

Tolling for dollars



December 4, 2006

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• The next issue of
 • Capitol Journal will be
 • available on December 11th.
 •

Top Story

Ever growing traffic gridlock has voters nationwide begging for relief. But with traditional funding streams shrinking to a trickle, many states are now scrambling to devise new ways to pay the cost of supporting America's expanding car culture.

SNCJ Spotlight

Issues 2007: States hit road less traveled for highway funds

In spite of recent economic upturns, finding the money to build, repair and maintain the nation's roadways is undoubtedly one of the most challenging issues state lawmakers will face in 2007.

According to a May 2006 report from the National Conference of State Legislatures (NCSL), the nation's highway usage has spiked to the highest level in history, with vehicle

miles traveled up 35 percent since 1990 and 161 percent since 1970. Much of that increase is a direct result of decades of rapid population growth and movement to the suburbs. But all those extra miles also mean more time snarled in bumper-to-bumper traffic, as many as 3.7 billion hours a year according to a report from the TEXAS Transportation Institute. NCSL further reports that such traffic congestion costs Americans an estimated \$65 billion a year in wasted time and fuel.

But while everyone agrees roads are more clogged than ever, the money to do anything about it is also harder to come by than ever before. There are numerous reasons for this, most notably the diminishing value of gasoline taxes in the face of inflation. Gasoline taxes have been one of the primary funding sources for transportation projects for decades, but according to the NCSL report only MISSOURI, WYOMING and UTAH currently have tax rates that keep up with inflation. In a perfect world, general fund dollars could be used to offset the shortfall, but increasing demands on state budgets these days rarely allow that to happen. In reality, the escalating cost of Medicaid, education and other pressing needs not only eat up most general funds, they often gobble up transportation dollars as well.

Federal money may also soon be harder to come by. The feds often pick up as much as 80 percent of the cost of new transportation infrastructure through the federal Highway Trust Fund (HTF), but that resource is rapidly approaching a deficit situation. According to NCSL analyst Matt Sundeen, revenues in the \$38 billion HTF, which is funded by excise fuel taxes, are not expected to meet expenses by 2010 and could reach a \$41.7 billion deficit in less than a decade. A 2005 report from the U.S. Chamber of Commerce offers an even darker view, projecting that a cumulative \$1 trillion state and federal transportation funding deficit is a real possibility by 2015.

For states, the bottom line is that if they want more and better roads, they need to find more and better solutions of their own to pay for them. To that end, many states are currently test driving various funding options,

The week in session

States in Regular Session: DC, MI, NJ, OH, US

States in Informal Session: MA

States in Special Session: LA "b"

States in Recess: IL, NY

States in Special Session in Recess: DE "c"

States Prefiling or Drafting for 2007 Session: AR, CO, FL, GA, KY, MT, ND, NH, NV, SC, TN, TX, VA

States Adjourned in 2006: AK, AL, AZ, CA, CT, CO, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, NC, NE, NH, NM, OK, PA, RI, SC, SD, TN, UT, VA, VT, WA, WI, WV, WY

States in Special Session Adjourned in 2006: AK "b", AK "c", AK "d", AR "a", AZ "a", CA "a", CA "b", CO "a", DE "a", DE "b", IA "a", ID "a", KY "a", LA "a", MD "a", MS "a", MS "b", OK "a", OK "b", OR "a", OK "b", PA "a", TN "a", TX "c", UT "a", UT "b", VA "a", WV "a", WV "b", WI "b", WI "c"

Letters indicate special/extraordinary sessions
Source: State Net, 11/30/06

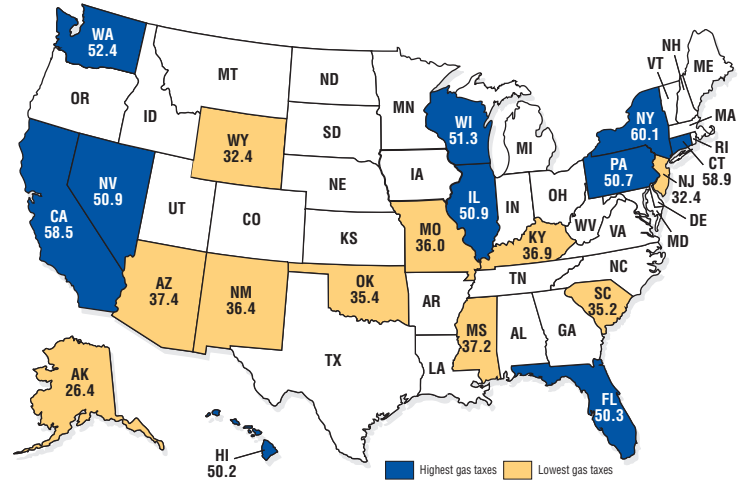
particularly the addition or expansion of toll roads.

