

July 20, 2009

Under Pressure



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● The next issue of
 ● Capitol Journal will be
 ● available on August 3rd.
 ●

Top Story

If ultimately approved, the expensive health care overhaul introduced in the U.S. House of Representatives last week could add significant fiscal burdens on states at a time their coffers are empty.

SNCJ Spotlight

States need Senate help on health care overhaul

At breakfast with George Washington one morning, Thomas Jefferson is said to have taken the Father of Our Country to account for agreeing to a bicameral Congress. Washington asked why Jefferson had poured his tea into his saucer. Jefferson replied that he was cooling it. Washington said, "Even so, we pour legislation into the saucer to cool it."

A Cannon Perspective



With Lou Cannon

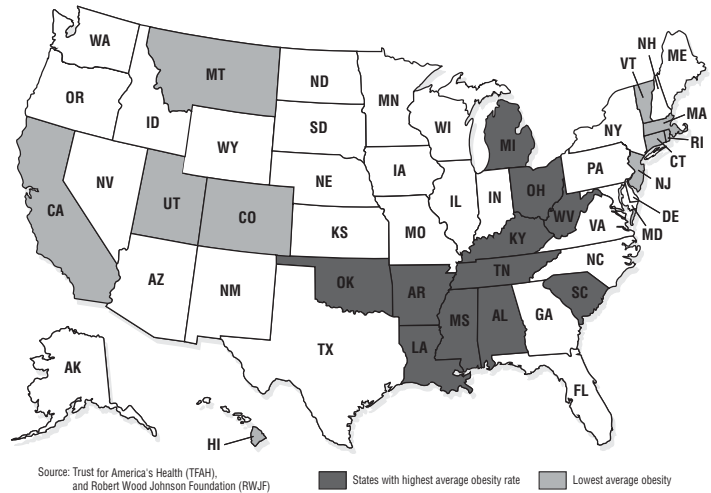


This story is probably apocryphal, but let's hope that Washington was right. The expensive health care overhaul introduced in the House last Tuesday badly needs a senatorial cooling before it reaches the desk of President Barack Obama. The states especially need the Senate's help, for the House bill could add significant fiscal burdens on states at a time their coffers are empty.

Under the House version, states that have chosen to provide added health benefits for the poor beyond the federal guidelines would be required to maintain them in perpetuity no matter what the condition of the economy. "We're concerned that we may be locked into a level of spending that we may not be able to meet," said MINNESOTA State Sen. Linda Berglin (D) in an interview. MINNESOTA provides health coverage for families who do not have access to employer-subsidized insurance and cannot afford private insurance, but the state, like many others, is struggling to maintain its social programs in the wake of sinking revenues and rising unemployment.

The National Conference of State Legislatures (NCSL) is lobbying on several fronts to see that the interests of states are protected. Along with the National Governors Association (NGA), it is trying to guarantee that any mandated extension of Medicaid, the federal-state program that provides medical coverage for the poor, is matched by additional federal funds. The House bill would extend Medicaid, which now covers those below the poverty line (currently \$22,050 annually for a family of four), to adults and families living at 133 percent above this level, and provide the states with additional funds for doing so. But it provides no immediate aid for the many states that are now on their own providing health care for poor people well in excess of this level.

Bird's eye view



States getting fatter

The economic crisis is hitting Americans in their waistlines as well as their wallets, according to a study done by Trust for America's Health and the Robert Wood Johnson Foundation. In 1980, the national adult obesity average was 15 percent. Ten years later, no state exceeded the 20 percent average. Now, for the second year in a row, 16 states have experienced an increase in adult obesity rates, with MISSISSIPPI's — at 32.5 percent — the highest among them for the fifth time running. COLORADO continues to have the lowest adult obesity rate at 18.9 percent. Along with rising obesity numbers, the study also links higher rates of unemployment, stress, anxiety, and depression to the recession.





“The states that are doing more have most to lose,” says Joy Wilson, NCSL health policy director. “You tend to get punished for getting out in front.”

