

State of Crisis



February 14, 2011

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Top Story

State mental health programs have endured over \$2 billion in funding cuts since 2009. More are expected this year, leaving many states to look longingly at a California program that is actually increasing mental health funding.

SNCJ Spotlight

States struggle to fund mental health care

The tragic shooting of Arizona Congresswoman Gabrielle Giffords (D) and 19 others in January by an allegedly mentally ill gunman focused nationwide attention on the struggles states face in providing mental health care services. With another year of painful budget cuts ahead, that already difficult situation is poised to get worse.

According to a study by the NASMHPD Research Institute, Inc. (NRI), the research arm of the National Association of State Mental Health Program Directors, from FY 2009 through FY 2011 states collectively have cut \$2.1



billion from their mental health programs. NASMHPD Executive Director Dr. Robert Glover says that figure is actually “very conservative.” He notes that eight states did not provide data for the survey, including California, the nation’s most populous state.

This year’s proposed budget cuts are coming fast and furious. Kansas Gov. Sam Brownback (R) has proposed cutting \$10.2 million from Sunflower State community mental health programs and another \$5 million from programs that treat children with mental disorders. Massachusetts Gov. Deval Patrick (D) wants to slice over \$21 million from the Bay State Department of Mental Health, including eliminating 160 inpatient beds reserved for mental health patients. Florida lawmakers are considering

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\$388 million in mental health cuts, while Nevada’s Gov. Brian Sandoval (R) has proposed eliminating \$100 million in funding for the Silver state’s mental health courts, which are tasked with helping to rehabilitate criminal offenders with mental illnesses. Ohio, which has cut mental health funding by

over 30 percent in recent years, is expected to again cut mental health services this year as it faces an \$8 billion budget shortfall. Mississippi Gov. Haley Barbour (R), meanwhile, has proposed a 7 percent reduction in mental health spending from FY 2010, levels which were already down 15 percent from FY 2009. Washington Gov. Christine Gregoire (D) cut nearly \$19 million from Evergreen State community treatment programs in the fall of 2010; she has proposed another \$17.7 million in reductions over the next two years. Texas Gov. Rick Perry (R), facing a \$27 billion budget hole, has proposed cutting over \$1 billion from the Lone Star State’s community mental health programs.

Even Arizona — which has long provided extensive mental health services to uninsured residents who don’t qualify for the Arizona Health Care Cost Containment System (AHCCCS), the state’s version of Medicaid — is making drastic cuts. Since 2008, the Grand Canyon State has slashed over \$65 million from those programs, a reduction of more than 50 percent. Gov. Jan Brewer (R) has also proposed tightening eligibility for Medicaid, which provides most of the state’s public mental health services.

“I’ve been in mental health care for over 30 years and this is the worst I’ve seen it,” says Glover. He also anticipates further cuts as federal American Recovery and Reinvestment (ARRA) funds wind down next year.

According to a January report from the National Conference of State Legislatures, the impending loss of federal stimulus money is a key factor behind virtually every state’s budgeting decisions. According to the survey, states as of January faced a cumulative budget gap of over \$27 billion this year and approximately \$82 billion in 2012. So many holes to fill has left lawmakers little choice but to cut back everywhere.

But advocates argue that reducing care for the mentally ill actually costs far more in the long run than it saves in the short term. According to the National Alliance on Mental



Illness (NAMI), over 57 million Americans experience a mental health issue in any given year, with one in 17 facing serious conditions like depression or bipolar disorder. These often get much worse in tough economic times.