As many as 24 states either already have toll roads or are looking to add or expand them. Some states — INDIANA, TEXAS, VIRGINIA and ILLINOIS — have taken that concept a bit farther by leasing out public highways or bridges to private international companies that offer up a barrel full of one-time cash the state can then use to jump start other transportation projects.

The INDIANA deal, for instance, saw an Australian-Spanish consortium hand over a one-time \$3.8 billion fee in exchange for the right to operate the 157-mile East-West INDIANA Toll Road for the next 75 years. Meanwhile, another global group coughed up \$1.8 billion to operate the Chicago Skyway Toll Bridge, an Australian company dropped \$552 million to take over a struggling VIRGINIA toll road and a Spanish-American company invested more than \$1 billion to build and toll a part of the Trans Texas Corridor, a proposed “super highway” set to begin construction next year.

While those deals put significant bucks into state coffers — INDIANA treasurer Tim Berry recently noted that the Hoosier State has already made more than \$55 million in interest from the Toll Road lease deal — they also have riled many people who either do not like the idea of paying tolls or do not like the fact they are paying them to a foreign entity, or both. That consternation, however, has not stopped more states — NEW JERSEY and OHIO to name a few — from seriously looking at the potential of similar deals in their states.

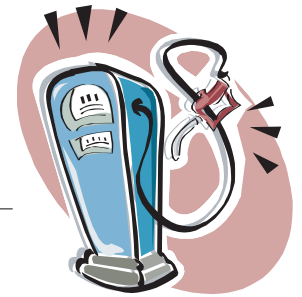
Bird's eye view



Source: American Petroleum Institute

Gas taxes not all created equal

Gasoline taxes have long been one of the primary sources of state funding for transportation projects. According to the American Petroleum Institute (API), the national average surcharge on gasoline is 45 cents per gallon — a combination of federal and state levies, including sales taxes, gross receipt taxes, oil inspection fees, underground storage fees and a variety of other environmental assessments. API also notes that when it comes to taxing gasoline, not all states are created equal. NEW YORK, for example, has the highest overall gas tax at 60.1 cents per gallon while ALASKA has the lowest such tax, just 26.4 cents per gallon. In all, 17 states have gas taxes higher than the national average, with WEST VIRGINIA (45.4) and INDIANA (45.0) just a fraction under. The accompanying map shows the states with the highest and lowest gas taxes.



States like CALIFORNIA, COLORADO and MINNESOTA have taken to another kind of toll road known as high-occupancy toll (HOT) lanes, which open existing car pool lanes to drivers willing to pay a fee to use them. For example, in Southern CALIFORNIA's Orange County — the mother ship of all traffic congestion — pre-registered motorists can pay up to \$8.50 for the pleasure of flying past some of the nation's worst freeway gridlock. The billing is on a graded scale — the more traffic, the higher the cost to use the toll road.

But HOT lanes also have their critics, as some observers contend that so-called "Lexus lanes" favor motorists affluent enough to pay for the use of the road at the expense of others unable to do so. That concern has so far prevented lawmakers from adding even more HOT lanes in other parts of the state. But Robert Poole, director of transportation studies at the Reason Foundation, a Los Angeles-based Libertarian think tank that supports the use of toll roads, says that concept is not backed up by facts.

"According to our data," Poole says, "about 80 percent of the people who use 'Lexus lanes' are ordinary people" in terms of income distribution. He also contends that HOT lanes provide motorists with a choice between what they have now and something he says "offers them a higher level of service."