WASHINGTON, one of these out-front states, was forced this year by a budget squeeze to slash by 42 percent a two-decade-old program that provides assistance for the working poor. Sen. Karen Keiser (D), the WASHINGTON legislature’s leading health expert, said this was a necessary alternative to reducing Medicaid and losing federal funds.

Sen. Keiser advocates a public insurance plan as an option in the federal health overhaul. This is a principal and controversial feature of the House version of the legislation, which would finance health coverage for the uninsured with added taxes on the wealthy, payment reductions for medical providers and requirements on employers to offer health insurance. One little-noticed feature of the 1,018-

page bill would treat states as employers and require them and all their subdivisions — presumably, even the tiniest hamlet — to provide insurance to every state and local government employee. In addition, employers who did not provide health insurance would have to pay a penalty to the government equivalent to 8 percent of wages. Business groups denounced this provision as a job killer, since it would discourage hiring, particularly of unskilled workers, at a time those very workers are at risk of falling off the last rung of the nation’s economic ladder.

Even though several moderate Democrats have shied away from the House draft, Speaker Nancy Pelosi (D-CALIFORNIA) almost certainly has the votes needed to get it through. It’s a different story in the Senate. Although the Senate Health Committee passed a bill on party lines Wednesday, all eyes are on the Finance Committee, which is expected to produce a bipartisan version that is more conservative than the House bill on several counts. It’s unclear if the differences can be bridged despite the high priority accorded health care reform by President Barack Obama. Former Senate Majority leader Tom Daschle (D-SOUTH DAKOTA), an expert on the issue, recently put the chances of enactment at no better than 50-50.

Public support for reform, on which the administration is counting, is broad but not deep. Polling on a dozen health care alternatives, Gallup showed support for all of the alternatives but also found that Americans are worried about increasing the budget deficit to pay for health reform. The House bill, variously estimated at costing between \$1 trillion and \$1.5 trillion over 10 years, is unlikely to allay these concerns.

The two broad aims of reform are to extend health care insurance to most of the estimated 47 million uninsured Americans while also reducing the costs of the most

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: 96

Number of Intros last week: 605

Number of Enacted/Adopted last week: 831

Number of Prefiles to date: 32,854

Number of Intros to date: 147,191

Number of 2009 Session Enacted/Adopted overall to date: 35,233

— Compiled By JAMES ROSS
(measures current as of 7/16/2009)
Source: State Net database



System, the nation’s largest public pension fund, has filed a lawsuit against Moody’s Investors Service, Standard & Poor’s and Fitch. CalPERS alleges the three ratings agencies’ “wildly inaccurate” credit ratings of investment vehicles, which included subprime mortgages, cost the state \$1 billion (NEW YORK TIMES). • **OHIO**’s budget impasse ended last week after lawmakers agreed to allow thousands of slot machines at the state’s seven horse racetracks. However, the expanded gambling won’t spare social services, including food pantries, community health centers and early learning programs for low-income youngsters, from \$2.4 billion in cuts (COLUMBUS DISPATCH). • **ILLINOIS** Gov. Pat Quinn (D) signed a \$31 billion public works package directed at the state’s crumbling roads, mass transit and schools. Funding for the construction projects will come from legalizing video poker, raising fees on motorists and boosting taxes on candy, beauty products and alcohol (CHICAGO TRIBUNE). • President Barack Obama pledged to invest \$12 billion in the nation’s community colleges. Obama delivered that news in **MICHIGAN**, where community colleges have been inundated by unemployed auto workers seeking new job skills (DETROIT NEWS).

— *Compiled by KOREY CLARK*

Politics & leadership

CLOSER EYE ON POLS AFTER SANFORD SCANDAL: It’s still unclear what SOUTH CAROLINA Gov. Mark Sanford’s (R) clandestine trip to Argentina will mean for his political future. But what it means for elected officials in general, at least for the time being, is fairly certain: There’s going to be a lot more scrutiny of where they go and what they do.

Since the revelations of Sanford’s Trans-American tryst last month, 40 of his gubernatorial colleagues have been subjected to a survey of their schedules by the Associated Press. The *New York Times* has reported on the vagaries of NEW JERSEY Gov. Jon Corzine’s (D) travel habits. And the *Washington Post* has dissected the daily schedule of VIRGINIA Gov. Tim Kaine (D).

