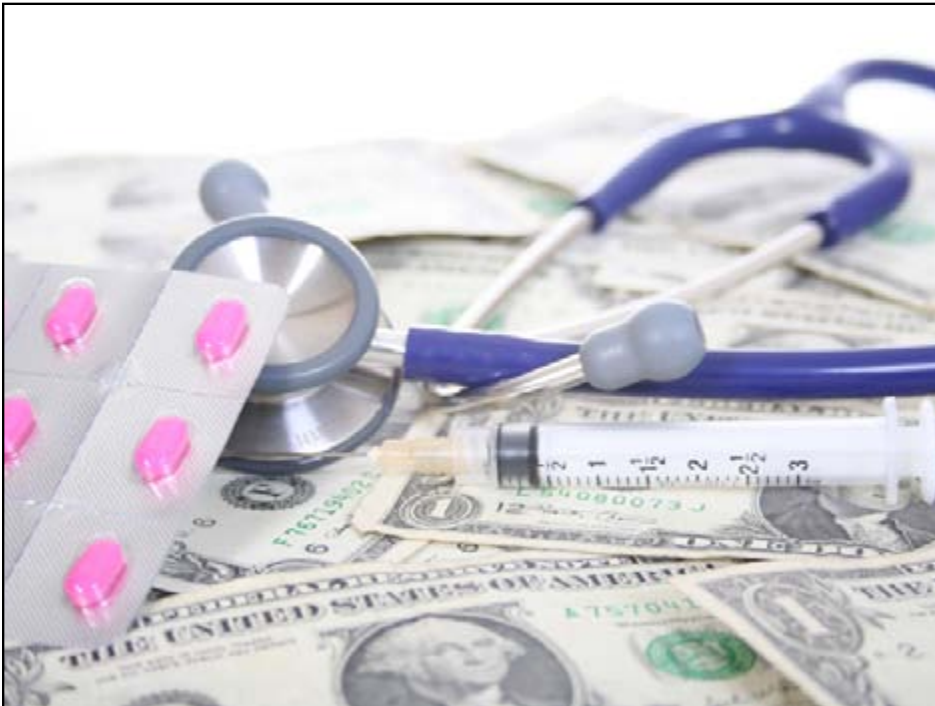


July 5, 2010

# Medicaid Malaise



©iStockphoto.com/pamela burley

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● The next issue of Capitol Journal will be available on July 12th.

## Top Story

*A shockingly high number of states have made budget plans that count on extended fiscal help from the feds. But with Congressional Republicans balking, that help may not ever come.*

## SNCJ Spotlight

### Congress throws monkey wrench into state budget plans

Last week, PENNSYLVANIA lawmakers did something they haven't managed to do in years: pass a state budget on time. There was still some question late last week about whether Gov. Ed Rendell (D) would actually sign it because negotiations had broken down over some companion legislation. But the \$28 billion budget bill itself has at least one major flaw: It relies on hundreds of millions of dollars in federal Medicaid funding that has yet to materialize.

PENNSYLVANIA is actually one of at least 22 states that have passed FY 2011 budgets that count on an extension of the \$87 billion in Medicaid funding included in the 2009 federal economic stimulus bill and set to expire in December. Congressional Democrats proposed a six-month extension of the funding — enough to get the states through the 2011 fiscal year — as part of a larger package that included additional funding for unemployment insurance, but the so-called tax extenders bill ran into opposition in the Senate last week from Republicans who balked at its \$33 billion price tag.

“No one’s disputing the value of these very important programs,” said U.S. Sen. Scott Brown, (R-MASSACHUSETTS). “But we also have to have tough choices and we also need to live within our means.”

A spokesperson for U.S. Senate Majority Leader Harry Reid (D-NEVADA) said the ball is now in the Republicans’ court.

“We support it, and it’s paid for,” the spokesperson said of the Medicaid funding. “But we’re going to need Republican support.”

U.S. Sen. Debbie Stabenow (D-MICHIGAN), a member of the Finance Committee, said that lobbying from GOP governors might be the best thing for the Medicaid extension.

“What would be most helpful to us,” Stabenow said, “would be to have the Republican governors talking to their Republican colleagues.”

