

May 7, 2007

# College Loan Scandal



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The next issue of Capitol Journal will be available on May 14th.

## Top Story

*Federal student loan regulators have long taken a hands-off approach to questionable incentives college lenders use to ensure their piece of what has become an \$85 billion-a-year business. Now, led by NEW YORK, states are stepping in.*

## SNCJ Spotlight

### States 'school' student loan industry

College student lending has become a booming business. One that is evidently subject to the same sort of ethical lapses that have shaken up other big businesses, as recent revelations about the questionable ties between lenders and the nation's colleges seem to indicate. And with federal regulators taking a somewhat circumspect approach to the growing scandal — which some say is precisely why it became one in the first place — states are taking charge.



It was actually a state official who first called public attention to the student loan industry’s transgressions: NEW YORK Attorney General Andrew Cuomo (D). Taking a page out of the playbook of his predecessor, current Gov. Eliot Spitzer (D), Cuomo announced in mid-March that an investigation by his office had revealed that colleges and universities across the country had been receiving cash payments and other incentives for steering student customers to “preferred” lenders.

With college students borrowing \$85 billion a year to pay for their education, it’s not surprising that lenders would want to lock in as much of that business as possible. And earning a place on a college’s list of preferred lenders — from which 90 percent of students select their lender — allowed them to do just that. As *quid* for that *quo*, loan companies provided stock, consulting fees and free travel to the colleges’ financial aid officers, ran financial-aid call centers on behalf of the schools or shared a percentage of the loan revenue generated from their student bodies, the amount of that percentage varying according to the volume of loans.

Those revenue-sharing agreements could apparently be fairly lucrative to colleges. Syracuse University, for instance, earned \$164,000 from its arrangement with Citibank between 2003 and 2006, which encompassed about \$33 million in

loans, according to state officials in NEW YORK. And Drexel University in Philadelphia has received \$124,000 since April 2005 from Education Finance Partners of San Francisco.

The arrangements weren’t necessarily bad for students either. According to Kevin Bruns of America’s Student Loan Providers, the deals could offer students lower interest rates and fees than they might find elsewhere, for example. And Tamera Briones, Education

Finance Partners’ CEO, said the payments the colleges received could help provide financial assistance to economically-disadvantaged students.

Consequently, some see little wrong with the revenue-sharing arrangements. “Schools have incentives to partner with a loan provider in exactly the same way that a baseball stadium has an incentive to partner with either Coke or Pepsi,” said Rick Hess,

## The week in session

**States in Regular Session:** AK, AL, CA, CT, DC, DE, IL, LA, MA, MD, ME, MI, MN, MO, NC, NE, NH, NV, NY, OH, OK, OR, PA, RI, SC, TN, TX, US, VT, WI

**States in Recess:** KS

**States in Budget Hearing Recess:** NJ

**States Projected to Adjourn:** AZ, CO, FL

**States in Special Session Projected to Adjourn:** MS “a”

**States Adjourned in 2007:** AR, GA, HI, IA, ID, IN, KY, MD, MS, MT, ND, NM, SD, UT, VA, WA, WV, WY

**State Special Sessions Adjourned in 2007:** AL “a”, FL “a”, NM “a”, WI “a”, WV “a”

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS  
(session information current as of 05/04/2007)  
Source: State Net database

**“Schools have incentives to partner with a loan provider in exactly the same way that a baseball stadium has an incentive to partner with either Coke or Pepsi.”**

director of education policy studies at the American Enterprise Institute.

Others, like AG Cuomo, however, see things a little differently. “We believe these revenue-sharing agreements are really no different than kickbacks,” he has said, pointing out that students generally haven’t been made aware of the revenue-sharing deals, which has tended to disguise the fact that there have been times when those deals weren’t in the students’ best interest. “These school-learner relationships are often for the benefit of the schools at the expense of the student...” he’s said.