“If you put yourself in the public eye, you’re going to have to pay for the sins of everybody else,” said Patrick Dorinson, a GOP communications strategist based in CALIFORNIA.

Governors haven’t been the media’s only targets. The *Times*, for instance, also scrutinized the travel schedule of New York City Mayor Michael Bloomberg. And the heightened interest in the subject hasn’t been confined solely to the mainstream media. When an *Orlando Sentinel* reporter trying to track down U.S. Rep. Alan Grayson (D-FLORIDA) the week after the Sanford scandal broke was told the



congressman’s location couldn’t be disclosed for security reasons, the reporter posted a blog entry with the headline “Is Grayson Hiking the Appalachian Trail?”, in reference to the initial explanation given for Sanford’s mysterious disappearance. Although the post made it clear that was probably not the case (a spokesman for Grayson explained later that the congressman was on a delegation trip to Saudi Arabia and Pakistan), the National Republican Congressional Committee seized on

and circulated the item.

“You’d think after the Mark Sanford fiasco, politicians would know not to disappear.”

Another politician victimized by the Sanford fiasco is MISSOURI Secretary of State and U.S. Senate

candidate Robin Carnahan (D). She was the subject of a post on the conservative blog RedState, titled “Where in the World is Robin Carnahan?” which faulted her for going incommunicado over the 4th of July weekend.

“You’d think after the Mark Sanford fiasco, politicians would know not to disappear,” the post stated.

Although a Carnahan spokesman said the secretary of state was celebrating her wedding anniversary in Cyprus, the episode furthered Republican interests

by drawing more attention to Carnahan’s Colombia-born husband, who’s at the heart of a GOP ethics complaint claiming that Carnahan hasn’t disclosed his business.

“I’d put out my vacation schedule, I’d put out the type of toothpaste I use.”

Political strategists say that after the

Sanford debacle politicians should keep nothing about their schedules from the public.

“I’d put out my vacation schedule, I’d put out the type of toothpaste I use,” said Dorinson.

Another GOP strategist, Ron Bonjean, agreed.

“Disclose your schedule as much as possible, and it shows an earnest effort to be operating above board,” he said.

Some pols have been quick to grasp that concept. NEBRASKA Gov. Dave Heineman (R) responded to the AP’s travel survey by personally visiting his local AP reporter’s Capitol office with an entourage — including Lieutenant Gov. Rick Sheehy (R) and a state trooper — in tow.

“I thought I’d have a little bit of fun,” the governor said. But he also appreciated the seriousness of the issue, stating: “If you’re going to be a public official, you’re going to have to interact with the public in everything you do. People are going to recognize you, so you better be prepared for it.”

But some are still resistant to the idea of disclosing their daily schedules. CALIFORNIA Gov. Arnold Schwarzenegger’s (R) office has always released brief public statements when the governor leaves the state that include no specifics about his itinerary, and it said it has no plans to change that practice. And citing precedent



PATRICK PUSHES MORE CHARTER

SCHOOLS: MASSACHUSETTS Gov. Deval Patrick (D) proposed a plan last week that would create an estimated 27,000 new charter school seats in about 30 districts across the state. Patrick, who was joined by U.S. Education Secretary Arne Duncan, also proposed having the Bay State take over approximately 30 of the state's worst performing schools. Duncan hailed the plan, saying the initiatives could make the Bay State a national model for how to turn around failing schools and boost student achievement. While charter school advocates applauded the possible expansion, state education leaders were less enthusiastic. Students who leave a public school for a charter institution take with them a healthy portion of the \$9,000 to \$15,000 per student in state aid schools receive each year. Education leaders said that would be economically devastating for districts already hurting financially. Rep. Martha Walz (D), who co-chairs the Legislature's Joint Committee on Education, said the committee is researching charter school funding methods used by other states to determine if a change is necessary before the limit on charter schools can be lifted. (BOSTON GLOBE)