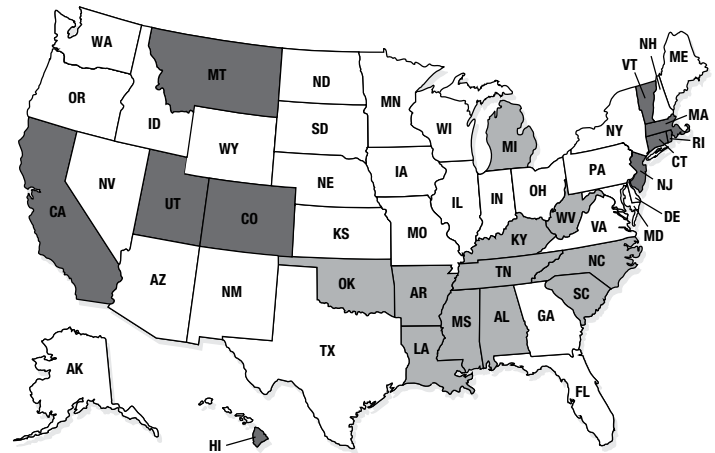
CALIFORNIA Gov. Arnold Schwarzenegger (R) is one state chief executive who has done that.

“I support restraining federal spending, but cutting the only funding designed to help states maintain the very safety-net programs Congress mandates us to preserve will have devastating consequences,” he said in a letter to his state’s congressional delegation.

In fact, 42 governors — Democrats and Republicans — signed a letter urging Congress to approve the funding extension, so far, to no avail.

Still, Stabenow believes a deal could come at any time.

## Bird’s eye view



Source: WebMD, Trust for America's Health, Robert Wood Johnson Foundation

States with highest adult obesity rates States with lowest rates

### Obesity rates gaining in states

Adult obesity rates increased in 28 states over the past year, according to a new report from the Trust for America’s Health and the Robert Wood Johnson Foundation. Thirty-eight states now have adult obesity rates over 25 percent, a level no state exceeded twenty years ago. And eight states have rates over 30 percent, twice the number that did just a year ago. Ten of the 11 states with the highest rates are in the South, with MISSISSIPPI, where 33.8 percent of adults are obese, topping that list. The state with the lowest adult obesity rate is COLORADO (19.1 percent).



“At any time we could bring this back for a vote,” she said. “We could pass it in five minutes.”

But the deal didn’t come before July 1, the start of the new fiscal year for most states, causing considerable consternation in some of them. In ALABAMA, where the Legislature passed a \$1.6 billion budget that included \$197 million in Medicaid funding, lawmakers warned of potential cuts to medical care for children or nursing home beds for the elderly.

**“I hope our [U.S.] senators look at how devastating it would be to our senior citizens and children not to get this funding.”**

“I hope our [U.S.] senators look at how devastating it would be to our senior citizens and children not to get this funding,” said Sen. Roger Bedford (D).

PENNSYLVANIA Gov. Rendell warned last month that the loss of the \$850 million in Medicaid funding his state has penciled in on the revenue side of its ledger could force him to lay off 20,000 state workers, including teachers and police officers, at a time when the state is just beginning to add jobs.

“It would actually kill everything the stimulus has done,” he said. “It would be enormously destructive.”

MAINE Finance Commissioner Ryan Low said that as a result of Congressional inaction, his state will start the fiscal year making \$100 million in across-the-board spending cuts in accordance with a curtailment provision in the budget passed in March.

“The provision in the budget requires we start the process,” he said last week. “The governor believes we need to plan to curtail all of that amount and that will be in the instructions that are sent to all state agencies.”

The curtailment provision will limit Gov. John Baldacci (D) to making mainly across-the-board cuts, with only limited authority to target spending reductions.

“The curtailment process is a blunt instrument, there is no other way to describe it,” said Rep. Emily Cain (D) House chair of the Appropriations and Financial Affairs Committee. “The biggest impact of a curtailment will be on education and human services, and it will be terrible.”

NEW YORK lawmakers thought they’d finally put their FY 2010-2011 budget to bed — and put one over on Gov. David Paterson (D) — when they passed a plan last week, two months after the April 1 deadline, that included \$420 million more in education spending than the governor wanted. But Paterson informed the Legislature that he intended to veto some 6,900 appropriations in the plan, including the education funding, at least in part because legislators failed to create a contingency fund in case the Medicaid extension isn’t approved, an oversight he said he was “disappointed, stunned and frankly chagrined” about.

The education spending veto will be a big letdown for Senate Democrats, who were reportedly hoping in November to tout the additional funding as a de facto property tax break, in lieu of a tax cap that failed to make it through the Assembly.



They are unlikely to be the only state lawmakers facing election-year disappointment over the Medicaid issue. Some facing re-election battles in states that have already adjourned for the year may be forced to leave the campaign trail to attend special budget sessions.

But lawmakers in at least a few states will be spared that aggravation. NORTH CAROLINA's budget drafters included a contingency plan that calls for holding back

**“We assumed conservatively that there would not be a bonus check. It would have never entered our mind to put funny money like that into the budget.”**

a scheduled \$139 million contribution to the state employee retirement account and levying a 1 percent across-the-board spending cut if Congress doesn't deliver the additional funding. MASSACHUSETTS budget negotiators actually came up with two versions of the state budget, one that includes \$687 million in federal funding and one that doesn't.