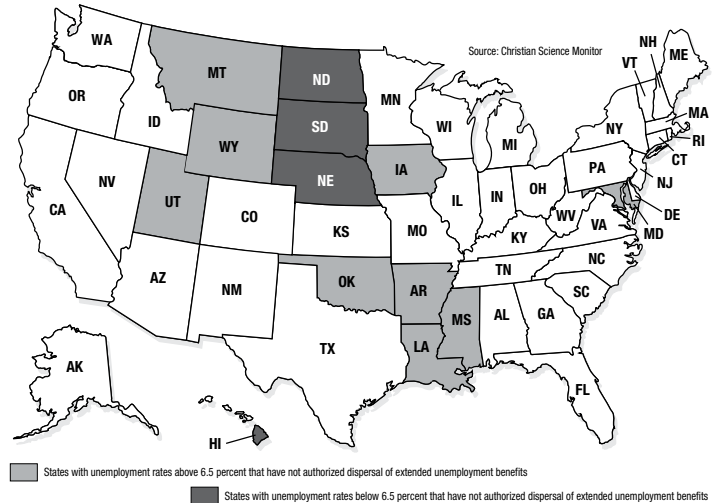
Approximately one in 10 children also lives with a serious mental or emotional condition. According to research by the U.S. Department of Health and Human Services, the estimated indirect economic impact of mental illnesses adds up to \$79 billion annually, including \$63 billion in lost workforce productivity. DHS also notes that almost a quarter of all state prison inmates and approximately three quarters of all juvenile inmates have some mental disorder.

“It costs about \$30,000 a year to house a prison inmate in Ohio. It costs about \$12,000 for someone in community housing. We can help almost three people for every person in the prison system, and we can do a better of job of it to boot,” says Terry Russell, head of NAMI’s Ohio chapter.

“There is a pretty significant business case to be made that funding mental health care ultimately saves the public money,” agrees Dr. Larry Poaster, Vice Chairman of the California Mental Health Services Oversight and Accountability Commission.

In response to reduced funding, NAMI notes that many states are streamlining services in an effort to become more efficient. New Hampshire, for instance, is one of several states piloting programs to help patients with serious mental disorders maintain better overall health through smoking cessation, nutrition and exercise, which can lessen the negative side effects that cause many anti-psychotic drug users to go off their medications. Arkansas and Alaska are among those working to more effectively collect and share mental health care data, while several are also turning to cost-savings technologies like telemedicine and videoconferencing for treating mentally ill patients, particularly those who are incarcerated.

Bird’s eye view



States slow to grab extended unemployment benefits

Under the provisions of the federal Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, jobless workers in states with unemployment rates of at least 6.5 percent are eligible for an extra 13 weeks of unemployment benefits, while those in states with unemployment rates of 8 percent or higher can receive up to 20 weeks of additional pay. The extended benefits will be fully funded by the federal government, unlike regular unemployment benefits, which are split 50-50 with states. But nine states above the minimum threshold have not passed legislation allowing distribution of the funds, potentially denying 236,000 workers \$876 million in benefits, according to an estimate by the National Employment Law Project. Another four with unemployment rates too low to qualify for the extended benefits have also not adopted such legislation.





While most states necessarily focus on reducing mental health care costs, California has taken the additional step of creating a new dedicated funding stream. That came in 2004's voter-approved Proposition 63, the Mental Health Services Act (MHSA), which adds a 1 percent surcharge to the state tax on incomes of \$1 million or more, with the additional revenue slated entirely for mental health services. By law, 20 percent of MHSA funds are dedicated to early intervention and prevention services. In spite of the onset of the Great Recession, voters rejected a 2009 effort to shift up to \$230 million annually in MHSA revenues into the state's general fund.

According to the California Department of Mental Health, the measure has produced \$6.5 billion in additional revenues for the state's mental health system through FY 2009-10, though much of the initial funding was utilized on building the physical and human infrastructure to handle the extra services. With that now complete, the system is expected to distribute over \$1 billion for services in FY 2010-11 and \$1.6 billion in FY 2011-12. This is in addition to the usual state and federal mental health funding, about another \$5 billion annually.

It hasn't always been a smooth ride. Many local mental health agencies grumbled over the time it took to get the money flowing outward, and few are fans of the bureaucracy it created.

"It really is far too administratively burdensome" says Patricia Ryan, Executive Director of The California Mental Health Directors Association (CMHDA). "But there are still far more positives than there are negatives."

Among those positives, Ryan says, is that counties are now able to provide critically needed mental health services to communities that have traditionally been underserved. To that end, state officials say the MHSA provided mental health services to almost 400,000 Californians in 2010. That is a big jump from 2003, the year before the MHSA, when DMH estimated as many as 1.7 million residents

needed but did not receive mental health services.