GOVERNORS IN BRIEF: Earlier this month, MISSOURI Gov. Jay Nixon

(D) vetoed SB 202, which would have repealed the Show Me State law that requires motorcycle riders to wear a helmet. Nixon cited concern over the safety of riders, as well as the increased public cost for medical care for those suffering severe head injuries while riding sans helmet (KANSAS CITY STAR). • **CONNECTICUT** Gov. M. Jodi Rell (R) has ordered agency heads to identify assets ranging from land and buildings to cars and equipment that could be sold to offset state budget deficits. Rell wants the lists by the 27th (HARTFORD COURANT). • Still in **CONNECTICUT**, governors in **MASSACHUSETTS**, **VERMONT**, **RHODE ISLAND**, **MAINE** and **NEW HAMPSHIRE** announced their support for the Constitution State's application for \$800 million in federal funds to upgrade a 62-mile stretch of Amtrak rail line that runs through the heart of the state. Governors say the funding would enable the state to begin mid-speed commuter service and let Amtrak launch high-speed rail service connecting several other cities around the region (HARTFORD COURANT, TIMES ARGUS [BARRE-MONTPELIER]). • **ARIZONA** Gov. Jan Brewer (R) vetoed SB 1022, which would have prohibited the removal of political signs from public rights-of-way. Brewer said that decision should be up to local municipalities (ARIZONA REPUBLIC [PHOENIX]).

— Compiled by RICH EHISEN

The week in session

States in Regular Session: CA, DC, MA, MI(Senate), NC, NY(Senate), PA, US

States in Recess: MI(House), NJ, NY(Assembly), PR, WI

States in Special Session: AZ "c", CA "c", CA "d", CT "b"

Special Sessions in Recess: DE "a"

States in Skeleton Session: OH

States Currently Prefiling or Drafting for 2010: AL, FL, KY

States Adjourned in 2009: AK, AL, AR, AZ, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, MT, ND, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WA, WV, WY

State Special Sessions Adjourned in 2009: AZ "a", AZ "b", CA "a", CA "b", CT "a", CT "c", FL "a", IL "a", IL "b", IN "a", KY "a", MS "a", MS "b", MS "c", NV "a", NY "a-o", TX "a", UT "a", VT "a", WI "a", WV "a", WV "b"

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 7/17/2009)
Source: State Net database

Hot issues

B **USINESS:** Agriculture officials in **FLORIDA** adopt rules that make the Sunshine State the first to require that all honey produced, sold or processed there contain no additives and be only the “natural food product resulting from the harvest of nectar by honeybees.” First time violators would receive a warning; repeat offenders would face fines up to \$500 per violation (**MIAMI HERALD**). • The **HAWAII** House and Senate override Gov. Linda Lingle’s (R) veto of HB 31, a bill that bars Aloha State employers from reviewing a job applicant’s credit history for employment purposes (**PACIFIC NEWS [HONOLULU]**). • Still in **HAWAII**, lawmakers also override Lingle’s veto of HB 952, which takes away workers’ current right to vote by secret ballot on whether or not they want to join a union and replaced it with a so-called card-check system. Under those rules, if a majority of a company’s workers signed the cards, the union would automatically be recognized and free to bargain with management (**PACIFIC NEWS [HONOLULU]**). • **ARIZONA** Gov. Jan Brewer (R) signs SB 1113, legislation that will allow patrons with concealed carry weapons permits to bring their guns inside bars and restaurants. The statute does allow bar and restaurant owners who want to ban weapons on the premises to still do so as long as they post a no-guns sign next to the business’ liquor license (**USA TODAY**).

