

# Is Compromise the New Normal?



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The next issue of Capitol Journal will be available on January 10th.

## Top Story

*With state budgets still reeling from the impact of the Great Recession, lawmakers in 2011 will likely be forced to work together in ways that in recent years appeared to be extinct.*

## SNCJ Spotlight

### Bipartisanship key to states' fiscal rebound

**H**oliday cheer is in short supply this year in the nation's state capitols. Although revenues are gradually returning to pre-recession levels, there are dismal expectations of new budget gaps in the 2012 fiscal year as federal stimulus funds disappear and program costs soar. Worse yet, the short-term struggles of states to balance budgets while maintaining adequate services conceals deeper structural problems. Recently,

## A Cannon Perspective



With Lou Cannon

in an alarmist page-one story, the *New York Times* worried that states will be overwhelmed by mountains of accumulated debt and quoted financier Felix Rohatyn as saying that “crying wolf is probably a good thing to do at this point.”

Against this backdrop I anticipated a somber attitude when several hundred state lawmakers convened in Phoenix early this month at the Fall Forum of the National Conference of State Legislatures. Instead, I discovered cautious optimism and a quiet commitment among legislators of both parties to keep core programs funded until the economy recovers. That is not to say that anyone thinks this will be easy. At a meeting with state fiscal officials held in conjunction with the Phoenix conference,

**“The time is going to have to come when the public realizes there’s no free lunch and if you want services you’ve got to pay for [them].”**

legislators from both parties agreed that voters want a continuation of social services as state revenues decline but are unwilling to pay for them with higher taxes. State Sen. John Vratil (R) of Kansas expressed the prevailing sentiment when he said: “The time is going to have to come when the public realizes there’s no free lunch and if you want services you’ve got to pay for [them].”

Call this the New Realism — and it was much on display in Olympia, Washington, the day after the Fall Forum ended. In the space of six hours Washington state legislators acted swiftly across party lines to close about \$600 million of a \$1.1 billion 2009-2010 budget gap by making roughly equivalent cuts in higher education, K-12 schools, prisons and social services. Several liberal Democrats thought the budget scalpel cut too deeply and some conservative Republicans wanted more radical surgery, but the key budget bill passed by overwhelming votes of 86-6 in the House and 30-9 in the Senate. Although Washington legislators will have to trim another \$500 million from the budget when they reconvene next month, Gov. Chris Gregoire (D) was right to praise them for “the bipartisan way in which they stood up to the most challenging time in 80 years.” Gregoire then demonstrated her own realism by proposing reductions in pension benefits for public employees that would amount to \$11 billion over the next 25 years.

It won’t get any easier for Gregoire or Evergreen State lawmakers in hashing out the next two-year budget, estimated to be approximately \$4.6 billion in the red. On Wednesday she proposed a budget that would impose \$4 billion in cuts, including over \$2 billion from public education. A visibly shaken Gregoire choked back tears in announcing her plan, saying in a press conference, “I hate my budget...I hate it because in some places I don’t even think it’s moral.” She also urged lawmakers to keep working together to solve the latest crisis. “They will learn what I’ve learned and they will find...there aren’t any options,” she said. “What options there are, are ugly.”

Various panel discussions at the Phoenix conference also provided glimpses of realism and innovation on issues where the federal government has long been gridlocked. Arizona has been in the news this year for its controversial



law empowering local police departments to inquire into the immigration status of suspects, but several of the immigration proposals in other states are more benign. The Utah Legislature, for instance, is considering a wide-ranging state guest worker program that growers and other employers say is needed because of the repeated inability of the federal government to address this issue. On immigration issues, by the way, Utah does not fit its conservative stereotype. Unlike most states, it permits illegal residents to drive under a successful and carefully monitored program that requires them to renew their licenses annually and purchase insurance.

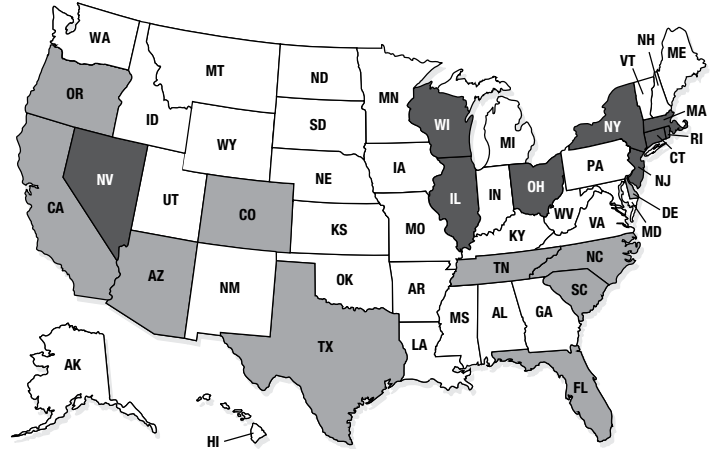
On fiscal issues, legislators are discussing a variety of “pay-go” rules that would require new spending proposals to be matched

by compensating budget reductions or new revenues. This idea could find its way into a pending constitutional amendment likely to go before California voters in 2012.