Another controversial tolling idea is in play in WASHINGTON and OREGON, where officials are kicking the tires on a program that would have drivers forgo paying the state gasoline tax in favor of paying a flat per-mile fee for all in-state miles they drive. The fee is calculated via the use of an on-board Global Positioning System (GPS) device that tracks the car's in-

state mileage and then transmits that information to the pump. Motorists then pay for their gas sans the state gas tax but with a 1.2 cent-per-mile fee for all of the miles they have traveled since the last fill up.

The knocks on that system, however, come from privacy advocates who fear the GPS system allows the government to snoop on drivers and others

who complain that the system unfairly penalizes drivers of fuel efficient vehicles, who will pay more simply because they are able to drive more miles on a tank of gas.

Of course, simply raising the gasoline tax would also go a long way toward solving the transportation funding issue. But while gas prices have

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come down from the record highs of this summer, lawmakers have generally been hesitant to stomp for hiking gas taxes at a time when fuel costs are still through the roof. Based on the recent elections, however, voters may not be as opposed to spending more tax dollars as previously thought.

According to the Washington D.C.-based American Road Transportation and Builders Association (ARTBA), in November voters nationwide approved 23 ballot measures that are expected to generate around \$40 billion in new transportation infrastructure revenues. Those include CALIFORNIA's Proposition 1B bond measure, which will pump more than \$19 billion into Golden State infrastructure works, and a MINNESOTA measure that constitutionally commits all sales tax revenue from car and truck sales to highway and transit investment. That statute is expected to generate \$300 million annually.

Other states are also at least considering raising or replacing the gasoline tax. One proposal in GEORGIA, for example, would wipe out the state portion of the sales tax (about 7.5 cents per gallon) in favor of a statewide 1 percent sales tax increase that would go directly to fund transportation projects. Other gas tax hikes are also on the table in PENNSYLVANIA and ALABAMA.

Whether those proposals make it to the finish line is yet to be seen, but NCSL's Sundeen is not convinced that this year's election results necessarily portend their success, noting that many voters are likely still wary of scenarios such as the infamous ALASKA "Bridge to Nowhere."

"I think it really comes down to how the message is put out there," Sundeen says. "If the proposal can lay out how laying out a new traffic corridor or light rail system will reduce congestion by a specific amount, there may be a much more positive reaction to that."

— *By RICH EHISEN*

Budget & Taxes

MEDICAID SPENDING FALLS FOR FIRST TIME: For the past decade, Medicaid has been the fastest-growing expense for state governments. But it doesn't look like that will be the case this year. Nine months into 2006, state spending on Medicaid is actually down from prior year levels — for the first time since the program was initiated in 1965.

According to the Bureau of Economic Analysis, an agency of the U.S.

Department of Commerce, state Medicaid expenditures are 1.4 percent below where they were a year ago. Adjusted for the rate of health care inflation, the drop is an impressive 5.4 percent.

The historic spending reduction is due in part to the shift of some prescription-drug expenses to the federal government's Medicare program. But most of the decline is the result of small cost-containment measures adopted by states in recent years, such as shifting from costly nursing-home care to home health care and reducing fraud.

"States have made really aggressive changes in how care is managed in Medicaid," said the director of ARIZONA's Medicaid program, Anthony Rodgers. "Every state has taken a different approach, but the success can be seen almost everywhere."

OHIO, for instance, cut its Medicaid expenses in the four months from July through October by about 10 percent (\$310 million), compared to the same period last year. The state achieved that feat by, among other things, reducing the amount it spent on nursing-home care by \$37 million and cutting the amount it paid to hospitals by \$32 million. "It's many things, not one sea change," said OHIO Medicaid spokesman Jon Allen. (USA TODAY)

BETTER PAY IN PUBLIC SECTOR? Job security and generous benefits may not be the only reasons to seek a government job any more — at least in NEW JERSEY. A study by Rutgers University, based on U.S. Census Bureau data, has found that even excluding benefits, government workers in the Garden State now make more money than their private-sector counterparts, mainly due to wage erosion at private companies in recent decades. "Private-sector workers, particularly the less-educated and less-skilled, have not been keeping up with inflation for the last three decades," said report author William M. Rodgers III, Ph.D.