Poaster says the MHSA is helping California move away from being primarily a "fail first" system that treats people only after they have been committed to a medical facility or jail and toward being a "help first" system that offers people aid in

their own community before they become incapacitated or incarcerated. That, says the CMHDA's Ryan, both saves money and better serves the people who need help.

"If you only have money to serve people in crisis, then that's all you will ever do," she says.

Former California Department of Mental Health Director Steve Mayberg, who retired in 2010 after 18 years at the agency's helm, says that while the building process was frustrating for many local agencies, the MHSA's community treatment infrastructure will also greatly help the coming health care reform program work the way it is supposed to.

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Still, there is no escaping California’s own \$25 billion budget deficit. Gov. Jerry Brown’s (D) budget proposal includes shifting some expensive mental health programs not part of MHSA from the state to local control, along with a one-time expenditure of \$861 million in MHSA funds to pay for them, thus relieving the general fund of that burden. In theory, those programs would be funded afterward by an extension of various taxes Brown hopes voters will approve in a special election this year.

That doesn’t make California Senate Pro Tem Darrell Steinberg (D), Proposition 63’s co-author, very happy. But he also acknowledges the state’s tenuous finances.

“I can’t be hypocritical about this when we’re making such deep cuts to other social services,” he says.

The shift is still very speculative, as the non-partisan Californian Legislative Analyst’s Office says it will likely need voter approval.

Meanwhile, mental health advocates in most states anxiously await the full implementation of federal health care reform, which will both expand coverage to millions of currently uninsured Americans that do not qualify for Medicaid and require health plans to provide coverage for mental health care and substance abuse treatment.

In Ohio, Russell says he is “cautiously optimistic” about federal reform, but says the Buckeye State mental health system needs far more drastic reform than anything the feds are offering.

“The problem here is that we spend too much energy worrying about the bureaucracy instead of the people we’re here to help,” he says. “What we need is new ideas. We need real change. If not, this system is going to crumble.”

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Russell doesn’t believe the answer is all about money, but he would welcome a dedicated funding mechanism like California’s.

“I wish we could find a system like that,” he says. “But I can’t believe it would be possible. The governor has made it clear that new taxes are just not an option.”

Steinberg understands that frustration, saying, “Thank God for Proposition 63. Without it, our mental health system might be in real disarray.” He also expresses surprise that other states haven’t at least tried to replicate it.

“This is one of the best things going in the nation,” he says.

Former DMH chief Mayberg agrees, and admits a bit of pride in overcoming California’s image as a place that often has trouble getting out of its own way.

“People always think California is ungovernable,” he says. “But if we could make such a major system change happen the way it has, then any state should be able to do it.”

— By *RICH EHISEN*



The Center on Budget and Policy Priorities and the National Employment Law Project, which released a report last week proposing something very similar to Obama’s plan, estimated that delaying the automatic payroll tax increases until 2014 alone would save employers \$5 billion to \$7 billion in taxes.

The administration will hammer home the point that the status quo isn’t much of an alternative.

“Our view in response to anyone who wants to do nothing,” a senior administration official said, “is that their plan is about increasing taxes in some of the hardest-hit states involuntarily in 2011 and 2012, as opposed to giving states a choice on how to repay the federal government starting in 2014.” (NEW YORK TIMES, WALL STREET JOURNAL)

OBAMA ADMINISTRATION PITCHES WISHFUL HIGH SPEED RAIL PLAN: Last week Vice President Joe Biden and U.S. Transportation Secretary Ray LaHood called on Congress to approve \$53 billion over the next six years for high-speed rail projects. But it seems exceedingly unlikely Congress will heed their call.

“This is like giving Bernie Madoff another chance at handling your investment portfolio,” said U.S. Rep. John Mica (R-Florida), who heads the House Transportation and Infrastructure Committee.

Mica said the Obama administration squandered its opportunity to build a network of efficient high-speed rail routes, particularly in the Northeast corridor, in the 2009 federal stimulus package, focusing instead on projects involving slower trains running between distant cities and attracting smaller numbers of customers.

Even before last year’s elections, when Democrats held majorities in both houses, Congress couldn’t agree on a new surface transportation bill, managing only a temporary extension of the last major plan, which expired in 2009. The current extension expires March 4. And the House is now controlled by GOP lawmakers intent on scaling back federal spending across the board.