Meanwhile in Pennsylvania, incoming governor Tom Corbett and incoming majority leader, Mike Turzai, both Republicans, are trying to raise \$2 billion and halve the budget deficit by selling the state’s 850 retail and wholesale liquor stores. Two previous Republican governors who tried to do this were blocked by a coalition of religious groups, conservatives and labor unions. This unusual coalition hasn’t gone away, but Pennsylvania’s fiscal plight may make the time right for this overdue idea.

“Privatization” in various forms can be expected to make headway at state levels in 2011. This idea excites Republicans more than Democrats, and the November elections produced more Republicans at every level of government. GOP gains were especially impressive in the statehouses, which will have more Republican legislators than at any time since 1928. Republicans won 20 new legislative chambers and a net of five additional governorships. New GOP governors in Ohio, Wisconsin and Iowa and a re-elected one in Arizona are proposing to outsource economic development programs. Scott Pattison, executive director of the National Association of State Budget Officers,

## Bird’s eye view



Source: TopRetirements.com, Wall Street Journal MarketWatch

■ Worst states to retire, according to TopRetirements.com    ■ Best states to retire

### Best and worst states for retirees

Illinois is the worst state in which to spend your golden years, according to the website TopRetirements.com. Illinois topped the site’s list of 10 worst states for retirement, which heavily weighted three criteria: fiscal health, taxation, and climate. High tax states figured prominently on the list, as well as those with colder climates. Unsurprisingly, Florida, with the warmest winters in the country and no income tax, was No. 1 on TopRetirements.com’s list of best places to retire. California, meanwhile, was No. 5 on that list but also claimed the No. 2 spot on the retirement-unfriendly states list, because of its fiscal disarray and high cost of living.





believes that partnerships between states and private companies are a wave of the future and not only in states where Republicans dominate. This trend is less a reflection of ideology than of the credit crunch and lack of infrastructure capital. “If there’s no money available up front and you need to build a bridge, this may be the best way to do it,” Pattison said.

The biggest partnerships of states under the U.S. system of federalism are with the federal government. This is a mixed blessing. Economists generally agree that many states survived the Great Recession more or less intact because of financial assistance from the American Recovery and Reinvestment Act of 2009, the most successful component of the Obama administration’s stimulus package. But what the federal government gives with one hand it often takes away with the other. For years, Washington has imposed program mandates on states without providing the means to pay for them. NCSL data shows that up to 10 percent of states’ general fund revenues are used to pay for these unfunded federal mandates. Even mandates that are ostensibly fully funded have proven a burden during the Great Recession and the slow recovery that has emerged from it. States have been hardest hit by continuing increases in the caseload of Medicaid, the federal-state program that provides health care for the poor. NCSL’s November budget update found that 18 states reported fiscal shortfalls in Medicaid or other health programs.

Some states are harder hit than others. The NCSL budget update describes the fiscal situation of Illinois as “dire” and the same word could be used to describe the ongoing budget crisis in California, which faces a two-year deficit of \$25 billion after years of kicking its fiscal problems down the road with an array of gimmicks. Even in states that have been provident, the withdrawal of the federal stimulus is looming. According to the NCSL report, 35 states and Puerto Rico face budget gaps in fiscal 2012. These financial shortfalls are going to mean more belt tightening by the states and put more pressure on education and social services of all kinds. This will require more awareness by voters about the cost of these services. It will require reductions in public pensions, at least for new employees. And it will also require much more of the kind of realism demonstrated in Washington state by the Legislature and Gov. Gregoire and that has been hinted at in California by the once and future Democratic governor, Jerry Brown.