INDIANA went even further, crafting a budget that doesn't depend on additional funding from Washington at all.

“We assumed conservatively that there would not be a bonus check,” said Gov. Mitch Daniels (R). “It would have never entered our mind to put funny money like that into the budget.”

(ARIZONA REPUBLIC [PHOENIX], STATELINE.ORG, PHILADELPHIA INQUIRER, BANGOR DAILY NEWS, CHARLOTTE OBSERVER, HILL, ALBANY TIMES UNION, NEW YORK TIMES, ASSOCIATED PRESS)

— *Compiled by KOREY CLARK*

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## Budget & taxes

**S**TATES LINING UP TO FILE CLAIMS AGAINST BP: Last month, BP PLC agreed to set up a \$20 billion fund to compensate individuals and businesses for damages and lost revenue resulting from the Gulf of Mexico oil spill. The fund is also intended to defray cleanup costs incurred by states and local governments. But several Gulf Coast states don't believe the fund is going to be big enough to cover their ultimate losses, and they are gearing up to seek multi-billion dollar payouts from the oil company.

“We don't want in any way diminish that fund,” said Steve Yerrid, an attorney chosen by FLORIDA Gov. Charlie Crist (I) as a special counsel for the oil spill.

“We are looking at much more global and larger losses to the state, which would be covered separately.”

Yerrid is assembling a team of private attorneys to make what he predicts will be “a very large reparations request.” He and FLORIDA Attorney General Bill McCollum (R) said the state wants to avoid a long, expensive legal battle and is planning to seek periodic payments, like some Gulf Coast businesses are already receiving, starting as early as this summer.

“We think the state’s losses are going to be very large, and that we shouldn’t have to wait for final payment,” McCollum said.

Similar efforts are under way in other Gulf states, although they are pursuing different strategies. MISSISSIPPI Attorney General Jim Hood (D) said it could take his state three or more years to determine just how much to seek from BP because the fiscal issues aren’t entirely straightforward. For example, hotel occupancy rates along the state’s coast are similar to what they were last year, but rooms are currently occupied by cleanup workers rather than typical money-spending tourists.

Hood’s current efforts include coming up with strategies for a lawsuit against BP.

“We’re first going to ask BP to pay what we can come up with and hopefully we can negotiate with them,” Mr. Hood said. “But I’m losing faith quickly.”

LOUISIANA has hired WASHINGTON-based attorney Brad Marten, who represented ALASKA in the Exxon Valdez oil spill litigation. TEXAS, meanwhile, is “considering any and all possible legal avenues regarding the oil spill,” despite not having been hit by any oil from the spill, according to a spokesman for the state’s attorney general, Greg Abbott (R), who sued BP in 2005 over a deadly explosion at the company’s Texas City refinery.

“Much like our legal challenge there, TEXAS in this case won’t hire private lawyers but will handle possible future litigation in-house with lawyers from our office,” said the AG’s spokesman, Jerry Strickland.

Even states far outside the Gulf region are considering action against BP. The attorneys general of numerous Atlantic Coast states contend the spill could have major consequences for all shoreline states by way of the migratory birds and marine animals that spend part of their lives in Gulf waters.

“Even without oil actually reaching the CONNECTICUT shoreline, this massive oil spill could still impose damage and destruction to the entire Atlantic coastline,”

## The week in session

**States in Regular Session:** DC, MA, NC, NY, PA, PR

**States in Recess:** CA, MI, NJ, US

**States in Special Session:** CT “a”, MO “a”, NJ “a”, PA “a”

**Special Sessions in Recess:** CA “f”, DE “b”,

**Upcoming Special Sessions:**

WV “b” regarding Education and Other Topics convenes 07/19/2010.

FL “a” regarding Energy Policy - TBA.

**States in Skeleton Session:** OH

**States Currently Prefiling or Drafting for 2011:** KY, MT, ND, NV

**States Adjourned in 2010:** AK, AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, NE, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT, WA, WI, WV, WY

**State Special Sessions Adjourned in**

**2010:** AZ “a”, AZ “b”, CA “e”, CA “h”, KY “a”, MN “a”, MS “a”, NH “a”, NM “a”, NV “b”, OR “a”, TN “a”, WA “a”, WI “b”, WV “a”

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS  
(session information current as of 7/2/2010)  
Source: State Net database

said CONNECTICUT Attorney General Richard Blumenthal (D). (WALL STREET JOURNAL)

**NY TARGETS FUND MANAGERS WITH NEW TAX:** NEW YORK Gov. David Paterson (D) and the state's legislators don't seem to see eye to eye on much these days. But they have found one thing they agree on: hedge fund managers who reside out of state should pay more in taxes. They plan to enact a tax change that will make much of the compensation earned by fund managers who work in NEW YORK but live in other states, like CONNECTICUT and NEW JERSEY, subject to the Empire State's income tax.