But talking isn’t the only thing Cuomo has done. Within a month of revealing the news of his investigation, he had subpoenaed 14 student lenders and reached settlements with some of the biggest, including Sallie Mae, Citibank and Education Finance Partners, each of which agreed to pay \$2 million or more into a student-loan education fund. They

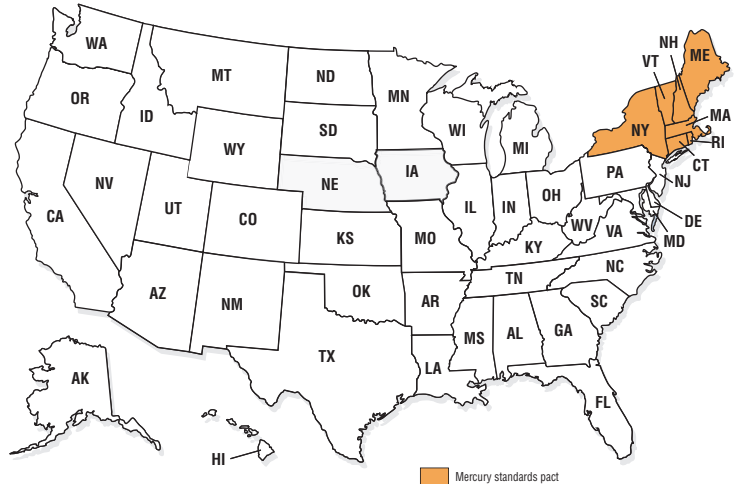
also agreed to adopt a code of conduct restricting them from entering into any future revenue-sharing agreements with colleges and requiring their employees to identify themselves as such when dealing with students, which was evidently a problem at

some of the student loan call centers.

In the same one-month time frame, Cuomo had also secured commitments from at least a dozen colleges to abide by his College Loan Code of Conduct,

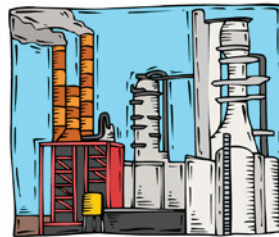
barring them and their employees from soliciting or accepting any monetary or other benefits from lenders. Several of those schools also agreed to refund the money they made from revenue-sharing deals to their students.

## Bird’s eye view



Source: New York Times, US Environmental Protection Agency

### States want national mercury standards



Saying they have already done all they can do to reduce their own mercury pollution, seven Northeastern states formed a regional pact last month aimed at convincing federal authorities to take greater action to control the spread of mercury emissions coming from other states. The new regional pact calls on Washington to enact national standards to curtail mercury-laden smokestack emissions, much of which waft in from Midwestern states that use coal-fired power plants. Mercury particles turn into a neurotoxin called methylmercury when they get into water, ultimately becoming embedded in fish that live in natural waterways. Methylmercury buildup in thousands of Northeastern lakes and streams has caused many states to issue warnings against consuming fish caught there.

**“We believe these revenue-sharing agreements are really no different than kickbacks.”**





on private-sector experience helps it increase efficiency and improve service. But Luke Swarthout, a higher education associate for U.S. PIRG, the federation of state public interest research groups, says it's just a "classic" case of the "foxes guarding the henhouse."

State officials like Cuomo aren't waiting around for the feds to act, however. In the past couple of weeks, the AG has reached settlements with more loan companies and colleges, bringing his tally to five lenders, 21 educational institutions and nearly \$10 million in reimbursements to borrowers. "Schools and lenders are no longer defending these practices or refusing to recognize the problem - they are looking for a solution," he said last week.

But there is one notable holdout: Drexel University. Cuomo says that despite evidence that the institution has received well over \$100,000 from Education Finance Partners in return for being its "sole preferred private loan provider," it has "refused to settle." Cuomo has threatened to sue the university, which would be a first in his investigation. "I call this opening another front," he said. But the school has vowed to fight, issuing a statement saying, "Drexel will vigorously defend its position in this matter. We believe the allegations are without foundation in law or in fact."

(NEW YORK TIMES, U.S. NEWS & WORLD REPORT, WALL STREET JOURNAL, CNN.COM, LEGALNEWSLINE.COM, PHILADELPHIA INQUIRER, STATE NET)

— *Compiled by KOREY CLARK*

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## Budget & taxes

**WISCONSIN OFFICIAL WANTS TO CLOSE TAX GAP:** The state of WISCONSIN is expecting to collect about \$13 billion in taxes next year. But according to its Department of Revenue, that's between \$4 billion and \$6 billion short of what it should bring in, based largely on the \$300 billion tax gap the Internal Revenue Service estimates for the nation as a whole.

