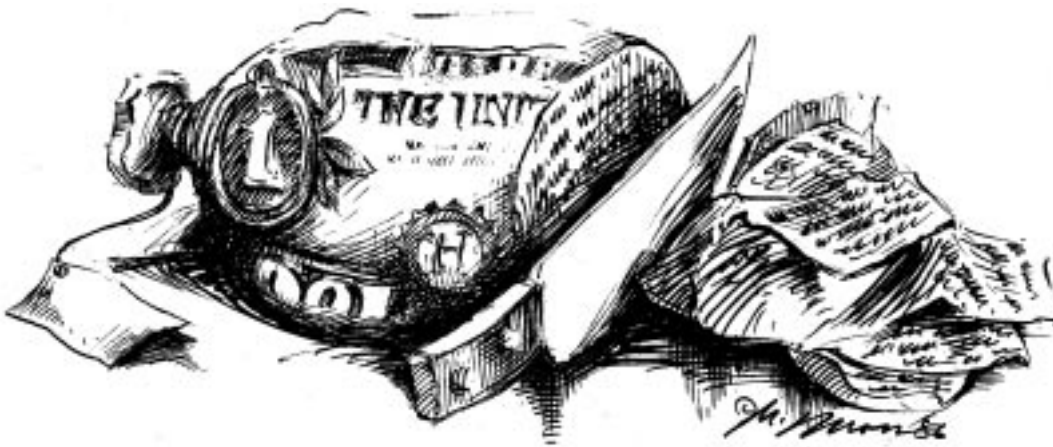


January 26, 2004

## A fair share?



|                                    |    |
|------------------------------------|----|
| Dems soul searching in CA          | 4  |
| Going wild in WY                   | 5  |
| Across state lines                 | 6  |
| Hot issues                         | 9  |
| Once around the statehouse lightly | 15 |

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State Net Web site*

2003 State Session  
Recaps showcasing  
the legislative wrap-up  
in each state.

### Top Story

*CALIFORNIA Gov. Arnold Schwarzenegger vowed to squeeze more money out of the federal government, but that requires cooperation from smaller states who might suffer if the Golden State's share grows bigger.*

## SNCJ Spotlight

*How are federal dollars apportioned among the states?*

**A**rnold Schwarzenegger (R), the newly minted governor of CALIFORNIA, vowed during his campaign that he would charge into Washington as "The Collectinator" who would change the state's longstanding reputation for receiving among the lowest returns of any state on its federal tax dollar.



**PATAKI'S KINDER, GENTLER BUDGET:** Hoping to avoid the budget battles he faced last year, NEW YORK Gov. George Pataki (R) has proposed a budget for 2004-05 that avoids deep cuts in education and health-care. The \$99.8 billion spending plan does call for cuts in virtually all state programs, but nothing like the roughly \$1 billion reductions in education and healthcare spending Pataki proposed in 2003. Pataki's job was made a little easier this year by the state's improving financial picture, with the deficit — at \$5.1 billion — less than half of last year's shortfall. Despite the conciliatory tone of the plan, however, lawmakers of both parties said they would still make substantial revisions. Democrats, in particular, criticized Pataki for failing to provide sufficient funding to improve New York City schools in accordance with a ruling by the state's highest court. The Dems also questioned the governor's plan to provide the \$325 million he had designated for meeting that court order through expansion of gambling in the state. (NEW YORK TIMES, NEWSDAY, ALBANY TIMES UNION)

## *The Week in Session*

States in Regular Session:  
AK, AZ, CA, CO, DE, GA, IA, ID, IL, IN, KS, KY, MA, MD, ME, MI, MO, MS, NE, NH, NJ, NY, OH, RI, SC, SD, TN, UT, VA, VT, WA, WV

States in Special Session:  
AR "b", WI "d"

States in Recess:  
CA "d", CA "e", PA

Currently Prefiling:  
AL, FL, MN, MT(Drafts for 2005), OK, WY

States Adjourned:  
AZ "b", CA "a", CA "b", CA "c", DE "a", FL "e", NC "a", NC "b", NJ "2001 session" z, NM "a", UT "c", WA "a", WA "b", WA "c"

Letters indicate special/extraordinary sessions  
Source: State Net, 1/19/04

**FL BUDGET NOT ROSY FOR EVERYONE:** FLORIDA Gov. Jeb Bush (R) proposed a budget last week that cuts taxes and increases spending at the expense of some social services. The \$55.4 billion budget for 2004-05 would provide increased funding for schools, rural counties and road construction. The governor, who has already slashed nearly \$8 billion in taxes since his election in 1998, would also like to cut the intangibles tax on stocks and bonds and provide a couple of sales tax holidays for school purchases. The tax cuts and spending increases would be funded by increased sales tax collections and a freeze on Medicaid payments to doctors and hospitals. Bush's plan would also limit extension of the Healthy Kids insurance program to 10% of the 100,000 children currently on the waiting list. Bush believes the waiting list problem will be alleviated by a significant improvement in the state's economy, but Democrats criticized the governor for wanting to give investors a tax cut while thousands of children go without health coverage. (ST. PETERSBURG TIMES, MIAMI HERALD)