Rodgers found that between 1970 and 2000, men working in NEW JERSEY's private sector went from making \$24.68 an hour to \$23.72 an hour (in 2006 dollars and adjusted for inflation) while male state workers went from making \$23.25 an hour to \$27.28 an hour. And while private-sector pay for women has fared better over the same period, increasing from \$13.68 an hour to \$17.75, state-government pay has done even better, rising from \$18.66 an hour to \$22.33. Of course, the downside is that women, on average, still earn 27 percent less than men in the Garden State. (ASSOCIATED PRESS, PHILADELPHIA INQUIRER)

BUDGETS IN BRIEF: A federal judge issued a temporary injunction last week against FEMA, ordering the agency to immediately resume the housing assistance program for victims of Hurricane Katrina it abruptly



discontinued back in February until it adequately explains the reason for that action. The injunction was issued at the request of the Association of Community Organizations for Reform Now, which filed suit against FEMA in August, alleging that the agency had violated Katrina victims' rights. U.S. District Judge Richard J. Leon appeared sympathetic to that claim, stating, "It is unfortunate, if not incredible, that FEMA and its counsel could not devise a sufficient notice system to spare these beleaguered evacuees the added burden of federal litigation to vindicate their constitutional rights" (USA TODAY). • The National Education Association, the nation's largest teachers union, and school districts in **MICHIGAN, VERMONT** and **TEXAS** have asked the 6th U.S. Circuit Court of Appeals to revive a lawsuit challenging the federal No Child Left Behind Act on the ground that it imposes unfunded mandates on schools. A U.S. district judge dismissed the suit in November of last year, stating that the plaintiffs' claim was unsubstantiated (RUTLAND HERALD).

— *Compiled by KOREY CLARK*

Politics & leadership

BELATED ELECTION VICTORIES FOR BOTH MAJOR PARTIES: There was more good election news for Democrats last week, when a tally of uncounted absentee ballots in a Republican-dominated county in southeastern PENNSYLVANIA gave them control of that state's House — at least temporarily — for the first time in 12 years.

Prior to Election Day, the Republicans held a 109-94 majority in the chamber. After Nov. 7, the GOP's margin was just one seat. And last Tuesday, when 235 uncounted absentee ballots were fed into scanning machines in Chester County, Democrat Barbara McIlvaine Smith, who'd trailed her Republican opponent in the 156th House district by 19 votes, emerged as the victor by 23 votes — out of a total of 23,242 cast — giving the Democrats a 102-101 majority.

Although the results will remain unofficial until they are certified by the state's Bureau of Commissions, Elections and Legislation, if Smith's win holds up, she will become the first Democratic state representative to be elected in Chester County since 1990. That prospect was significant enough to draw the attention of Democratic National Committee Chairman Howard Dean, who issued a statement saying the race "showed that Democrats can win anywhere if we organize and ask everyone for their votes."



PENNSYLVANIA Republicans aren't throwing in the towel just yet, however. After the results of the tally were released, Al Bowman, a spokesman for the House Republican Campaign Committee said, "At this point, the election is not over yet. We are looking at options to see what's next." And what's next could be a recount and, possibly, a protracted legal battle. "The situation is tenuous and it's volatile — it has 'state Supreme Court' written all over it," said G. Terry Madonna, Professor of Public Affairs and Director of the Keystone Poll at Franklin & Marshall College in Lancaster.

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Meanwhile, Republicans scored a major victory of their own last week in MONTANA, where a recount erased a tie and gave the GOP a narrow victory in an undecided House race that would likely have given the Democrats control of the chamber. Last Tuesday's hand recount in District 58 awarded Republican Krayton Kerns three more votes than his Democratic opponent, Rep. Emelie Eaton, giving Republicans 50 of the House's 100 seats. While that's not an outright majority, the chamber's sole Constitution Party member, Rep. Rick Jore, has said he would likely vote with the Republicans, effectively giving them majority control.

The result undoubtedly took some of the sting out of Sen. Sam Kitzenberg's (R) announcement the week after the election that he intended to switch parties, giving the Democrats a 26-24 majority in the Senate next year. Incoming House Majority Leader Michael Lange (R) certainly seemed conciliatory. "The people of MONTANA have chosen balance in their government," he said. "Whether that was intended or not, that's what they did. It really points out to both sides the need to come out with bills that people want." (STATELINE.ORG, PHILADELPHIA INQUIRER, MISSOULIAN)

BIG CAMPAIGN LOOPHOLE IN TEXAS: The TEXAS Ethics Commission issued a ruling last week allowing state officials to accept unlimited cash gifts without having to report the amount of the gifts, as long as they disclose that they received them and who they were from. The ruling came in connection with the protest of a disclosure filed last year by Bill Ceverha, a member of the board of the Employees Retirement System of TEXAS: two checks for unspecified amounts from Bob Perry, the largest political donor in the Lone Star State. Ceverha and Perry divulged that the checks were for \$100,000 each and intended to assist Ceverha in defending himself in a civil lawsuit over his connection to a political action committee



created by former U.S. House Majority Leader Tom DeLay.