WISCONSIN Department of Revenue Secretary Roger Ervin intends to firm up his state's figure by identifying the various sources that contribute to it — such as unpaid individual and corporate taxes, cash-only businesses and uncollected Internet sales taxes — in the hope of providing Gov. Jim Doyle (D) and legislators the information they need to close the gap. Knowing that the state is facing a \$1.6 billion budget hole by mid-2009, Ervin said, "If we were able to collect everything, we would be able to fix the deficit, in a sense."

But University of WISCONSIN-Madison professor of economics Andrew Reschovsky says Ervin has his work cut out for him. With the underpayment



“concentrated among taxpayers, including businesses, whose income comes from specific, easy-to-evade or hide sources,” “collecting everything that is owed is an impossible goal,” he said. But he added that the state Legislature could pass laws that would make it more difficult to evade paying taxes.

Even that could be a challenge, however. According to Dale Knapp of the WISCONSIN TAXPAYERS ALLIANCE, “It’s very hard in the environment we’re in right now to make significant changes to the tax law.” (MILWAUKEE JOURNAL SENTINEL)

**BUDGETS IN BRIEF: INDIANA** lawmakers passed legislation raising the state’s cigarette tax from 55.5 cents per pack to 99.5 cents per pack to fund healthcare for uninsured residents. The bill now heads to Gov. Mitch Daniels (R), who is expected to sign it (ASSOCIATED PRESS, JOURNAL GAZETTE [FORT WAYNE]). • **KANSAS** Gov. Kathleen Sebelius (D) said she will consider making another push to raise the state cigarette tax as a way to fund expanding health care for the uninsured. Sebelius said the cigarette tax is fair game because smoking directly impacts health care costs. She also noted that higher prices could encourage some non-smokers from starting (LAWRENCE JOURNAL WORLD).

– *Compiled by KOREY CLARK*

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# Politics & leadership

**G**OOGLER MOVES INTO PUBLIC RECORDS: The internet search company Google has been working with technology officers in four states — ARIZONA, CALIFORNIA, UTAH and VIRGINIA — to make public records more accessible to average citizens.

According to J.L. Needham, head of Google’s public-sector content partnerships, most visitors to government Web sites locate them through commercial search engines, but they are often unable to actually find what they’re looking for because government databases aren’t set up in a way that facilitates access by commercial search engines. “Unless you had a master’s degree in government administration, you probably wouldn’t find the actual information you’re looking for,” said ARIZONA’s chief information officer, Chris Cummiskey. Google hopes to overcome the accessibility problem by creating virtual roadmaps that will allow search engines to navigate the various databases in which public records are stored.

Google concedes that its effort is partly motivated by self interest. When users can’t find what they want, they don’t usually blame the government, Needham says. They blame the search engine. “We have a vested interest in ensuring that the



results we provide in every area, including government services, are high quality, authoritative and trustworthy,” he said.

But while groups that advocate greater openness and accountability in government praise the move — particularly when the trend since 9/11 has been to restrict data access for national security reasons — privacy advocates are concerned about the prospect of states inadvertently allowing access to records containing private and confidential information, like Social Security numbers. And one of those groups, the Washington, D.C.-based Electronic Privacy Information Center, says Google doesn’t have the best track record on privacy, pointing out that the company monitors user searches for the purpose of targeting ads. (CNN.COM)

## Upcoming elections

(05/03/2007 - 05/24/2007)

### **05/05/2007 Delaware Special Election**

House House District 41

### **05/15/2007 California Special Primary**

Assembly District 39

### **05/15/2007 Massachusetts Special Election**

House 11th Norfolk

### **05/22/2007 Kentucky Primary Election**

US Senate Class II & III; US House District 1, 2, 3, 4, 5, 6

Constitutional Officers:

Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor of Public Accounts; Commissioner of Agriculture

**ME CLEAN ELECTION LAW SHOWING POSITIVE RESULTS:** The law approved by MAINE voters in 1996 that made public financing available for legislative and gubernatorial races has opened up public office to more people, according to a new study. The report by the Commission on Governmental Ethics and Election Practices, the state agency that administers the program, said the Clean Election Act has encouraged competition by leveling the playing field between incumbents and challengers as well as between winners and losers. According to the report, the average number of legislative candidates in the general elections held between 1990 and 2000 was 349. In 2004, there were 391 candidates and 386 in 2006.