— Compiled by KOREY CLARK

# Politics & Leadership

**L**ANDMARK MD PARTISANSHIP: MARYLAND Democrats managed to get the legislative session off to an inauspicious start, pulling off the first legislative overrides in the Old Line State in 15 years. On virtually straight party-line votes, Dems overrode Gov. Robert L. Ehrlich's (R) vetoes of three relatively minor measures passed last year. While Democrats characterized the votes as policy disagreements, Republicans called them a "slap in the face" to the governor and vowed to fight back during the rest of the 90-day session. But Democrats won a battle last week that will make it harder for the GOP to do that. In another vote along party lines, the Senate reduced the number of votes needed to end a filibuster from a two-thirds to a three-fifths majority, making it easier to restrict the minority party's ability to block legislation. During the contentious debate over the rule change, three GOP Senators walked out of the chamber in disgust. (WASHINGTON POST, BALTIMORE SUN)

**CA DEMS SOUL SEARCHING:** Democrats gathered in San Jose, CALIFORNIA last week for the state's annual party convention. The main topic of discussion for the 1,600 delegates in attendance was Gov. Arnold Schwarzenegger (R), namely what the recall of Democrat Gray Davis and the subsequent election of the Republican Hollywood star could mean for the immediate future of the Democratic party. Some observers noted that the fact Davis himself had a role in the three-day event is an indication of the party's struggle to find its identity. In an interview before the convention began, Davis said "When you lose an election, it is time for introspection and to redefine the goals of the party." Political experts say that will be a tough job in the face of a very popular, moderate Republican governor. (NEW YORK TIMES, MERCURY NEWS)

**ROWLAND ALLY IN HOT SEAT:** As CONNECTICUT lawmakers last week moved a step closer to impeachment proceedings against Gov. John G. Rowland (R), a former Rowland aid came under fire for investigat-

## Quote ...

"We're not going to take it anymore. We're going to be tough. We're going to be disciplined. We're going to be unified."

—*Del. Anthony J. O'Donnell (R), MARYLAND's House minority whip, announcing the GOP's determination to resist Democratic control of the chamber in spite of the Dems 2 to 1 advantage in seats.*



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# Across state lines

## *Politics by the numbers*

**A**lmost 80% of all state legislative seats will be up on the block this November, meaning more than three quarters of current state office holders can add worry over their own political futures to their already impressive lists of daily concerns. These issues include the ongoing debate over budgets, homeland security, gay marriage and a host of other equally polarizing topics. All of these create a potential minefield to negotiate for lawmakers still acutely aware of recent voter rebukes of incumbents like CALIFORNIA Gov. Gray Davis (D) and MISSISSIPPI Gov. Ronnie Musgrove (D).

Elections will be held for both legislative chambers in every state except ALABAMA, LOUISIANA, MARYLAND, MISSISSIPPI, NEW JERSEY, and VIRGINIA, with Senate seats only being determined in MINNESOTA and MICHIGAN.

The status quo is not likely to change much in several states. ARKANSAS, for example, is overwhelmingly Democrat in both houses, with the party holding a 70/30 advantage in the House and 27/8 bulge in the Senate. MASSACHUSETTS is also solidly in the Democratic fold, with a strong 136/23 edge in the House and 33/6 in the Senate. The GOP has its own bastions as well, particularly in UTAH, where House Republicans outnumber Democrats 56/19. The Senate holds a 22/7 GOP advantage. NEW HAMPSHIRE is a solid 275/117 GOP stronghold, with the Senate (18/6) also in their favor. The GOP also controls both houses in ARIZONA, KANSAS, IDAHO, MONTANA, FLORIDA, HAWAII, ALASKA, OHIO, TEXAS, WYOMING, and SOUTH DAKOTA, while Democrats clearly are dominant in CALIFORNIA, CONNECTICUT, ILLINOIS, RHODE ISLAND, NEW MEXICO and WEST VIRGINIA.

Several states do have very close partisan makeups. Democrats hold a slight 51/49 advantage in the INDIANA House, while the parties have an even 60/60 split in NORTH CAROLINA's lower chamber. The parties are also an even 15/15 in the OREGON Senate, while the GOP has a one seat Senate edge (25/24) in WASHINGTON and COLORADO (18/17). Democrats hold a single seat edge in the MAINE Senate (18/17). The chart below shows the complete partisan breakdown of all statehouses.