CRIME & PUNISHMENT: An **IDAHO** court upholds the constitutionality of the Gem State’s lethal injection method of capital punishment. The judge rejected a claim from three condemned prisoners that the system is cruel and unusual punishment (**SPOKESMAN-REVIEW [BOISE]**). • **MISSOURI** Gov. Jay Nixon (D) vetoes SB 37, which would have allowed the state public defender system to establish caps on the number of cases each attorney can take on. Nixon said the measure would have simply shifted the caseload burden to other departments (**NEWS-LEADER [SPRINGFIELD]**). • The **NORTH CAROLINA** House endorses HB 461, which would allow judges to consider whether racial bias played a role in the decision of state prosecutors to seek or impose the death penalty. The bill’s supporters cited studies showing African Americans are far more likely to be sentenced to death in the Tar Heel State than are whites, and that a defendant is 3.5 times more likely to face the death penalty when the victim is white than when the victim is black. The bill returns to the Senate for concurrence (**NEWS & OBSERVER [RALEIGH]**). • **ARIZONA** Gov. Jan Brewer (R) signs SB 1088, which expands the scope of domestic violence to include relationships between non-married couples (**ARIZONA REPUBLIC [PHOENIX]**). • Still in **ARIZONA**, Brewer signs SB 1115, which expands the prohibition on dog fighting to include all animals, with the exception of those trained to protect livestock from predators (**ARIZONA REPUBLIC [PHOENIX]**).



• **MICHIGAN** officials agree to pay \$100 million to settle a class action suit brought by 500 former female prisoners who claim they were sexually abused by Wolverine State prison guards. The agreement settles a case that started in 1996 (DETROIT FREE PRESS).

EDUCATION: NEW HAMPSHIRE Gov. John Lynch (D) signs SB 180, a measure that establishes a performance-based system that measures student achievement and provides schools a way to show they are meeting state mandates for providing a quality education (CONCORD MONITOR).

ENVIRONMENT: The **CALIFORNIA** Senate approves SB 670, a bill that would place a moratorium on a form of recreational gold mining known as “suction dredging,” which opponents claim damages fish habitat and increases the chances of mercury poisoning for both fish and humans. It goes to Gov. Arnold Schwarzenegger (R) for review (SACRAMENTO BEE).

HEALTH & SCIENCE: Saying the state has failed “to protect the health and welfare of the recipients of the services,” the federal government places a moratorium on new enrollees in the **ALASKA** Medicaid program. Federal officials did not indicate how long the moratorium would be in place (ANCHORAGE DAILY NEWS). • **NEW HAMPSHIRE** Gov. John Lynch (D) vetoes HB 648, legislation that would have allowed seriously ill patients to legally use marijuana under a doctor’s prescription. The bill’s supporters say they will likely attempt a legislative override (CONCORD MONITOR). • Still in **NEW HAMPSHIRE**, Lynch signs SB 115, legislation that allows uninsured young adults up to age 26 to buy health care coverage through the government-subsidized Healthy Kids program. Eligibility is capped at those making less than \$43,000 annually and with no access to their parents’ insurance (FOSTER’S DAILY DEMOCRAT [DOVER]). • **ARIZONA** Gov. Jan Brewer (R) signs HB 2164, which, among other things, authorizes a pharmacist to administer without a prescription immunizations, vaccines, and emergency medications to manage an allergic reaction to an immunization or vaccine (STATE NET).

SOCIAL POLICY: A federal court upholds a long-dormant **ILLINOIS** law requiring physicians to notify the parents of teenage girls 17 and younger at least 48 hours in advance of performing an abortion. The law was originally passed in 1984 and updated in 1995, but has never taken effect while challenges have worked their way through the court system. Opponents of the measure have appealed for a rehearing with the 7th U.S. Court of Appeals (CHICAGO TRIBUNE). • **ARIZONA** Gov. Jan Brewer (R) signs HB 2564, legislation that imposes a 24-hour waiting

<p style="text-align: center;">Upcoming elections 7/16/2009 - 8/6/2009</p> <p>08/01/2009 Louisiana Special Primary House District 40 Senate District 020</p> <p>08/04/2009 Michigan Special Primary Senate District 19</p>



period on women seeking an abortion. The new statute also requires that minors first receive written, notarized consent from a parent or guardian before obtaining the procedure, and allows doctors and pharmacists who cite religious or moral objections to refuse to perform abortions or dispense pregnancy-terminating drugs. Brewer also signs SB 1175, which bans non-physicians from doing abortions in the state (ARIZONA REPUBLIC [PHOENIX]).