Many fund managers are paid a flat management fee of 2 percent of the fund's assets, plus as much as 20 percent of any profits they generate as a performance bonus. The latter amount, known as "carried interest," is currently taxed only federally at a rate of 15 percent because it is considered to be a capital gain rather than ordinary income.

But last month, NEW YORK lawmakers embraced a proposal by Paterson to treat nonresident fund managers' carried interest as ordinary income. They hope to reap about \$50 million a year from the change. (NEW YORK TIMES)

**BUDGETS IN BRIEF:** Last week, NEW JERSEY's Democratic-led Legislature approved possibly the most controversial budget in the nation (SB 3000), an all-cuts package pushed since early this year by Republican Gov. Chris Christie. The budget was a major victory for Christie, who did little of the horse-trading typically associated with the budget process and actually appeared to welcome public clashes with lawmakers and powerful interest groups over his fiscal positions (STATELINE.ORG, NEW YORK TIMES). • **DELAWARE** Gov. Jack Markell (D) signed SB 310, a \$3.3 billion state budget last week. The spending plan includes no new taxes, no layoffs and represents a 7 percent increase over last year's budget (NEWS JOURNAL [NEW CASTLE-WILMINGTON]). • **IOWA** Gov. Chet Culver (D) reported last week that despite gross receipts being down slightly more than 3 percent from last fiscal year, the state would end FY 2010 with \$100 million more in revenue than projected. Culver credited the 10 percent across-the-board cut he mandated for executive-branch agencies last fall as one of the main reasons for the windfall (QUAD-CITY TIMES [DAVENPORT]). • **LOUISIANA** Gov. Bobby Jindal

## Upcoming elections

7/1/2010 - 7/22/2010

07/13/2010

### **Alabama Primary Runoff**

House Districts 5, 26, 35, 56, 60, 84, 85, 98

Senate Districts 4, 9, 28, 30, 33

Constitutional Officers:

Governor, Attorney General,

Commissioner of

Agriculture & Industries

US House (Districts 2 and 7)

### **Ohio Special Primary**

US House (OH Congressional District 3)

07/20/2010

### **Georgia Primary Election**

House (All)

Senate (All)

Constitutional Officers:

Governor, Lieutenant Governor,

Secretary of State,

Attorney General, Comptroller General/

Commissioner

of Insurance, Commissioner of

Agriculture,

Commissioner of Labor

US House (All)

US Senate

● ● ● ● ●

(R) signed legislation ending his state’s status as the only one in the nation requiring a two-thirds vote of the legislature to raise tuition and fees at public colleges and universities. HB 1171 doesn’t grant **LOUISIANA** schools total autonomy, but it will allow campuses to increase tuition as much as 10 percent as early as this fall, as long as they commit to improving graduation rates and other measures of performance (NEW ORLEANS TIMES-PICAYUNE). • Also in **LOUISIANA**, Gov. Jindal (R) used his line-item veto power to trim about \$1.8 million from an ancillary budget bill (HB 76). The bill contains pork projects for lawmakers, including nearly \$700,000 slated for the district of House Speaker Jim Tucker (R). • For the fourth year in a row, **RHODE ISLAND** will devote more funding to corrections than to public higher education. In the fiscal year that began last Thursday, the Department of Corrections will receive nearly \$34.3 million more money than the state’s public colleges and universities (PROVIDENCE JOURNAL). • **MASSACHUSETTS** Gov. Deval Patrick (D) signed HB 4800, a \$27.6 billion spending plan for the new fiscal year that slashes funding for services across state government (BOSTON GLOBE).

— *Compiled by KOREY CLARK*

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## Politics & leadership

**W**EST VIRGINIA MAY MOVE UP SPECIAL ELECTION TO REPLACE BYRD: WEST VIRGINIA Gov. Joe Manchin (D) will soon appoint an interim successor to fill the seat of the late U.S. Sen. Robert Byrd (D-WEST VIRGINIA) — who died at the age of 92 last week — until a special election is held. But there is some confusion about just when that will happen.

State rules don’t make it clear whether the election should be scheduled for this fall or the fall of 2012. And while WEST VIRGINIA Secretary of State Natalie Tennant has declared that it will be held in 2012, Charleston Mayor Danny Jones (R) thinks the state Legislature could vote to move up the date when it convenes for a special session this month.

The state’s Republican Party, meanwhile, said it is “examining its legal options” regarding the date of the special election. The state Democratic Party’s position was equally ambiguous.

“The Democratic Party in the state of WEST VIRGINIA always believes giving our citizens an opportunity to vote is always the right thing to do,” said state Democratic Party Chairman Larry Puccio.