State transportation officials certainly don’t appear optimistic.

“With the clear message of the November elections to tighten federal spending and begin to get the federal deficit under control, growing the program is no longer on the table,” said John Horsley, the executive director of the American Association of State Highway and Transportation Officials. “The challenge we’re going to have is protecting current levels of authorized spending so that we don’t lose jobs... If you cut highway investment and transit investment, that is certain to kill jobs. That’s our pitch.” (STATELINE.ORG)

BUDGETS IN BRIEF: CALIFORNIA Gov. Jerry Brown (D) pulled the plug last week on the planned sale of two dozen state office buildings negotiated by former

Upcoming stories

Here are some of the topics you may see covered in upcoming issues of the *State Net Capitol Journal*:

- **Federal health care reform**
- **Film incentives**
- **Immigration**



Gov. Arnold Schwarzenegger (R). The real estate transactions would have generated \$1.2 billion for the state, but Brown said the plan was basically “a gigantic loan with interest payments that equal... over 10 percent every year.” The governor said the lost proceeds would be replaced largely with money borrowed from special state accounts, which would still have to be repaid, but at lower cost to taxpayers (LOS ANGELES TIMES). • **OHIO** Senate Republicans unveiled details of the most sweeping plan in nearly three decades to limit the power of public unions. SB 5 would, among other things, eliminate collective bargaining for all state workers, weaken binding arbitration for local police officers and fire fighters, and strip automatic pay increases from state law (COLUMBUS DISPATCH).

• Standard & Poor’s has downgraded **NEW JERSEY’s** bond rating from AA to AA-, one of the lowest credit ratings in the country. Only two states — **CALIFORNIA** and **ILLINOIS** — have worse ratings, according to S&P (STAR-LEDGER [NEWARK]). • **FLORIDA** Gov. Rick Scott (R) unveiled a \$66 billion budget that would eliminate 6,700 state jobs and make big cuts to education, \$4.8 billion to start (MIAMI HERALD). • The **CALIFORNIA** Public Employee Retirement System has filed a federal lawsuit against many of Wall Street’s top investment banks, including Citigroup, Bank of New York Mellon and Wells Fargo Securities, alleging they were part of a “fraudulent scheme” to hide Lehman’s high-risk mortgage dealings from investors, ultimately costing CalPERS hundreds of millions of dollars (SACRAMENTO BEE).

— *Compiled by KOREY CLARK*

In the hopper

At any given time, State Net tracks tens of thousands of bills in all 50 states, the US Congress and the District of Columbia. Here’s a snapshot of what’s in the legislative works:

Number of Prefiles last week: 605

Number of Intros last week: 13,011

Number of Enacted/Adopted last week: 660

Number of 2011 Prefiles to date: 24,916

Number of 2011 Intros to date: 59,675

Number of 2011 Session Enacted/Adopted overall to date: 4,511

Number of bills currently in State Net Database: 154,452

— Compiled By JAMES ROSS
(measures current as of 2/10/2011)
Source: State Net database

Politics & leadership

A **RIZONA STEPS UP STATES’ RIGHTS FIGHT WITH FEDS:** Last year, Arizona voters passed a constitutional amendment (Proposition 106) barring implementation of any law requiring the state’s citizens or businesses to participate in a health care system, a direct challenge to the federal health care reform act. But a new measure before the Legislature could take the state’s challenge to federal authority to a whole different level.

Arizona Sen. Lori Klein (R) has drafted a proposal — SB 1433 — that would create a mechanism for state lawmakers to nullify federal laws they deem invalid. The measure would establish a committee of 12 lawmakers to review federal laws and regulations and identify those that are “outside the scope of the powers delegated by the people to the federal government in the United States Constitution.” Federal actions so identified would then be referred to the Legislature for ratification. And if ratified, the state and its residents would “not recognize or be obligated to live under the statute, mandate or executive order.”

Klein maintains that her proposal isn’t that extreme.

“We’re not seceding,” she said. “We’re looking at nullifying laws coming from the federal government that are mandates that are not constitutional.”

Klein also recognizes that if her idea is adopted in Arizona and elsewhere, it might create a nation in which the enforcement of federal laws varies considerably from state to state. But she says that is necessary, given the current administration in Washington.