What the law hasn’t done, however, is reduce the overall cost of elections. While the availability of public funding has curbed direct spending by candidates themselves, it’s done nothing to stop the increase in special interest spending. House Minority Leader Joshua Tardy (R), a vocal critic of the act, said it also publicly funds the campaigns of fringe candidates who aren’t credible enough to raise money on their own. “It props up candidates who would gather very little support,” he said. (PORTLAND PRESS HERALD)

**CORRECTION:** In the April 9 issue of *SN CJ*, we reported that new KANSAS House Speaker Melvin Neufeld (R) had banned reporters from his chamber this year. While that information is consistent with what was related in the Associated Press story from which we obtained it, Speaker Neufeld’s office has informed us that it is erroneous. According to Sherriene Jones-Sontag, Director of Communications and



Caucus Information, “Members of the media are allowed on the House floor when lawmakers are in session. But as has been the case for more than a decade, they are prohibited from going on the floor where the lawmakers sit.” Ms. Jones-Sontag said that the media rules changes that were made this session merely “addressed improvements in technology (cameras no longer needing to use a flash or reporters using their cell phones on the floor, etc.)” and directed reporters to “use the hallway to go from one side of the chamber to the other.” We apologize for our part in spreading the inaccurate information.

— *Compiled by KOREY CLARK*

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# Governors

**K**AINE CLOSES GUN LOOPHOLE: VIRGINIA Gov. Tim Kaine (D) issued an executive order for Old Dominion state agencies to block gun sales to people involuntarily committed to both inpatient and outpatient mental health treatment. Kaine issued his order in light of last month’s shooting at the VIRGINIA Tech campus that left 33 people dead, including the shooter. That person, a VA Tech student named Seung-Hui Cho, was able to buy the weapons he used in his rampage in spite of having been ordered to undergo psychiatric outpatient treatment in 2005.

Kaine’s order also instructed State Police to request current orders for involuntary inpatient and outpatient care from district courts and to submit that information to the federal database of people prohibited from legally buying guns. The order is not retroactive and does not apply to anyone who voluntarily seeks out mental help, which would require action from lawmakers. Kaine and Attorney General Robert F. McDonnell (R) said they will decide whether to seek further gun control measures after the eight-member state panel Kaine appointed last month completes its investigation of the shootings.

VIRGINIA is one of only 22 states that submit mental health records to the FBI database. Cho, however, was never reported to the federal database because as an outpatient case, he had not been committed to a hospital. That technicality, Kaine said, was at the heart of his order. “We realized this is something we could fix right now, and we didn’t want to wait,” Kaine said. (WASHINGTON POST, NEW YORK TIMES)

**PERRY SAYS GUNS SHOULD BE ALLOWED ON CAMPUS:** Also in light of the mass shooting at VIRGINIA Tech, TEXAS Gov. Rick Perry (R) said last week he is in favor of allowing people with concealed weapons permits to carry guns anywhere in the Lone Star State, including college campuses.



“It’s time for us to have that debate in TEXAS from the standpoint of whether or not a law-abiding citizen in the state of TEXAS can take their appropriately licensed and permitted weapon anywhere in this state, whether it’s on a college campus or wherever,” Perry said after a meeting to discuss the VT shooting with U.S. Health and Human Services Secretary Michael Leavitt.

Perry scoffed at the current Lone Star State law that allows businesses and others to bar handguns on private property. He also advocated for allowing people to carry weapons into churches and courthouses, saying “A person ought to be able

to carry their weapon with them anywhere in the state if they are licensed and they have gone through the training. The idea that you’re going to exempt them from a particular place is nonsense.”

Perry’s remarks came on the heels of his signing legislation that bars law enforcement from confiscating legally held weapons during an emergency, a measure prompted by police in New Orleans gathering guns from residents in the aftermath of Hurricane Katrina. A dozen states have since adopted laws similarly

prohibiting police from taking citizens’ legal weapons. But with less than a month left in the legislative session, it is unlikely any measure expanding where people can carry guns will get to Perry this year.