Finally, the state attorney general’s office said it would review Tennant’s decision to make sure it was legally sound.



The only thing that does seem certain at this point is that Manchin will not appoint himself as Byrd’s interim successor. He told the Associated Press he would not do so, and some observers believe he will seek a full Senate term in 2012. But Manchin has not yet decided who he will appoint, and he told the AP there is no timetable for him to make that appointment (CBS NEWS, HILL)

## Upcoming stories

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

- **Time to bag plastics?**
- **CA ballot battle**
- **Budget updates**

### LA APPROVES OPEN CONGRESSIONAL

**PRIMARIES:** LOUISIANA Gov. Bobby Jindal (R) brushed aside opposition from leaders of his own party, as well as Democratic Party officials, and signed into law a bill that will switch the state’s congressional elections to an open, top-two primary system beginning in 2012.

The state’s congressional elections currently follow a three-tiered cycle, starting with party primaries in August, followed by party runoffs in October, and concluding with the general election in November. Lindal’s approval of HB 292, by Rep. Hunter Greene (R), will place the federal elections on the same two-tiered system as state and local races, potentially saving the state about \$13.6 million every other year.

Greene said his motivation in sponsoring the bill was saving the state money.

“There are too many elections at too much costs,” he said.

But both the state Republican and Democratic parties opposed the bill, which will advance the top two vote-getters in the primary to the general election, regardless of their party affiliation.

“We didn’t want it,” said state GOP Chairman Roger Villere. “We discussed it with [Jindal] about not signing it, but he said he had made a commitment to honor the will of the Legislature.”

In fact, Jindal was ready to sign a version of the bill that would have made the primary switch effective this year, but the measure was amended to restore its original effective date of 2012 before it was approved by the full House and Senate and sent to the governor’s desk. (NEW ORLEANS TIMES-PICAYUNE)

— *Compiled by KOREY CLARK*

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# Governors

**S**CHWARZENEGGER DROPS ‘CRITICAL’ WATER BOND: Facing the stark prospect of voters soundly rejecting one of his signature priorities in November, CALIFORNIA Gov. Arnold Schwarzenegger (R) asked Golden State lawmakers to remove Proposition 18, an \$11.1 billion water bond measure he has long championed, from the fall ballot.

In a statement, the governor blamed the state's ongoing budget woes for his request.

"After reviewing the agenda for this year, I believe our focus should be on the budget — solving the deficit, reforming out-of-control pension costs and fixing our broken budget system," the statement said, adding, "It's critical that the water bond pass...I will work with the Legislature to postpone the bond to 2012 and avoid jeopardizing its passage."

Prop 18 was a cornerstone of a brutally hard-fought comprehensive water reform package lawmakers approved last fall. That package of bills included significant new conservation mandates, the creation of a seven-person oversight agency to manage the troubled Sacramento-San Joaquin Delta — the largest estuary in the western U.S. — and building new above- and below-ground storage facilities. It also included the possibility of a new "peripheral canal" to carry Northern California water around the Delta to the central and southern parts of the state, something Delta residents vehemently oppose.

Although it was generally hailed as a historic breakthrough at the time — Senate Pro Tem Darrell Steinberg (D) called it the culmination of a 40-year negotiation — public support for the measure quickly fell in the face of the state's \$19 billion budget gap. The proposal also faced a plethora of well-funded critics, from environmental groups like the Sierra Club to the powerful California Teachers Association, which said the bond would ultimately take money away from schools. All vowed to spend big bucks to defeat the measure, complaining that it was too costly and laden with too much unnecessary spending.

The measure had significant opposition from both sides of the legislative aisle as well. In a joint statement, Sen. Lois Wolk (D) and Assemblyman Bill Berryhill (R), who each represent Delta regions that oppose the reform package, called the bond proposal "full of pork."

"This is a bad measure that won't get any better with time...We should start over next year," they said.

Schwarzenegger had another powerful incentive for pulling the bond: the presence of Proposition 23, a proposal to terminate the state's implementation of AB 32, the 2006 law that directs the state to reduce production of greenhouse gas emissions to 1990 levels by 2020. Schwarzenegger has made the environment and the greenhouse gas (GHG) reduction his signature effort in office, and has vowed to fight tooth and nail to defend AB 32. With Prop 23 funded by a cadre of deep-pocketed TEXAS oil companies, that effort will surely command most of his attention.

Prior to the governor's announcement, Steinberg seemed consigned to the growing likelihood that Schwarzenegger would opt to have the measure yanked from the ballot.

"Ultimately, it doesn't matter if it's this year or 2012, we just need to make sure this thing passes once it gets to the voters," he said.