“We have in Washington a particularly overreaching administration as well as regulations that are coming out of agencies that are not even mandated from Congress,” she said. “The states have a right to stand up to these kinds of onerous regulations.”

She added that the states and federal government “have dual sovereignty.”

“Our constitution is on par with the federal Constitution.”

Arizona Sen. Kyrsten Sinema (D) said that premise is flawed.

“The idea of nullification is to say that you can have a state statute or constitutional issue that then preempts everything above it,” she said. “It just doesn’t work that way.”

Sinema said if the state has a problem with a federal law it should file suit against it and allow the courts to determine its validity.

Klein acknowledges that any decision by her state nullifying a federal law or regulation would likely wind up in court. But her measure specifies that the only acceptable ruling would have to come from the U.S. Supreme Court.

Upcoming elections

2/10/2011 - 3/3/2011

02/15/2011

California Special Primary

Senate Districts 17 & 28

Georgia Special Election

House Districts 136 & 178

Minnesota Special Election

House District 5B

South Carolina Special Primary

House District 64

02/19/2011

Louisiana Special Primary

Senate District 26

02/22/2011

Connecticut Special Election

House Districts 20, 25, 36, 99, 101, 126

Senate Districts 6, 13 & 27

Missouri Special Election

Senate District 9

South Carolina Special Primary

Senate District 16

03/01/2011

Florida Special Election

Senate District 33

Maine Special Election

House District 11

Mississippi Special Election

Senate District 12

South Carolina Special Primary Runoff

House District 64



Sinema said it would be a mistake to believe the high court’s decisions would go the state’s way. And she said there’s a better solution for those who don’t like the laws coming out of Washington: “Elect new people to Congress.” (EAST VALLEY TRIBUNE [MESA])

VA INITIATES NATIONAL EFFORT TO CURB CONGRESSIONAL POWER: This month, the Virginia House of Delegates quietly passed legislation that would grant states veto power over any enactment of Congress. It is unlikely the so-called “Repeal Amendment” will go any further in the state because the Democrat-controlled Senate hasn’t shown any interest in taking it up.

But the measure is one of a series of constitutional amendments drafted by the conservative Legislative Exchange Council to “restore federalism in the United States” that are now being circulated among state lawmakers nationwide. Among the other amendments are a voter approval requirement for federal tax and spending

increases, a call for a constitutional convention to address unfunded federal mandates and a federal balanced budget requirement.

“Our constitution is on par with the federal Constitution.”

Marianne Moran, executive director of the Repeal Amendment, which is pushing that measure nationally, said that effort is in part a reaction to the new health care law.

“*Repeal* is a popular word right now,” she said, “and that has not hurt our momentum.” (STATELINE.ORG)

— *Compiled by KOREY CLARK*

Governors

MCDONNELL LOSES VA LIQUOR FIGHT: Virginia Gov. Robert McDonnell (R) suffered a major legislative defeat last week when lawmakers rejected his latest proposal to privatize the state’s liquor industry. In spite of months of lobbying by the governor — a campaign that included numerous town hall meetings across the state — lawmakers allowed the bill to die without as much as a hearing.

McDonnell had made ending the state’s 77-year-old monopoly on liquor sales a top priority, and he invested a significant portion of his political capital to try and make it a reality. But the proposal was troubled right from the start, with lawmakers from both parties expressing concerns over how the new system would work, and particularly whether the state would take a huge loss of revenue at a time it can least afford it. Some lawmakers also complained the plan would lead to an unwarranted

expansion of liquor stores in the Old Dominion, while others worried it would allow large retailers to push out smaller mom-and-pop operations.

The bill died quietly after the Democrat-controlled Senate refused to allow it to be heard until the GOP-led House had taken it up. But House Republicans refused to do so over their concerns the measure didn't have the votes to pass. A Democrat, Del. Bob Brink, had introduced the legislation against McDonnell's wishes, ostensibly to force the chamber to either take it up or kill it.