Ronnie Earle, the lead prosecutor in the corruption case against DeLay, joked in a letter to the Ethics Commission that public officials could now disclose that they received a wheelbarrow as a gift without having to report “that the wheelbarrow was filled with cash.” Craig McDonald, director of Texans for Public Justice, the nonprofit group that filed

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the protest against the Perry-Ceverha gifts, also took the opportunity to ridicule the ethics panel. “This creates a loophole big enough to drive an armored car full of cash through,” he said. “It makes a mockery of our ethics laws.”

In their own defense, commission members contended that the problem was with the wording of the state’s campaign finance law. Gov. Rick Perry (R) and state lawmakers say they’ll look into remedying that problem next year. (LOS ANGELES TIMES)

FEDERALISM TEST FOR HIGH COURT: Oral arguments began last week in a case before the U.S. Supreme Court concerning the regulation of mortgage companies, *Watters v. Wachovia Bank*. The case originated in MICHIGAN, where a subsidiary of Wachovia Bank, Wachovia Mortgage Corp., had long done business, subject to the registration and other requirements of the state. But following the issuance of a new rule in 2001 by the Office of the Comptroller of the Currency (OCC), the federal agency that regulates national banks, declaring that subsidiaries of national banks were, from then on to be subject to federal regulations, officials of Wachovia Mortgage declared that they no longer had to comply with MICHIGAN’s requirements. The state’s Office of Insurance and Financial Services begged to differ and the two sides went to court. A federal judge and federal appeals panel have since ruled in favor of the company, and the state is now pleading its case to the nation’s highest court. Despite the ostensibly narrow scope of the case, it is being closely watched not just by mortgage bankers and state regulators. Part of MICHIGAN’s argument is that the OCC’s 2001 rule encroached on an area of state power guaranteed by the 10th Amendment. Consequently, the case offers a significant opportunity to see where the court, with its two new members, including Chief Justice John Roberts, stands on the federalism issue. (CHRISTIAN SCIENCE MONITOR)

Upcoming elections

(11/30/2006 - 12/21/2006)

12/09/2006 Louisiana Special Election

US 2nd Congressional District



POLITICS IN BRIEF: NORTH CAROLINA House Speaker Jim Black (D) narrowly won his bid for an 11th term representing House District 100. A recount last week gave Black a mere 30-vote margin over his Republican challenger, Hal Jordan, a political newcomer (NEWS & OBSERVER [RALEIGH], STATELINE.ORG).

— *Compiled by KOREY CLARK*

Governors

DANIELS WANTS WELFARE TO GO PRIVATE: INDIANA Gov. Mitch Daniels (R) said last week he is moving forward on a 10-year, \$1.16-billion contract to privatize the Hoosier State’s “broken, wasteful and often fraudulent,” welfare system. Daniels says handing off the system to a business group headed by IBM will save taxpayers \$341 million. “Indiana taxpayers have been ripped off for too long by a system that has failed all too often,” Daniels said. “The current system is indefensible.” Some critics, however, say the plan could ultimately hurt the 1.1 million people — one out of every six residents — who depend on it for survival. Similar plans in FLORIDA and TEXAS have been fraught with problems, so much so that TEXAS returned to its old system. Daniels countered that his administration is well aware of the negatives involved in those situations and has installed many safeguards to protect against similar troubles. “We learned from those lessons,” Daniels said, “and, I think, have brought forward a superior product.” The plan is expected to be implemented in stages, with the first pilot project coming near the middle of next year. (NORTHWEST INDIANA TIMES [MUNSTER] INDIANAPOLIS STAR)

“Indiana taxpayers have been ripped off for too long by a system that has failed all too often. The current system is indefensible.”

