs, and furniture, and you get the Providence Artisans Market.

Perhaps the most interesting crafts came from Conanicut Sheepworks, who was selling fashionable anchor-shaped necklaces from sliced walnuts. Check them out on facebook for more information

There was even a hairiest dog competition...



Ok, not really, but here is a picture of some REALLY hairy dogs that were at the park, drinking in all the attention.

Seriously, those dogs look like bears.

The Providence Artisans Fair runs every Saturday through October 16 from 10 am to 2pm at Lippett Park, at the intersection of Hope Street and Blackstone Boulevard. For more information or to apply to become a part of next week's market, search PVDArtisansMarket on Facebook or check [www.mikebryceart.com/PVD\\_Artisans\\_Market.html](http://www.mikebryceart.com/PVD_Artisans_Market.html)

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