McDonnell had amended his original proposal, which called for privatizing all aspects of the system, including wholesale, distribution and retail operations, after critics noted it would have brought in \$47 million less each year to the state than the current system. He urged lawmakers to support his desire to call a special session on the proposal last year, but backed off when he realized he did not have the votes to get it approved. He then spent almost \$80,000 on a private financial consulting firm to figure out how to privatize just the state retail stores, coming up with a proposal to close 332 state-owned liquor stores and replace them with 1,000 private retail outlets.

Under that plan, the state would have realized about \$200 million in revenue from the sale of new liquor licenses and as much as \$13 million in additional annual revenue. But while McDonnell had seemingly solved the fiscal issues, he had not solved the political ones. Lawmakers from both parties complained of being kept out of the process. Republicans also didn't like a provision that would have levied a new tax on restaurants. He dropped it, but had to acknowledge that doing so would not only eliminate the estimated \$13 million annual profit, it would create a \$47 million shortfall.

By January, the bill's death seemed imminent. McDonnell had stopped lobbying lawmakers to support the measure, and its official demise was just a formality. Republicans noted they would be willing to consider the proposal again next year, but were clearly not happy about how McDonnell had handled it this time around.

"The administration galvanized around this piece of legislation so early on, long before the General Assembly came to town," said Senate Minority Leader Thomas K. Norment (R). "Sometimes when you get so engrossed in something so early, it's difficult to get extricated from it."

McDonnell's director of policy, Eric Finkbeiner, said the defeat has not discouraged the governor from continuing to pursue the privatization plan.

The week in session

States in Regular Session: AK, AR, AZ, CA, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OK, OH, OR, PA, PR, RI, SC, SD, TN, TX, US, UT, VA, VT, WA, WI, WV, WY

States in Special Session: WI "a", CA "a"

Upcoming Special Sessions: LA "a" regarding Census / Redistricting convenes 03/20/2011.

States in Joint Finance Hearings: DE

States in Committee Hearings: FL (Interim)

States Currently Prefiling or Drafting for 2011: AL, FL

States Projected to Adjourn: VA (02/26/2011)

State Special Sessions Adjourned in 2011: AL "a", AZ "a"

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 2/11/2011)
Source: State Net database



“Whether we do it this year, next year or the year after, it’s going to get done in this administration,” he said. (WASHINGTON POST, VIRGINIAN-PILOT [NORFOLK])

CUOMO TO PUSH SAME-SEX MARRIAGE:

New York Gov. Andrew Cuomo (D) said last week he will ask Empire State lawmakers to approve same-sex marriage before the legislative session ends in June. Cuomo had made same-sex unions a key part of his campaign platform, but advocates were unsure if he would make it a priority this year given the state’s ongoing budget issues. Similar bills have fared well for years in the Assembly only to suffer a quick death in the Senate. A recent Quinnipiac University poll showed that 56 percent of New York residents support legalizing gay marriage. (NEW YORK TIMES)

EXECUTIVE ORDERS: KANSAS Gov. Sam Brownback (R) issues EO No. 39, which eliminates the Kansas Arts Commission and replaces it with a private organization to raise funds. Brownback said the cost-cutting move would save taxpayers \$600,000 in the next fiscal year (STATE NET, LAWRENCE JOURNAL WORLD).

GOVERNORS IN BRIEF: The administration of VERMONT Gov. Pete Shumlin (D) introduced its proposal to overhaul the Green Mountain State’s health care system. The bill sets out a three-step process to move the state to a single-payer health system over four years. The proposal is now with the Legislature (BURLINGTON FREE PRESS). • **DELAWARE** Gov. Jack Markell (D) introduced a package of “common sense” bills to strengthen the First State’s gun control laws. The measures would close the so-called “gun show loophole” by requiring firearms sellers at shows to perform a background check on potential gun buyers, bar people from having guns outside of their homes if they are under the influence of drugs or alcohol and allow police to dispose of guns they seize in civil cases. The bills will be introduced when the Legislature returns (NEWS JOURNAL [NEW CASTLE-WILMINGTON]). • **MONTANA** Gov. Brian Schweitzer (D) warned Treasure State lawmakers he will veto a growing list of bills he says are unconstitutional, frivolous or don’t deal with jobs. Schweitzer says the Legislature’s lawyers have told him there are as many as 20 GOP-backed bills currently under consideration that may be unconstitutional (BILLINGS GAZETTE). • **NEW JERSEY** Gov. Chris Christie (R) conditionally vetoed a measure that would have required most newly-hired public workers to live in the Garden State. The governor returned the bill to lawmakers with objections to two provisions: the small size of the panel that would decide requests for exemption and the fact the measure would go into effect immediately (STAR-LEDGER [NEWARK]).