## 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:** 1,501

**Number of Intros last week:** 262

**Number of Enacted/Adopted last week:** 228

**Number of 2010 Prefiles to date:** 20,240

**Number of 2011 Prefiles to date:** 7,985

**Number of 2010 Intros to date:** 93,922

**Number of 2011 Intros to date:** 190

**Number of 2010 Session Enacted/Adopted overall to date:** 31,232

**Number of 2011 Session Enacted/Adopted overall to date:** 16

**Number of bills currently in State Net Database:** 94,710

— Compiled By JAMES ROSS  
(measures current as of 12/16/2010)  
Source: State Net database



Republican and Democratic legislators have many philosophical differences and face congressional redistricting in 2011 that will invariably have a partisan tinge. Nonetheless, the opinions expressed at the Phoenix conference and the impressive performance of many states in balancing budgets during a time of declining revenues suggest that state legislators may be more successful than their congressional counterparts in finding common ground. The problems are real and they are not going away, but the sky is not falling. For all the nay saying, there's a lot to like in the states.

— *By Lou Cannon*

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# Budget & taxes

**N**O HOLIDAY GIFT FOR STATES IN FEDERAL BUDGET: There's little for states to cheer about in the budget bill passed by the U.S. House this month. The measure basically freezes discretionary federal spending for the rest of the 2011 fiscal year at 2010 levels. The bill does increase funding for some key programs, but not significantly.

"The main benefit for states is it removes any ambiguity and states can say, 'Whatever we got last year is what we'll get this year'," said Marcia Howard, executive director of the Federal Funds Information for States, which monitors the fiscal impact of federal policy on state budgets. Ever the optimist, she added: "In this environment, the feeling is that getting out with no big cuts is pretty good."

States might have done better than just avoid cuts, however, under a competing spending bill crafted by the Senate Appropriations Committee. Unlike the lower chamber's flat funding bill, the Senate measure was a more detailed spending plan that would have increased funding for programs states rely heavily on, such as education and transportation. For instance, the bill would have increased funding for Head Start, the early childhood education program, by \$800 million over 2010 levels, while the House bill would raise funding for the program by only \$300 million.

But the fate of the \$1.1 trillion spending bill was sealed by the \$8 billion in earmarks from lawmakers of both parties it contained. Sen. Jim DeMint (R-South Carolina), an opponent of earmarks, had threatened to force the entire bill — all 1,924 pages of it — to be read on the Senate floor, a process Senate staff said could have taken 50 hours. With criticism of the primary architects of the earmarks — including Senate Minority Leader Mitch McConnell (R-Kentucky) — intensifying, Senate Democrats abruptly abandoned the bill last Thursday evening.

But if that bill represented the best case scenario for states, the worst case appears to be the most likely one now: that the two chambers fail to agree on anything but





health insurance program for the poor (STATELINE.ORG). • The **VERMONT** Legislature has called on some of the world’s leading health care finance experts, including William Hsiao, the Harvard economist credited with designing Taiwan’s single-payer system, and Jonathan Gruber, the M.I.T. economist who helped design **MASSACHUSETTS’** near-universal health care system and the federal health care reform law, to redesign the state’s health care system. Their report is due early next year (STATELINE.ORG). • **NEW YORK** Gov.-elect Andrew Cuomo (D) and his staff have been chatting up the idea of capping local property taxes, signaling that the issue will be one of the governor’s top priorities upon taking office. Three previous governors have tried to limit the taxes, which are among the highest in the nation (NEW YORK TIMES).

– Compiled by **KOREY CLARK**

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# Politics & leadership

## **FEDERAL COURT STRIKES DOWN PART OF HEALTH REFORM**

**LAW:** Last week, a federal district court in Richmond, Virginia became the first in the nation to declare part of the federal health care law unconstitutional. Judge Henry E. Hudson, an appointee of President George W. Bush, ruled the law’s requirement that most Americans obtain health insurance — central to the law’s aim of providing health insurance to 30 million of the nation’s uninsured by pooling the healthy with the chronically ill — exceeded the regulatory authority granted to Congress under the U.S. Constitution’s Commerce Clause.

In his 42-page opinion, Hudson wrote that his survey of case law “yielded no reported decisions from any federal appellate courts extending the Commerce Clause or General Welfare Clause to encompass regulation of a person’s decision not to purchase a product, notwithstanding its effect on interstate commerce or role in a global regulatory scheme.”

Plaintiffs had argued that if Congress had the authority under the Commerce Clause to compel citizens to buy health insurance, it could just as easily force them to buy American cars or, as Hudson remarked during one hearing, “to eat asparagus.” The judge was unswayed by the Justice Department’s counter argument that individuals cannot opt out of the medical market and that not buying insurance is effectively an active decision to pay for medical treatment out of pocket.