But delaying the measure is not yet a done deal. It still requires a two-thirds vote from lawmakers, who must act before the voter guide goes on display on July 20<sup>th</sup>. Shannan Velayas, a spokesperson for Secretary of State Debra Bowen (D) said that after that date it would take a court order to remove the proposition from the ballot. (STATE NET, LOS ANGELES TIMES, SAN JOSE MERCURY NEWS)

**WESTERN GOVS PUSH NEW TRANSMISSION LINES:** Governors attending the Western Governors Association meeting last week said new transmission lines are critical to developing the alternative electricity production needed to meet future demand. The governors said they want to fast-track the construction of expensive, lengthy transmission lines to carry wind and solar power from rural to large urban areas. MONTANA Gov. Brian Schweitzer (D), who chairs the group, said the lack of new lines could severely stunt the growth of alternative energy. “We don’t develop any of the alternative sources until you get transmission,” said Schweitzer. “You

**“We don’t develop any of the alternative sources until you get transmission,” said Schweitzer. “You can’t put electricity in a bottle and send it down the river.”**

can’t put electricity in a bottle and send it down the river.” But the governors also noted that any new lines will surely be placed on federal public lands, something environmentalists have long opposed. They noted that the West has a bounty of wind-heavy areas perfect for private sector investors to build wind power facilities, but are not going to commit to doing so without

some way to move generated power to populated areas. “If we can’t get it anywhere, what good does it do?” said WASHINGTON Gov. Chris Gregoire (D). The WGA also elected IDAHO Gov. Butch Otter (R) as its new chair, with Gregoire replacing him as vice-chair. (BILLINGS GAZETTE)

**STRICKLAND BROKERS ANIMAL PROTECTION DEAL:** OHIO Gov. Ted Strickland (D) brokered a deal between Buckeye State agricultural leaders and the Humane Society of the United States (HSUS) that will keep a proposed farm animal measure off the Nov. 2<sup>nd</sup> ballot. Under the arrangement, the state agreed to a number of reforms the HSUS was seeking, including a phase out of so-called gestation crates used by the pork industry over the next 15 years. No new crates will be permitted in the state after July. The deal also calls for a ban on veal crates by 2017. In addition, all sides agreed they would work to enact legislation imposing stricter oversight on puppy mills, making cock fighting a felony offense and banning private ownership of exotic animals such as tigers and primates. Strickland called the agreement “a joint effort to find common ground,” adding that “Instead of expending tens of millions of dollars and unproductive energy fighting an acrimonious campaign through the fall, both sides will be able to continue investing in our agricultural base and taking care of animals.” (COLUMBUS BUSINESS FIRST, CINCINNATI ENQUIRER)



**GOVERNORS IN BRIEF:** Two **FLORIDA** men have filed a class action suit against Gov. Charlie Crist (I) seeking to block his use of donations made to his U.S. Senate campaign while Crist was still running as a Republican. Crist left the GOP in April and is now registered as an independent candidate (FLORIDA TIMES-UNION [JACKSONVILLE]). • A federal judge denied an appeal from four Democratic governors seeking to weigh in against a lawsuit challenging the constitutionality of the new federal health care law. U.S. District Judge Roger Vinson told governors Christine Gregoire of **WASHINGTON**, Ed Rendell of **PENNSYLVANIA**, Bill Ritter of **COLORADO** and Jennifer Granholm of **MICHIGAN** that their input was not appropriate at this time (SEATTLE TIMES).

— *Compiled by RICH EHISEN*

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## Hot issues

**B** **USINESS:** The **OHIO** Supreme Court rules that Buckeye State businesses can fire female workers for taking time off for pregnancy if they haven't met requirements for length of employment. The court said businesses are not acting discriminatorily as long as they apply their policies evenly by not distinguishing pregnancy-related leaves from any other kind of medical break (COLUMBUS DISPATCH). • **MISSOURI** Gov. Jay Nixon (D) signs SB 586, which bans Show Me State strip clubs and other sexually oriented businesses from allowing full nudity, serving alcohol, admitting anyone younger than 18 and touching between semi-nude employees and customers. The law also requires the stores and clubs to close before midnight and prevents new adult businesses from opening near homes or schools (ST. LOUIS POST-DISPATCH). • The **NEW JERSEY** Senate endorses SB 1923, a bill that would allow Garden State motorcycle dealers to sell their products on Sundays. The measure moves to the Assembly (NEWARK STAR-LEDGER).