In case you missed it

For many cash-strapped cities across America, the ongoing economic slowdown has made bankruptcy an all too real possibility. But a movement to give states that same option is being met with derision...by states themselves.

In case you missed it, the article can be found on our Web site at http://www.statenet.com/capitol_journal/02-07-2011/html

— Compiled by RICH EHISEN

instruction; let parents initiate the process to convert a traditional school to a charter if 51 percent of them support it; and give students attending online virtual schools 90 percent of the statewide average per-pupil funding that now goes to traditional schools. It moves to the Senate (INDIANAPOLIS STAR). • The **WYOMING** Senate rejects SF 52, which would have done away with teacher tenure at Equality State public schools (CASPER TRIBUNE). • Still in **WYOMING**, the Senate rejects SF 140, which would have required children to attend kindergarten before entering first grade (CASPER TRIBUNE). • The **UTAH** Senate approves SB 213, which would bar Beehive State school districts from hiring independent contract lobbyists. The bill moves to the House (DESERET NEWS [SALT LAKE CITY]).

ENERGY: The **COLORADO** Senate Veterans and Military Affairs Committee kills SB 71, which would have rolled back the state’s renewable energy portfolio standard to 2004 levels. The committee also rejects SB 58, which would have mandated so-called “least cost” resource planning for electric utilities (COLORADO INDEPENDENT [DENVER]).

ENVIRONMENT: A **CALIFORNIA** judge tentatively rules that state environmental regulators failed to follow legally required procedures when creating their impending cap-and-trade system for curbing greenhouse gas emissions. Responding to a lawsuit on behalf of poor communities that contend the system will allow major polluters to simply purchase emission allowances rather than require them to clean up pollution their plants create, the court said the state Air Resources Board failed to consider alternatives to the cap-and-trade system. The state has filed an appeal (CALIFORNIA WATCH [SACRAMENTO]).

HEALTH & SCIENCE: The **INDIANA** House approves legislation that directs the state Board of Pharmacy to devise rules enabling residents to return unused medicines to the pharmacy that sold them or through the mail to a centralized collection site. It moves to the Senate (NORTHWEST INDIANA TIMES [MUNSTER]). • The **MONTANA** House endorses HB 30, which defines health care sharing ministries and exempts them from state insurance regulation, and HB 153, which exempts those ministries from taxation. The bills move to the Senate (BILLINGS GAZETTE). • The **VIRGINIA** Senate adopts SB 1026, which would require health insurers to cover autism treatment for children between the ages of two and six. The measure, which would cap coverage at \$35,000 annually, moves to the House (RICHMOND TIMES-DISPATCH). • The **MISSISSIPPI** House approves HB 1220, legislation that would create a health insurance exchange in the Magnolia State. It moves to the Senate (CLARION LEDGER [JACKSON]). • The **SOUTH DAKOTA** House approves a bill that would allow midwives to practice without any formal training as long as they register with the state Health Department, are at



least 21 years old, have a high school diploma and take part in an internship to get a credential from the North American Registry of Midwives. It moves to the Senate (RAPID CITY JOURNAL).

IMMIGRATION: The **SOUTH DAKOTA** House Judiciary Committee rejects legislation that would have required the Coyote State to join a compact with other states in an attempt to require that a child born in America qualify as a citizen only if at least one parent is a U.S. citizen or a legal immigrant. Congress would have to approve any such compacts (RAPID CITY JOURNAL). • The **UTAH** Senate approves SB 47, legislation that would allow legal refugees to take their first driver's license test in their native language. It moves to the House (DESERET NEWS [SALT LAKE CITY]).