BLUNT — SHOW ME THE COVERAGE...OR ELSE: MISSOURI Gov. Matt Blunt (R) wants Show Me State employers to offer better healthcare, and he is apparently not above publicly shaming them if they choose not to do so. Last week, Blunt issued an executive order that gives employers all of 2007 to improve their healthcare offerings or, beginning



in January of 2008, state social workers will begin collecting information about those employers for publication in a state-sponsored report. The report, which will be featured on the state's Social Services Dept. Web site, will focus on employers who have more than 50 workers (or their dependents) who are receiving benefits from the state Medicaid program or the Children's Health Insurance Program. Typical information would include the number of employees on taxpayer-paid programs, the health insurance benefits the employer offers and the state's cost of providing Medicaid benefits for that employer's workers and dependents. (KANSAS CITY STAR)

Upcoming stories

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

- **Motorcycle helmet laws**
- **Statehouse ethical perils**
- **Animal rescues**
- **Protecting the oldies**

GOVERNORS IN BRIEF: ALASKA Gov.-elect Sarah Palin (R) said she will break from previous state policy and not require members of her cabinet to live in Juneau. The move drew immediate criticism from observers who contend the government will be weakened by not having its entire top management team working together in close proximity (JUNEAU EMPIRE). • **Newly re-elected MAINE** Gov. John Baldacci (D) said last week that he will not run for office again after his current term expires in 2010. Baldacci also noted that he will take to the cable access channels to explain his new budget proposals, which include cutting property taxes and some school spending. "It won't be as exciting and as thrilling as Emeril doing the Food channel, but it will be our version with the budget," Baldacci said of his impending TV appearances (KENNEBEC JOURNAL). • **MASSACHUSETTS** Gov. Mitt Romney (R) asked the state Supreme Judicial Court to place a ballot measure on same-sex marriage before voters if lawmakers don't agree to do so by January 2. Romney wants voters to be able to decide whether to codify into the Bay State constitution the definition of marriage as only being between one man and one woman. Lawmakers have so far not been inclined to place that question before voters. The SJC ruled in 2003 that same-sex marriages are legal in **MASSACHUSETTS** (WASHINGTON POST). • **Termed-out IOWA** Gov. Tom Vilsack (D) officially announced his candidacy for the 2008 Democratic presidential nomination. He is the first Democrat to formally enter the race, but at least three other outgoing governors are also expected to seek their party's nomination. Other possibilities include **NEW MEXICO** Gov. Bill Richardson (D), **MASSACHUSETTS** Gov. Mitt Romney (R) and **NEW YORK** Gov. George Pataki (R) (ASSOCIATED PRESS).

— *Compiled by RICH EHISEN*

Hot issues

B **BUSINESS:** A federal court upholds the ruling of an **ILLINOIS** judge who struck down a law that would have banned the sale of violent and sexually explicit video games to minors. The judge agreed with the lower court's ruling that said the statute was too broad and violated the First Amendment (**CHICAGO TRIBUNE**). • The **OHIO** Supreme Court upholds a 2004 state law barring local municipalities from passing laws that regulate predatory-lending practices. The justices agreed with state lawmakers' contention that they do not want a patchwork of regulation spread across the Buckeye State (**DAYTON DAILY NEWS**). • A **NEW JERSERY** Senate committee endorses SB 310, legislation that bars musical acts from using a famous band's name unless the group contains at least one original member of that band. Violators face fines up to \$20,000. The measure now headlines before the full Senate (**STAR-LEDGER [NEWARK]**). • The **ILLINOIS** House and Senate approve legislation that will raise the Prairie State minimum wage by \$1.75-per-hour by 2010. The measure calls for raising the state's current \$6.50 rate to \$7.50 as of July 1, with annual \$.25-per-hour hikes in each of the next three years. It moves to Gov. Rod Blagojevich (D), who says he will sign it (**CHICAGO TRIBUNE**).