**CRIME & PUNISHMENT:** • The **LOUISIANA** Senate gives final approval to SB 381, which would make a first conviction for soliciting a crime against nature a misdemeanor. The measure moves to Gov. Bobby Jindal (R) for review (NEW ORLEANS TIMES-PICAYUNE). • Still in **LOUISIANA**, Jindal signs HB 173, which makes it illegal to possess, sell or manufacture synthetic marijuana in the Pelican State. Synthetic pot, which is often sold through convenience stores and head shops, uses chemicals sprayed on herbal incense to give users a high similar to smoking cannabis. Violators face fines up to \$50,000 and five years in jail (NEW ORLEANS TIMES-PICAYUNE). • **RHODE ISLAND** Gov. Don Carcieri (R) allows SB 2646, legislation that will remove from public view any record of cases in which an admitted



criminal has been given a deferred sentence and then stayed out of trouble for five years, to become law without his signature (PROVIDENCE JOURNAL).

- **ALASKA** Gov. Sean Parnell (R) signs HB 52, which allows Last Frontier State judges to offer up to 10 hours of counseling to a juror who serves on a jury trial which involves extraordinarily graphic or emotional testimony or evidence (JUNEAU EMPIRE).
- The **PENNSYLVANIA** House endorses HB 2189, which would allow teenagers under age 18 accused of “sexting,” sending nude photos over a cell phone, to be charged with a misdemeanor instead of a felony. It moves to the Senate (PATRIOT NEWS [HARRISBURG]).

**EDUCATION:** The **NEW JERSEY** Supreme Court lets stand a lower court’s ruling that the Garden State is not constitutionally required to pay the full amount it owes every year into the fund for teachers’ pensions. The state’s largest teacher union had sued seeking to force the state to fully fund the pension fund annually. The state is now facing an estimated \$46 billion shortfall for funding current state employee pension obligations (NEWARK STAR-LEDGER).

- **LOUISIANA** Gov. Bobby Jindal (R) signs HB 1171, a bill that would allow Pelican State colleges to raise tuition by as much as 10 percent provided they commit to improving graduation rates and other performance measures. Future increases would be tied to whether a campus meets the standards the school sets, with the state Board of Regents signing off on the increases annually (NEW ORLEANS TIMES-PICAYUNE).
- **ILLINOIS** Gov. Pat Quinn (D) signs SB 3266, which requires Prairie State schools to develop anti-bullying policies, expands the definition of bullying to include communications via e-mail, text message or social networking Web sites and creates a state task force to develop bullying-prevention strategies (CHICAGO TRIBUNE).

**ENERGY:** The **NEW JERSEY** Assembly and Senate endorse SB 2036, legislation that would provide \$100 million in tax credits for companies manufacturing components for wind turbines in the Garden State, and a market-based incentive program for developers of wind farms off the state’s coastline. It moves to Gov. Chris Christie (R), who is expected to sign it into law (PHILADELPHIA INQUIRER).

**ENVIRONMENT:** **ALASKA** Gov. Sean Parnell (R) signs HB 162, which designates slightly more than 25,000 acres in the southeastern part of the Last

## 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:** 329
- Number of Intros last week:** 678
- Number of Enacted/Adopted last week:** 952
- Number of 2010 Session Prefiles to date:** 20,142
- Number of 2010 Intros to date:** 86,202
- Number of 2010 Session Enacted/Adopted overall to date:** 26,401
- Number of 2009-10 bills currently in State Net Database:** 185,746

— Compiled By JAMES ROSS  
(measures current as of 7/1/2010)  
Source: State Net database



Frontier as a state forest. Forestry officials will be charged with managing the new forest for multiple uses, including long-term timber supply for local wood processors. It is **ALASKA's** first new state forest since 1983 (KTUU.COM [ANCHORAGE]).

## In case you missed it

Anti-incumbent fervor isn't the only thing driving veteran lawmakers from office these days — in 14 states, term limits are also creating a looming experience gap.

In case you missed it, the article can be found on our Web site at

[http://www.statenet.com/capitol\\_journal/07-05-2010/html](http://www.statenet.com/capitol_journal/07-05-2010/html)

**HEALTH & SCIENCE:** The **NEW JERSEY** Senate and Assembly approve SB 2105, which extends by 90 days the deadline for the Garden State to roll out its medical marijuana program. It has moved to Gov. Chris Christie (R), who is expected to sign it (STATE NET). • **DELAWARE** Gov. Jack Markell (D) signs HB 458, which requires doctors applying for a license to disclose previous criminal convictions, license revocations and disciplinary actions taken against them. Markell also signs HB 457, which requires new doctors to acknowledge their legal responsibility to report unprofessional conduct by their colleagues, and SB 298, which increases the penalty for hospitals and medical institutions that fail to report suspected misdeeds by a doctor to state officials (NEWS JOURNAL [NEW CASTLE-WILMINGTON]).