POTPOURRI: The **NORTH CAROLINA** House and Senate endorse SB 307, legislation that would require large constricting snakes such as Burmese pythons to be housed in escape-proof containers. The cases would also have to contain a written plan about what to do in the event of an escape. It moves to Gov. Bev Perdue (D) for consideration (NEWS & OBSERVER [RALEIGH], STATE NET). • **LOUISIANA** Gov. Bobby Jindal (R) vetoes HB 523, which would have made it a crime to illegally carry firearms within 1,000 feet of a sanctioned parade or demonstration. Jindal said the measure did not exempt legal firearms permit holders (TIMES-PICAYUNE [NEW ORLEANS]). • Still in **LOUISIANA**, Jindal signs HB 893, a measure that requires new gasoline stations in the southern part of the Pelican State to have generators or other alternate power sources so they stay operational after a hurricane or other disaster (ADVOCATE [BATON ROUGE]).

— Compiled by RICH EHISEN

Once around the statehouse lightly

HELL HATH NO FURY like love to hatred turned, or so may be the case in the race to fill termed-out CALIFORNIA Assemblyman Ted Liu’s 53rd District seat next year. That’s because two of the announced rivals for the nomination, Jim Aldinger and Betsy Butler, were once a couple, and the relationship ended badly. How badly, you may ask? As the *Torrance Daily Breeze* reports, bad enough that Butler had to sue Aldinger to recover some of her furniture from his house. Butler won her claim and a cash settlement, to the tune of \$5,000. Both say the bad feelings are in the past and won’t impact the race, though Butler referred all questions about Aldinger to her campaign spokesperson.

HELL HATH NO FURY II: It is safe to say that New York City real estate developer and reality TV mogul Donald Trump is no fan of NEW YORK Gov.



David Paterson’s recent choice of Richard Ravitch as the state’s new Lite Gov. As the *New York Post* reports, within hours of the appointment The Donald sent Paterson a snarky two-page letter that excoriates Ravitch as “extremely weak, ineffective and a poor negotiator.” It seems that Trump’s ill will goes back to the days when Trump’s father, Fred, also a developer, had business dealings with Ravitch. Trump’s take on Ravitch wasn’t all bad, however. Trump did note that Ravitch was well versed at keeping a good image with the press, “despite his failures as a businessman and representative of state government.” Neither Ravitch nor Paterson had any comment.

In case you missed it

Young adults are the fastest growing group of uninsured in the nation. As we reported in the July 13th issue of SNCJ, a growing number of states now allow children to stay on their parents’ health insurance plans well into adulthood.

In case you missed it, the article can be found on our Web site at http://www.statenet.com/capitol_journal/07-13-2009/html

AVOIDING THE RUSH: Today’s evidence that political campaigns no longer have an off season comes from NEW MEXICO, where the next gubernatorial race isn’t for 16 months. As the *Santa Fe New Mexican* reports, that hasn’t stopped the state GOP from launching attack ads against Lt. Gov. Diane Denish, a Democrat seeking to replace soon-to-be-termed-out Gov. Bill Richardson in 2010. The early nature of the aggressive ad campaign is unusual, observers say, but not totally surprising in that Republicans have no similarly strong candidate to counter the popular Denish. It is also worth noting that Denish announced her plans to run in 2007. In that respect, one might ask what took the Reeps so long?

WHAT’S GOOD FOR THE GOOSE is not always good for the gander. With FLORIDA suffering through the economic doldrums, Sunshine State lawmakers recently banned state employees from traipsing off to junkets, conferences and other such outside festivities unless they can show there is some public benefit to their attendance. Alas, as the *Miami Herald* reports, lawmakers made sure to exclude themselves from that limitation. As such, the Legislature recently forked over \$55,000 to send 39 of its members to various conferences, including last week’s American Legislative Exchange Council meeting in Atlanta and the annual National Conference of State Legislatures meeting going on this week in Philadelphia. At least one legislator, Rep. Jimmy Patronis, a Republican, acknowledged that voters may not be so thrilled with this. Patronis is paying his own way to the ALEC meeting, saying doing so “might play a little better at home or in your own backyard.” Particularly around election time.

— By RICH EHISEN

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