CRIME & PUNISHMENT: The **NEW YORK** Supreme Court unanimously strikes down the Empire State's policy of confining sex offenders in psychiatric hospitals after their prison terms end. The high court also ordered immediate hearings to determine whether a dozen men currently being held under that policy should be released (**NEW YORK TIMES**). • The **CALIFORNIA** Supreme Court rules that the Golden State's medical marijuana statute shields from prosecution people who transport the drug — even a large amount — as long as they can prove that the amount was consistent with their medical needs and prescribed by a licensed doctor. The decision stemmed from the case of a man seeking to overturn his conviction for possessing more than a pound of pot. The court did not strike down his conviction, but they did agree people could use that line of defense (**LOS ANGELES TIMES**).

EDUCATION: The nation's largest teachers union and a trio of school districts in **MICHIGAN**, **VERMONT** and **TEXAS** ask a federal court to revive a lawsuit seeking to block implementation of the federal No Child Left Behind law. A federal judge dismissed the suit, which claimed that the law illegally imposes unfunded mandates, in November 2005. A three-judge panel will take the matter under advisement (**INDIANAPOLIS STAR**). • Education



officials in **WASHINGTON** announce plans to delay a requirement that high-school students pass the math section of the **WASHINGTON** Assessment of Student Learning (WASL) exam in order to graduate. If approved by lawmakers, the new plan would allow students from the classes of 2008, 2009 and 2010 the chance to earn their diploma by either re-taking and passing the math portion of the WASL or by passing additional rigorous math courses (**SEATTLE POST-INTELLIGENCER**).

ENVIRONMENT: The **NEW JERSEY** Supreme Court upholds the state's decision to cancel its annual black bear hunt. Hunting groups had asked the court to allow the hunt on the grounds that state environmental Commissioner Lisa Jackson did not have the authority to call it off. The court rejected the claim without comment (**RECORD OF BERGEN COUNTY**) • Fish and wildlife agencies from **OREGON**, **WASHINGTON** and **IDAHO** ask federal officials for permission to kill sea lions that have been voraciously dining upon salmon and steelhead at the Bonneville Dam on the Columbia River. The states say the sea lions are heavily damaging the fish populations at a time when runs of both species are dramatically down. A decision is expected to take months or even years (**SEATTLE POST-INTELLIGENCER**, **MSNBC.COM**). • **WYOMING** Gov. Dave Freudenthal (D) signs the Platte River Agreement, a three-state compact that helps guide farmers and ranchers in complying with the Endangered Species Act while retaining their access to federal water, land or funding. Governors in **COLORADO** and **NEBRASKA** signed the agreement earlier in the month (**GRAND ISLAND INDEPENDENT**).

HEALTH & SCIENCE: Wal-Mart, the world's largest retailer, expands a \$4 generic prescription drug program to pharmacies in 11 more states — **COLORADO**, **CALIFORNIA**, **CONNECTICUT**, **HAWAII**, **LOUISIANA**, **MINNESOTA**, **MONTANA**, **PENNSYLVANIA**,

In the hopper

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

Number of 2006 prefiles last week:
27

Number of 2007 prefiles last week:
510

Number of 2006 Intros last week:
153

Number of bills enacted/adopted last week: 93

Number of 2006 prefiles to date:
21,639

Number of 2007 prefiles to date:
3,336

Number of 2006 Intros to date:
101,693

Number of enacted/adopted overall in 2006: 32,212

— Compiled By JAMES ROSS
(Measures current as of 11/29/06)
Source: State Net



TENNESSEE, WISCONSIN and **WYOMING**. The additions complete the launch of the discount drug plan throughout its 3,800 pharmacies across all 50 states (PHILADELPHIA INQUIRER). • **VERMONT** health officials announce they will create a statewide regional health information organization that will maintain a comprehensive medication history for all patients across the state. However, the new agency will have records for only those Green Mountain State residents that consent to participate in the program (FEDERAL COMPUTER WEEK). •

A **MICHIGAN** House committee declines to act on legislation that would allow seriously ill people to use marijuana to help alleviate pain and other symptoms of their disease. The measure has most likely gone up in smoke for this session (LANSING STATE JOURNAL). • **NEW YORK** health officials release a plan to shrink the state’s financially ailing hospital system, recommending the closure of at least nine medical facilities and the merger or downsizing of many more. Overall, the plan would reduce statewide hospital capacity by 7 percent and nursing home capacity by 2.6 percent. Lawmakers and Gov. George Pataki (R) must approve or reject the plan in whole by the end of the year (NEW YORK TIMES).