That is just fine with gun control supporters like Linda Siemers, president of Texans for Gun Safety, who noted that the VA Tech shooter had legally purchased his guns in spite of a history of mental problems. She additionally noted that schools and workplaces can be places of high emotion and anger, not always a good combination with firearms. “Carrying guns to work and to church is a terrible idea,” Siemers said. “Businesses and nonprofits should make the rules for what happens on their property.” (DALLAS MORNING NEWS)

**CORZINE DIDN’T CLICK IT, GETS A TICKET:** Fresh out of the hospital, NEW JERSEY Gov. Jon Corzine (D) paid a \$46 fine for not wearing a seat belt at the time he was involved in a near fatal car crash last month. Corzine also apologized for not buckling up, saying “I also understand that I set a very poor example for a lot of young people - a lot of people in general - and I certainly hope the state will forgive me.” The governor spent 18 days in the hospital before his release last week. No date has been announced for his return to official state duties. (NEW YORK TIMES, STAR-LEDGER [NEWARK]).

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## SPITZER PUSHES GAY RIGHTS

**MEASURES:** NEW YORK GOV. Eliot Spitzer (D) has formally introduced a proposal to legalize same-sex marriage in the Empire State. But in a bit of acknowledgement that even he doubts there are enough votes in the Albany statehouse to make it happen this year, Spitzer also issued an executive order directing local governments to offer health insurance and other benefits to the same-sex spouses of public employees if those couples were married in jurisdictions that have legalized such marriages, such as MASSACHUSETTS or countries like Canada and Spain. Spitzer's directive will impact about 378 state agencies and 800 local governments. While the move pleased gay rights advocates, it angered both gay marriage opponents and smaller local governments, the latter of which consider it to be an unfunded state mandate. The new policy is mandatory for all state and local government agencies that participate in the NEW YORK State Health Insurance Program — usually smaller organizations that rely on being able to partner with the larger state program to qualify for lower rates. Spitzer's order exempts entities that provide their own insurance. (BUFFALO NEWS)

**GOVERNORS IN BRIEF:** In response to three major floods in 18 months, NEW HAMPSHIRE Gov. John Lynch (D) last week ordered a full review of how the state's dams are managed, including policies for when and where to release water (CONCORD MONITOR). • NEW YORK First Lady Silda Wall Spitzer announced the beginning of an effort to make the Empire State Governor's Mansion the first "green" governor's residence in the nation. Wall Spitzer said the project will include installing solar panels, replacing inefficient incandescent light bulbs with compact fluorescent bulbs, installing low-flow shower heads, and the use of hybrid vehicles and electric lawn tools and environmentally-friendly cleaning products and pest controls (ALBANY TIMES UNION). • Former NEW JERSEY Gov. Jim McGreevey (D) has taken steps to become an Episcopalian priest. McGreevey, who left office in 2004 after revealing that he was homosexual and had engaged in an affair with a man in his administration, will begin a three-year seminary program this fall (STAR-LEDGER [NEWARK]).

## 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:** 159

**Number of Intros last week:** 3,570

**Number of bills enacted/adopted last week:** 1,316

**Number of prefiles to date:** 33,156

**Number of Intros to date:** 134,393

**Number of enacted/adopted overall to date:** 19,663

— Compiled By JAMES ROSS  
(measures current as of 05/03/2007)  
Source: State Net database

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# Hot issues

**B** **USINESS:** The **FLORIDA** House approves legislation that would allow telecommunication companies to apply for a statewide license to provide cable TV and Internet services. It moves to Gov. Charlie Crist (R) for review (ST. PETERSBURG TIMES). • Still in **FLORIDA**, the Senate signs off on a proposal that would allow Sunshine State landlords to charge up to two months rent as a fee for early termination of a rental agreement. The measure moves to Gov. Crist (MIAMI HERALD). • **ARIZONA** Gov. Janet Napolitano (D) vetoes a bill that would have barred people from seeking employment or soliciting workers along public roadways. Napolitano called the measure, which was aimed primarily at illegal immigrant day laborers and the employers who hire them, “vague” and “discriminatory” (ARIZONA REPUBLIC [PHOENIX]). • The **TEXAS** Senate approves legislation that would require financial counseling for some people taking out home loans of \$125,000 or less that contain relatively risky and complex features. It moves to the House (AUSTIN AMERICAN-STATESMAN). • **GEORGIA** Gov. Sonny Perdue (R) signs legislation that would require a person to actually become ill from exposure to asbestos before they could sue a company for using the material. The Peach State becomes the seventh to enact such a requirement (MACON TELEGRAPH). • **NEW HAMPSHIRE** Gov. John Lynch (D) signs legislation that will raise the Granite State minimum wage from \$5.15 per hour to \$6.50 on Sept. 1 and to \$7.25 the following Sept. 1 (BOSTON GLOBE).