SOCIAL POLICY: A **NEBRASKA** court rules that the state constitution bars same-sex couples married in other states from divorcing in **NEBRASKA**. The ruling came in the case of a lesbian couple married in **VERMONT** seeking to end their marriage in the Cornhusker State (LINCOLN JOURNAL STAR). • The **SOUTH DAKOTA** House rejects legislation that would have required drug testing for residents receiving welfare benefits. Opponents called the bill impractical (RAPID CITY JOURNAL).

POTPOURRI: The **WYOMING** Senate approves SJR 1, a proposed state constitutional amendment to grant residents perpetual rights to hunt, fish and trap. It moves to the House. If the bill is approved there, it would go before voters in 2012 (CASPER TRIBUNE). • An **ARIZONA** Senate panel approves SB 1201, which would overturn a Grand Canyon State law that allows building owners to bar people from bringing guns into their establishment. It now fires off to the full Senate (EAST VALLEY TRIBUNE [MESA]). • The **MONTANA** House approves HB 384, which would allow Treasure State residents with a concealed carry permit to bring their weapons into currently prohibited places like government buildings, cars and banks. The measure now shoots over to the Senate (BILLINGS GAZETTE).

— *Compiled by RICH EHISEN*

Once around the statehouse lightly

THE COWBOY WAY: Long-time readers of this space might recall us noting last year that Wyoming officials had become the first state to adopt “The Code of the West” as its official state ethos. Said code, 10 bromides to the glory days of the cowboy laid out in a book called “Cowboy Ethics: What Wall Street can learn from the Code of the West,” caught on with lawmakers looking to beef up their Old West bona fides. Now, as Reuters reports, Montana is looking to play Sundance to Wyoming’s Butch Cassidy. The Treasure State Senate has passed legislation to also adopt “The Code,” with the House expected to follow suit. Not surprisingly, leaders from the state’s Native American tribes are less enamored of the bill, citing the negative impact cowboy culture had on their way of life. Gov. Brian Schweitzer has called the bill frivolous and hinted he will veto it.

NO SHOOTING OFF YOUR MOUTH: Federal health care reform has been a hot topic this year, with opponents citing it as the cause of everything from unemployment to tooth decay. A bill recently introduced by Florida state Rep. Jason Brodeur is definitely tilted more to the, ahem, tinfoil hat end of that scale. Brodeur’s bill, HB 155, would bar Sunshine State doctors from asking patients questions about their gun ownership or gun habits. Violators would face a \$5 million — yes, *million* — fine. His theory is that doctors would give the info to insurance companies (or worse, the government!), who would then hike up the gun owner’s insurance rates or put them in a giant federal database of gun owners. As the *St. Petersburg Times* reports, however, there are two problems with this scenario: the federal health care law specifically bars the first scenario and the feds have no such database to enter anyone into.

15 MINUTES AND COUNTING: Speaking of guns, South Dakota Rep. Hal Wick wanted to make a dramatic statement regarding his disdain for the federal health care law. So, as the *Rapid City Journal* reports, he authored legislation that would require every South Dakotan to buy a firearm. He admits he doubts his bill, HB 1237, would pass constitutional muster but wanted to make the point that “If the federal government can order every one of us to buy health insurance because we need medical care, it makes just as much sense for us to require everyone to have a weapon to provide for their protection.” Wick certainly got his wish: he was inundated with interview requests from media outlets across the nation. At least he didn’t propose to fine people millions of dollars for *not* owning a weapon.



A ROSE BY ANY OTHER NAME: Fort Wayne, Indiana has been in the news a lot of late over an online contest it sponsored to come up with a name for a new government building. As *ABC News* reports, voters chose to honor former mayor Harry Baals, who served 17 years in office in the 1930s, 40s and 50s. But today’s city leaders are not so inclined. While the mayor’s descendents pronounce their surname “Bales,” they acknowledge that he pronounced it “balls.” Current Deputy Mayor Beth Malloy said the city has no choice but to pass, noting it doesn’t want to become the butt of comedians. (Uh, too late.) Thus Baals joins the ranks of other noted politicians with snicker-inducing names, such as current Alabama Treasurer Young Boozar, former Virginia Congressional candidate Krystal Ball and former Illinois gubernatorial candidate Rich Whitney, who suffered an ignominious misspelling that listed him on the ballot as “Rich Whitey.” Ouch.

— *By RICH EHISEN*

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