The Justice Department may appeal the ruling to the Fourth Circuit, which has jurisdiction over Virginia and four other states. And White House officials emphasized that Hudson’s decision was just one of several. Two other district courts — in Detroit, Michigan and Lynchburg, Virginia — have upheld the health



care law. The administration officials also said they were confident the law would ultimately be upheld.

Last week’s ruling continues a partisan pattern in the two dozen cases nationwide revolving around the health care law: judges appointed by Democratic presidents have consistently ruled in favor of the Obama administration, while Republican appointees have ruled for the conservative plaintiffs.

The appeals process could drag on another two years before it reaches the U.S. Supreme Court, presumably before the insurance mandate takes effect in 2014. And although Hudson’s ruling should have no immediate effect on the rollout of the law because he declined to suspend it pending appeal, the decision is likely to fuel efforts to slow its implementation.

“I think you might see some air taken out of the balloon nationwide,” said Jason A. Helgeson, Medicaid Director in Wisconsin, where the government is about to switch from Democratic to Republican control.

The legal battle over health reform now shifts to Florida, where U.S. District Judge Roger Vinson heard arguments last Thursday in a case brought by 20 states. In October, Vinson upheld two of six counts in the Florida-based challenge to the law, suggesting the judge is receptive to arguments questioning the law’s constitutional validity.

“At this stage of the litigation, this is not even a close call,” Vinson wrote in his opinion. “The power that the individual mandate seeks to harness is simply without prior precedent.” (NEW YORK TIMES, CHRISTIAN SCIENCE MONITOR)

**AL PASSES HISTORIC ETHICS REFORMS:** Alabama Gov. Bob Riley (R) called lawmakers into special session this month to overhaul the state’s ethics laws. And the Republican-controlled Legislature delivered, passing historic reforms banning “pass-through pork,” unallocated money placed into state agency budgets that lawmakers later direct agency personnel how to spend; halting the transfer of money between PACs; barring politically active organizations like the Alabama Education Association from collecting dues via state payroll deduction; and granting the Alabama Ethics Commission subpoena power.

Late last week, lawmakers were still working on bills aimed at stopping lobbyist spending on public officials and banning legislators from holding other state jobs, a practice known as “double dipping.”

The Legislature’s Democratic minority put up the biggest fight in trying to stop the ban on dues collecting, contending the bill was targeted specifically at the politically powerful AEA, which actively engages in races for the Legislature and other state offices, including governor. (MONTGOMERY ADVERTISER)

## Upcoming stories

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

- **Workforce bullying**
- **Synthetic pot**
- **Film incentives**



**POLITICS IN BRIEF:** As part of the two-year budget she proposed last week, **WASHINGTON** Gov. Chris Gregoire (D) called for doing away with the state’s 2012 presidential primary. The move would save the state \$10 million, according to the governor’s office (SEATTLE TIMES). • **TEXAS** Rep. Allan Ritter switched parties last week, giving the GOP a filibuster-proof supermajority in the 150-seat House (STATELINE). • **PENNSYLVANIA’s** Gaming Control Board violated the state’s Sunshine Law 19 times by approving over \$7 million worth of professional service contracts without public votes from 2006-09, according to a state audit released last week (PITTSBURGH TRIBUNE-REVIEW). • Eleven **NEW YORK** lawmakers submitted retirement paperwork this month that will allow them to collect pensions in addition to salaries next year when they return for the new two-year term. The legislators defended their action, saying they are entitled to a pension for reaching age 65, and they are actually saving taxpayers money by not accruing more time in the retirement system. The move is perfectly legal, and four Assembly members did the same thing two years ago (DEMOCRAT AND CHRONICLE [ROCHESTER]). • **MINNESOTA’s** state GOP banished 18 prominent party members — including a pair of former governors and a retired U.S. senator — as punishment for supporting Republican-turned-Independent Tom Horner in last month’s governor’s race, which may have cost Republican nominee Tom Emmer the election. Emmer conceded the close election to Democrat Mark Dayton two weeks ago (POLITICO). • **NEW JERSEY** state Supreme Court Justice Roberto A. Rivera-Soto is refusing to participate in any rulings in protest to another jurist’s temporary appointment to the court. The justice’s action stems from Gov. Chris Christie’s (R) refusal in May not to reappoint liberal Justice John E. Wallace, the first time a justice was not reappointed in the 63 years since the court was created (NEW YORK TIMES).

### At Issue in the States

Want to learn more about State Net, our legislative experts or the Capitol Journal staff? Visit our blog, <http://statenet.typepad.com/at-issue-in-the-states/>. It's a great way to find out in a flash what's going on in statehouses across the country...like yours!