**CRIME & PUNISHMENT:** The **FLORIDA** House approves a bill that would require anyone convicted of a DUI to breathe into an ignition interlock device each time they try to drive. It moves to the Senate (MIAMI HERALD). • The U.S. Supreme Court rules that police may use deadly force to stop a fleeing motorist who ignores warnings to stop and poses a danger to the public. The decision came in the case of a **GEORGIA** teenager who was paralyzed when police rammed the back of his car after he led them on a high-speed chase (LOS ANGELES TIMES). • Citing a new and improved protocol that includes the injection of a lethal three-chemical cocktail, **TENNESSEE** Gov. Phil Bredesen (D) lifts the Volunteer State’s moratorium on executions (TENNESSEAN [NASHVILLE]). • The **MISSOURI** House endorses legislation that would grant immunity from criminal and civil actions to Show Me State residents that kill or injure someone in self-defense, in defense of other people or in defense of property, including a home or car. It shoots off to the Senate (KANSAS CITY STAR).

**EDUCATION:** The **TEXAS** House approves legislation that would bar Lone Star State schools from penalizing students who express religious views in their class work. The measure would also allow students to organize and use school facilities for religious meetings. It moves to the Senate (DALLAS MORNING NEWS).





**IMMIGRATION:** The **OKLAHOMA** House endorses HB 1804, legislation that would impose criminal penalties against anyone who knowingly harbors illegal immigrants. The measure would also levy fines against businesses that consciously hire undocumented workers while barring immigrants from receiving in-state college tuition and all other public services with the exception of emergency medical care. It moves to Gov. Brad Henry (D), who has not indicated if he will sign it (**OKLAHOMAN** [**OKLAHOMA CITY**]).

## Upcoming stories

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

- **Hiring illegal workers**
- **Who's liable for data security breaches?**
- **HPV update**

**SOCIAL POLICY:** The **OREGON** Senate approves HB 2007, legislation that will create domestic partnerships in the Beaver State. It goes to Gov. Ted Kulongoski (D), who has said he will sign it (**OREGONIAN** [**PORTLAND**]). • The **NORTH DAKOTA** House and Senate endorse legislation that would ban abortion in the Flickertail State should the Supreme Court ever determine that the procedure is unconstitutional. The measure exempts cases of rape and when the woman's life is in danger. It moves to Gov. John Hoeven (R), who says he will sign it (**BISMARCK TRIBUNE**). • The **FLORIDA** House approves a proposal to require a 24-hour waiting period before a woman could obtain an abortion. The measure would also require women in the first trimester to have an ultrasound. It moves to the Senate (**MIAMI HERALD**). • The **TEXAS** Senate approves SB 920, which would also require women seeking an abortion to have an ultrasound before going forth with the procedure. It moves to the House (**AUSTIN AMERICAN-STATESMAN**). • The **COLORADO** House endorses SB 25, legislation that bars workplace discrimination based on sexual orientation. It needs one more vote in that chamber before it can go to Gov. Bill Ritter (D) (**DENVER POST**). • The **MISSOURI** Supreme Court upholds a Show Me State law that allows parents to file suit against anyone who helps a teenage girl get an abortion without parental consent. The court rejected an argument that the law violated the First Amendment (**NEWS TRIBUNE** [**JEFFERSON CITY**]).