SOCIAL POLICY: The **PENNSYLVANIA** House approves a bill that would define the decision-making pecking order for families of people who become incapacitated without having a living will. The measure would give priority to a patient’s spouse (unless a divorce is pending), followed by adult children, parents, siblings, adult grandchildren, or another adult familiar with the patient’s preferences and religious and moral values. The bill now goes to Gov. Ed Rendell (D), who has not indicated if he will sign it into law (PITTSBURGH POST-GAZETTE).

POTPOURRI: **PENNSYLVANIA** Gov. Ed Rendell (D) says he will sign legislation that allows Keystone State casinos to provide slot machine players with free cocktails (PITTSBURGH POST-GAZETTE). • **OHIO** Gov. Bob Taft (R) says he will veto legislation that would bar cities from passing their own firearms regulations. Taft said he does not want to undermine local governments (DAYTON DAILY NEWS).

— *Compiled by RICH EHISEN*

In case you missed it

The angry voter tide that swept Democrats into Congressional power on Election Day also surged over much of the country, giving Democrats control over 23 statehouses and 28 governors’ mansions.

For a one-stop rundown of the current 2007 partisan statehouse lineup, visit the State Net Web site at www.statenet.com/resources/ and mouse-click on the 2007 Partisan Chart icon. Note: Some statehouse races are still being counted, so we will be regularly updating the numbers as they change.

Once Around the Statehouse Lightly

BETTER LATE THAN NEVER: In ILLINOIS last month, some residents received touching little notes from Gov. Rod Blagojevich and his wife — just before the November election. Not campaign mailers, but highly personalized and specific cards. For instance, the Associated Press reports that one couple was congratulated on the birth of a new daughter, a nice gesture on the part of the gov and his missus. It only became grist for the cynic’s mill because the daughter had just celebrated her first birthday. The timing caused the governor’s critics to accuse him of using taxpayer money for his election campaign. Blagojevich’s office says this and other messages were late due to a backlog.

BETTER NEVER THAN LATE: Sometimes, your car can implode at the worst possible moment. And so it was last week for a VERMONT man who was allowed out on bail only if he reported once a day to the sheriff in Rutland. The problem, reports the *Rutland Herald*, occurred when the man’s car broke down in Woodstock. Previously arrested for theft, Josh Reed took what, for him, was a natural recourse in order to keep his sign-in date with the sheriff: He stole a car in Woodstock. Caught again, Reed now faces additional felony charges. His new bail was set at \$10,000.

THE MARX OF COLLEGE ATHLETICS: The late Groucho Marx once remarked that he and his brothers were paid more for not rehearsing than for rehearsing. Now, reports *USA Today*, that same standard applies to some college football coaches. ALABAMA taxpayers, for instance, will pay ousted ‘Bama football coach Mike Shula \$4 million for not coaching; that’s the price of his buyout. MICHIGAN and ARIZONA are on the hook for \$3.05 million and \$2.85 million, respectively, after canning coaches at MICHIGAN State and ARIZONA State. That money pales compared to the \$32 million-plus the *Sporting News* says the NBA New York Knicks owe to ex-coach Larry Brown and castoff player Jalen Rose, but at least those whoppers are not on the public dime.

GET IN LINE, AGAIN: Just because you hold the title of “transportation commissioner” and head up the state’s Department of Motor Vehicles doesn’t mean you get any special privileges. Dave Ekern discovered that fact last week when he applied for a VIRGINIA driver’s license. Ekern,



reports the *Hampton Roads News*, recently moved from IDAHO to take up his new job. But his first visit to a VIRGINIA DMV office — to get a license — went awry because the commissioner did not bring any document that proved he now lived in VIRGINIA. After securing the necessary paperwork, he returned to the DMV — but had to stand in line again.

THEFT OF THE WEEK: Someone tried to steal the NEW HAMPSHIRE state house. No, not the one that currently houses the state Legislature. The old one, which state officials now keep in the back of a trailer parked at the Division of Historical Resources. According to the *Concord Monitor*, the old statehouse, which dates to the mid-1700s, was dismantled in the 1980s and its pieces stored in the trailer. Last week, persons unknown hooked a tractor to the trailer and attempted to haul it off. They almost managed to get off the DHR lawn before flat tires on the trailer derailed the plan.

— by A.G. BLOCK



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