**IMMIGRATION:** The U.S. Supreme Court agrees to hear a challenge to a 2007 **ARIZONA** law that levies harsh penalties against Grand Canyon State businesses that knowingly hire illegal immigrants. The U.S. Chamber of Commerce is the lead plaintiff in the case, which the court is expected to hear this fall (WALL STREET JOURNAL). • **TENNESSEE** Gov. Phil Bredesen (D) signs HB 670, which requires local jail officials to report to federal authorities those inmates whose immigration status they cannot verify (NASHVILLE TENNESSEAN).

**SOCIAL POLICY:** The **WISCONSIN** Supreme Court upholds a voter-approved Badger State constitutional amendment that bars same-sex couples from marrying. The court unanimously rejected a claim that the 2006 referendum was improperly presented (MILWAUKEE JOURNAL-SENTINEL). • **LOUISIANA** Gov. Bobby Jindal (R) signs HB 1370, which gives the state's top health overseer the power to more quickly suspend the license of abortion providers in cases where an immediate health or safety violation is found. Suspended clinics may file an appeal (NEW ORLEANS TIMES-PICAYUNE).

**POTPOURRI:** The **PENNSYLVANIA** House approves SB 928, which would bar state pension funds from holding stock in companies with large investments in Iran and Sudan. The bill moves to Gov. Ed Rendell (D), who is expected to sign it into law (PHILADELPHIA INQUIRER). • The **DELAWARE** House gives final approval to HB 229, which bars drivers from using a hand-held cell phone while



behind the wheel. It would also ban drivers from texting, e-mailing and surfing the Internet. It heads to Gov. Jack Markell (D), who is expected to sign it (NEWS JOURNAL [NEW CASTLE-WILMINGTON]).

— Compiled by RICH EHISEN

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# Once around the statehouse lightly

**C**URIUSER AND CURIUSER: In its early stages, CALIFORNIA’s annual budget brawl is a closed loop consisting only of the so-called Big Five: the governor and the four legislative leaders. That leaves 116 other lawmakers with not so much critical work to do, which, as Gov. Schwarzenegger once famously noted, can lead to some “strange bills.” As the *Sacramento Bee* reports, this year’s crop of oddballs includes the following: AJR 43, which addresses the epic problem of overly loud TV commercials; SB 624, which seeks to strip serpentine of its status as the official state rock now that some smarty pants figured out that it contains chemicals that can cause cancer; and AB 451, a bill sponsored by the Screen Actor’s Guild that would impose a \$1,000 fine and six months in jail for crashing a private party...like those held after the Oscars. All together now: “Only in CALIFORNIA.”

**ONCE WAS LOST**...but now am found. That is good news for Stevens T. Mason, MICHIGAN’s first elected governor and the youngest in U.S. history. Dubbed the “Boy Governor” after being elected in 1835 at just 24, Mason served two terms before leaving office to practice law in New York City, where pneumonia cut short his life in 1843. Mason’s remains were eventually returned to Detroit in 1905 to be re-buried near the old Capitol, but his travels weren’t over. He was moved again in 1955 to a small park next to the current Capitol. Alas, as the *Detroit Free Press* reports, current park renovations forced him to be brought up for a third time last week, though not without drama. It seems workers didn’t find him where they expected him to be, leading to some serious handwringing. But all’s well that ends well – his casket was located and will be reinterred amidst pomp and circumstance when the park re-opens in August.



**GOVERNOR TRUCKER?** Why not, asks ALASKA truck driver “Singin’ Sam” Little, who says he wants to be the Last Frontier’s next chief executive. Little, a native of MONTANA who moved to ALASKA in 1974, says he’s serious about his campaign, and he has the songs to prove it. Yes, as the *Anchorage Daily News* reports, Little is also a country singer who is using his lyrical skills to pump up his chances and promote his platform, which includes bringing back the state’s lapsed longevity bonus for seniors and building a new state gas line. Keep an eye out for him if you happen to be in the country’s largest state this summer. He’ll be the one running the roads in the 48-foot motor home and hawking his campaign CD, “Truck Driver for Governor.”

## At Issue in the States

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**DO AS I SAY, NOT AS I DO:** Like most governors these days, MISSOURI Gov. Jay Nixon is trying to cut budget corners. He has lopped \$1 billion from the Show Me State budget, eliminated 2,500 state jobs and cut school bus aid in half. He has also ordered state employees to travel less and cut their per-mile reimbursement. All fine, except that, according to the Associated Press, he has jacked up his own travel schedule to fly all over the state talking about his plan. He has also taken to charging the cost of that travel — about \$25,000 since May — to the very agencies whose budgets he is cutting instead of his own office. In all, since coming into office in January 2009, Nixon has flown on 175 days at a public cost of \$260,000. In contrast, Lt. Gov. Pete Kinder took all of one flight during that time, costing a total of \$235.

— *By RICH EHISEN*

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