**POTPOURRI:** The **CALIFORNIA** Senate endorses SB 33, which would ban drivers younger than 18 from talking on a cell phone while behind the wheel. It moves to the Assembly (**SACRAMENTO BEE**). • **INDIANA** Gov. Mitch Daniels (R) signs legislation that requires new mobile homes to be equipped with an emergency weather radio to help warn inhabitants of impending tornadoes or other emergencies (**INDIANAPOLIS STAR**). • **ARIZONA** Gov. Janet Napolitano (D) vetoes SB 1301, a proposal to allow people who do not have a concealed-weapon permit to still carry a gun in public as long as any portion of it or its holster is visible. Napolitano called the measure a threat to law enforcement (**ARIZONA REPUBLIC** [**PHOENIX**]). • The **CONNECTICUT** Senate approves legislation that requires local civil preparedness



planners to include the evacuation of pets in municipal disaster plans. It moves to Gov. M. Jodi Rell (R), who has pledged to sign it (NEW HAVEN REGISTER). • The **DELAWARE** House approves HB 69, which would ban game hunting over the Internet. The measure would also prohibit stocking game ranches for the purpose of Internet hunting. It fires off to the Senate (NEWS JOURNAL [WILMINGTON]). • Still in **DELAWARE**, the House approves a proposal to bar teenagers with only junior operator’s permits from talking on a cell phone while driving. The measure would also require adults to use hands-free devices should they choose to chat and drive at the same time. It moves to the Senate (RUTLAND HERALD).

— Compiled by RICH EHISEN

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# Once around the statehouse lightly

**L**OW-PAY; HARD WORK: Don’t expect to see the name “Chris Gregoire” very high on the list of top-paid public officials in the state of WASHINGTON. As the Associated Press and *Seattle Post-Intelligencer* note, the governor’s \$151,000 annual salary ranks 29 out of 100. Number One on the “general government” list is Dr. Willa Terry, who toils at the Department of Social and Health Services. She takes in \$246,483. And, by the way, the “general government” roll pales compared with a separate top 100 entirely dedicated to higher education. Everyone on *that* list makes over \$200,000, led by University of Washington President Mark Emmert’s \$518,700 (not including his free house). Number Three on the higher-ed roster: UW football coach Tyrone Willingham (\$425,000). At least the governor’s job is secure for four years; Willingham could be canned any time the Huskies lose three in a row.

**THE FIDO AMENDMENT** passed the FLORIDA Legislature last week. The brainchild of state Senator Jim King, the bill allows King — and anyone else — to be buried with the ashes of a deceased pet. According to the *South Florida Sun-Sentinel*, King was saddened to learn that Sunshine State regulations governing cemeteries only refer to “human remains” and, as a result, he would go to his final resting place without his beloved dog — the late Valentine. When the time comes, King wants an urn bearing Valentine’s ashes to lie in his grave but had to rewrite the law to guarantee this particular eternal companionship. King’s effort now goes to Governor Charlie Crist.



**MAKE WAY FOR THE GOVERNOR:** That is a refrain heard more often around the NEW JERSEY state Senate these days, given that Senate President Richard Codey is filling in as the state's top elected official. Codey, reports the *New York Times*, was pressed into service on April 12 after a major auto accident sidelined Gov. Jon Corzine. Corzine is still recovering. The month has been eventful, including one of the worst storms in Northeastern history and three New Jersey students among those slain at VIRGINIA Tech. It has also been a time of friction, as Corzine's staff has wrangled with Codey's minions over matters of governance and protocol. This is of course not the first time that Codey, a Democrat, has taken the reins of government in a pinch. He spent more than a year as chief exec following the 2004 resignation of former Gov. James McGreevey, who stepped down after admitting to a homosexual affair with one of his staffers.

**UNWANTED NEIGHBORS** are filtering into MICHIGAN suburbs these days, and Great Lakes officials say it's just a matter of time before some kind of violent confrontation mars the landscape. They want increasingly fretful lawmakers to take action now to relieve the problem. So, too, do homeowners. The problem: Once cautious coyotes are becoming far too brazen, skulking through yards in St. Claire Shores and even mauling pets in tony climes such as Grosse Pointe Farms. "They are multiplying like rats," a Grosse Point resident told the *Detroit News*. "But these are a lot bigger and meaner." Some residents want the state to conduct a coyote census and reinstate a bounty on hunting the critters that was done away with 20 years ago. Wildlife officials, who work for a cash-poor state agency, say residents should calm down. "Just because a coyote is in an area," said one agency supervisor, "doesn't mean it deserves to be killed."

— *By A.G. Block*



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