—By *RICH EHISEN*

### Current Legislative Lineup, February 2004

| State | Governor                  | House |     |     | Senate |     |     |
|-------|---------------------------|-------|-----|-----|--------|-----|-----|
|       |                           | Dem   | Rep | O/V | Dem    | Rep | O/V |
| AL    | Bob Riley (R)             | 62    | 43  | -   | 25     | 10  | -   |
| AK    | Frank Murkowski (R)       | 13    | 27  | -   | 8      | 11  | 1   |
| AZ    | Janet Napolitano (D)      | 20    | 39  | 1   | 13     | 17  | -   |
| AR    | Mike Huckabee (R)         | 70    | 30  | -   | 27     | 8   | -   |
| CA    | Arnold Schwarzenegger (R) | 48    | 32  | -   | 25     | 15  | -   |
| CO    | Bill Owens (R)            | 28    | 37  | -   | 17     | 18  | -   |
| CT    | John Rowland (R)          | 94    | 57  | -   | 21     | 15  | -   |
| DE    | Ruth Ann Minner (D)       | 12    | 29  | -   | 13     | 8   | -   |
| FL    | Jeb Bush (R)              | 39    | 81  | -   | 14     | 26  | -   |
| GA    | Sonny Perdue (R)          | 107   | 72  | 1   | 26     | 30  | -   |
| HI    | Linda Lingde (R)          | 36    | 15  | -   | 20     | 5   | -   |
| ID    | Dirk Kempthorne (R)       | 16    | 54  | -   | 7      | 28  | -   |
| IL    | Rod Blagojevich (D)       | 66    | 52  | -   | 32     | 26  | 1   |
| IN    | Joe Kernan (D)            | 51    | 49  | -   | 18     | 32  | -   |
| IA    | Tom Vilsack (D)           | 46    | 54  | -   | 21     | 29  | -   |
| KS    | Kathleen Sebelius (D)     | 45    | 80  | -   | 10     | 30  | -   |
| KY    | Ernie Fletcher (R)        | 65    | 35  | -   | 16     | 22  | -   |
| LA    | Mike Foster (R)           | 68    | 37  | -   | 24     | 15  | -   |
| ME    | John Baldacci (D)         | 80    | 66  | 4   | 18     | 17  | -   |
| MD    | Robert Ehrlich (R)        | 98    | 43  | -   | 33     | 14  | -   |
| MA    | Mitt Romney (R)           | 136   | 23  | 1   | 33     | 6   | 1   |
| MI    | Jennifer Granholm (D)     | 47    | 63  | -   | 16     | 22  | -   |
| MN    | Tim Pawlenty (R)          | 53    | 81  | -   | 35     | 32  | -   |
| MS    | Haley Barbour (R)         | 77    | 45  | -   | 30     | 22  | -   |
| MO    | Bob Holden (D)            | 72    | 90  | -   | 14     | 20  | -   |
| MT    | Judy Martz (R)            | 47    | 53  | -   | 21     | 29  | -   |
| NE    | Mike Johanns (R)          | -     | -   | -   | -      | -   | 49  |
| NV    | Kenny Guinn (R)           | 23    | 19  | -   | 8      | 13  | -   |
| NH    | Craig Benson (R)          | 117   | 275 | 8   | 6      | 18  | -   |
| NJ    | Jim McGreevey (D)         | 47    | 33  | -   | 22     | 18  | -   |
| NM    | Bill Richardson (D)       | 43    | 27  | -   | 24     | 18  | -   |
| NY    | George Pataki (R)         | 103   | 47  | -   | 24     | 38  | -   |
| NC    | Mike Easley (D)           | 60    | 60  | -   | 28     | 22  | -   |
| ND    | John Hoeven (R)           | 28    | 66  | -   | 16     | 31  | -   |
| OH    | Bob Taft (R)              | 37    | 62  | -   | 11     | 22  | -   |
| OK    | Brad Henry (D)            | 53    | 48  | -   | 27     | 20  | 1   |
| OR    | Ted Kulongoski (D)        | 25    | 34  | 1   | 15     | 15  | -   |
| PA    | ED Rendell (D)            | 94    | 107 | 2   | 21     | 29  | -   |
| RI    | Donald Carcieri (R)       | 63    | 12  | -   | 32     | 6   | -   |
| SC    | Mark Sanford (R)          | 51    | 73  | -   | 20     | 25  | -   |
| SD    | Mike Rounds (R)           | 21    | 49  | -   | 9      | 26  | -   |
| TN    | Phil Bredesen (D)         | 54    | 45  | -   | 18     | 15  | -   |
| TX    | Rick Perry (R)            | 62    | 88  | -   | 12     | 19  | -   |
| UT    | Mike Leavitt (R)          | 19    | 56  | -   | 7      | 22  | -   |
| VT    | Jim Douglas (R)           | 70    | 73  | 7   | 19     | 11  | -   |
| VA    | Mark Warner (D)           | 37    | 61  | 2   | 16     | 24  | -   |
| WA    | Gary Locke (D)            | 52    | 46  | -   | 24     | 25  | 1   |
| WV    | Bob Wise (D)              | 68    | 32  | -   | 24     | 10  | -   |
| WI    | Jim Doyle (D)             | 39    | 59  | 1   | 15     | 18  | -   |
| WY    | Dave Freudenthal (D)      | 15    | 45  | -   | 10     | 20  | -   |

Source: StateNet

Notes: Nebraska has a non-partisan, unicameral legislature.

O/V: Other, vacant



Some of the 18 projects the sales funded include \$13,500 for the Sheep Mountain Land Exchange and another \$10,000 for a moose calf recruitment study. Five of the licenses have been sold to date this year, totaling \$58,500. (CASPER STAR-TRIBUNE)

**CA RECALL FEVER MOVING EAST?** Not really, although recall petitions against MINNESOTA Gov. Tim Pawlenty (R) were recently forwarded to the state Supreme Court to test their validity. The petitions were filed by a Gopher State man who says Pawlenty should be recalled for failing to properly file an oath of office with the secretary of state. The petitioner, who is a paralegal and reporter-producer for a local cable-access show called “Spotlight on Conspiracy,” claims the failure to file the oaths should invalidate virtually everything the governors, Legislature and other officials have done for the last 60 years. The same person filed a similar petition last year against Secretary of State Mary Kiffmeyer (R), who is also named on this year’s petition. The Supreme Court tossed the previous petition out, saying the allegations would not warrant a recall even if they were true. (MINNEAPOLIS STAR-TRIBUNE)

**EHRlich GATHERS DOLLARS FOR ‘06:** The next gubernatorial election in MARYLAND is more than two years away, but Gov. Robert Ehrlich Jr. (R) isn’t waiting around to kick off his fund-raising campaign. According to figures released last week by the campaign, Ehrlich has already raised \$2.3 million for the 2006 race, easily putting him on pace to exceed the record \$10.4 million he garnered during his successful 2002 election effort. The scary thing for those seeking to challenge the first-term Republican is that, according to his staff, Ehrlich has not even begun to seek money yet. John C. Reith, Ehrlich’s campaign finance chairman, says that “The governor did not make one call for fund-raisers in 2003.” Critics say the big dollar totals are a prime example of how money has come to affect politics in the Old Line State, noting that Ehrlich could reach as much as \$20 million by the election. (BALTIMORE SUN)

**GOVERNORS IN BRIEF:** A new Rocky Mountain Poll shows ARIZONA Gov. Janet Napolitano (D) with a 75% approval rating. The same poll showed that nearly half of those polled think the Grand Canyon State is heading in the right direction (ARIZONA REPUBLIC). • A group of anti-abortion activists file suit against IDAHO Gov. Dirk Kempthorne (R) and the state’s Dept. of Health and Welfare, saying the agency has failed to produce a









## SNCJ spotlight

*Continued from page 2*

Why the shortfall? There are two main reasons: Californians tend to earn higher wages and salaries than most others in the country, so they also pay high federal income taxes; and Californians tend on average to be younger than people in other states, so relatively few of them get Social Security and Medicaid benefits.

That might make it seem that there is little any state can do about its federal tax-and-spending predicament, short of recruiting more retirees, as Kane jokes, and reducing what its citizens earn.

But there is another area that contributes to a state's return on its federal dollar: the federal grants that go to states for services such as health care, welfare, roads and education. It is among these so-called "formula grants" that Schwarzenegger hopes to make changes. Doled out by 14 federal agencies, the grants accounted for \$34 billion — about one-third — of California's budget in fiscal 2001. Although that sounds like a lot of money, in fact California ranks 28 out of 50 states in the amount it gets in these grants, two spots below the national average. The top state is ALASKA. The bottom is NEVADA.

Each year, Washington calculates a state's share of these grants using complicated formulas based on a variety of factors — population, poverty levels, income, unemployment, immigration figures, crime rates and education levels. Every state stands to gain or lose from how these formulas are calculated. And they stand to gain or lose should those formulas change.

"Any proposal to change a [grant] formula brings all hands on deck," said Tim Ransdell, executive director of the California Institute for Federal Policy Research, which is studying how California fares under the grants. "Forty-nine other states are also scraping for increasingly scarce federal cash."

Shortly after he won election to replace recalled Gov. Gray Davis, Schwarzenegger came to Washington to meet congressional leaders, and to make his case for more federal funding. He met with all the right people — the men and women who control the federal purse strings by virtue of their posts on key congressional committees — but he was vague when pressed for specifics on how he intends to get more money for his state.

California thrives under some grant programs. It gets one-fourth of the money Washington sends states for providing foster care. It also gets one-fourth of the nation's welfare money under grants called Temporary Assistance to











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