— *Compiled by KOREY CLARK*

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# Governors

**KASICH WANTS TO END OH COLLECTIVE BARGAINING:** Ohio Gov.-elect John Kasich (R) said last week he plans to make changing the Buckeye State’s collective bargaining law a top priority next year. He was particularly critical of public employee unions that threaten to strike during contract negotiations.



“If they want to strike, they should be fired,” Kasich said. “I really don’t favor the right to strike by any public employee. They’ve got good jobs, they’ve got high pay, they get good benefits, a great retirement. What are they striking for?”

The incoming governor has notably singled out the state’s binding arbitration rules that are often used to settle police and fire department salary and benefits disputes. He says the law is bankrupting local municipalities and driving up the state’s portion of funding to those entities. The statute requires local governments who run into contract

disputes with their safety personnel — who by law cannot go on strike — to automatically enter into binding arbitration. They must then abide by whatever decision that mediator hands down.

Labor groups have indicated they will fight Kasich’s efforts to change the law.

“Arbitration is a fair way of doing things — you have a neutral person come in and listen to both sides and make a decision,” said Terry Gallagher,

executive director of the Ohio Patrolmen’s Benevolent Association, which represents about 7,500 policemen. “Kasich doesn’t want us to strike and he doesn’t want us to collectively bargain, so what is law enforcement left with? Collective begging is what it would amount to.”

Kasich said he will work with the Republican-controlled Legislature to amend the law, but will turn to the voters if lawmakers do not go along with his wishes.

(CLEVELAND PLAIN DEALER)

**“They’ve got good jobs, they’ve got high pay, they get good benefits, a great retirement. What are they striking for?”**

**RENDELL SETS PARDON RECORD:** The Pennsylvania state Board of Pardons said last week that Gov. Ed Rendell (D) has issued the most pardons of any modern Keystone State governor. The Board said Rendell has issued 1,059 pardons over his two terms, with approximately 63 requests left to be handled before he leaves office in January. That is significantly more than previous record holder, Gov. Milton Shapp (D), who signed 475 pardons during his tenure from 1970-1979. In contrast, Gov. Dick Thornburgh, a Republican who followed Shapp and who served until 1987, issued only 61 pardons.

Rendell spokesperson Gary Tuma said there is a reasonable explanation for the higher number of pardons under his boss: there have been 10 times as many requests as there were under Shapp. Records show the most common charges for which Rendell has issued pardons are shoplifting, other forms of theft and drug offenses, though many include people convicted of possessing a weapon on school property, fraudulent use of credit cards, riotous destruction of property, prostitution, drunken driving and drag racing. All requests that make it to the governor must first be approved by the five-member Board of Pardons. (ASSOCIATED PRESS, PENNLIVE.COM)



**PATERSON VETOES ARCHIVES BILL:** New York Gov. David Paterson (D) vetoed SB 6846, a bill that would have required him and future Empire State governors to send their official documents to the State Archives. Paterson spokesperson Jessica Basset said he vetoed the bill because it “did not provide adequate protection for valued, centuries-old governmental privileges that are indispensable to ensure unfettered, candid advice.” But Paterson didn’t completely reject the idea of preserving gubernatorial papers: along with his veto message, he issued Executive Order No. 42, which calls on future governors to establish a records retention policy. (TIMES UNION [ALBANY])

**GOVERNORS IN BRIEF: INDIANA** Gov. Mitch Daniels (R) said he would sign legislation implementing a statewide smoking ban in most public buildings if lawmakers send him one in 2011. Daniels said he would urge lawmakers to consider such a bill in the new session (NORTHWEST INDIANA TIMES [MUNSTER]). •

**GEORGIA** Gov.-elect Nathan Deal (R) said he would propose borrowing to pay for new reservoirs in the Peach State to help end a 30-year struggle with **FLORIDA** and **ALABAMA** over accessing water from Lake Lanier. A federal judge has said he will severely limit **GEORGIA**’s withdrawals from the lake by 2012 unless leaders of the three states reach an agreement to share the water more effectively (BIRMINGHAM NEWS). • **NEW MEXICO** Gov. Bill Richardson (D) said he will not pursue his recent proposal to use federal stimulus funds to create a wild horse preserve near Santa Fe. He called the idea “unfeasible” and said he would instead use the \$3.1 million in federal dollars to help prevent additional state employee furloughs and layoffs amid a projected state budget shortfall of \$400 million (SANTA FE NEW MEXICAN). • Preparing for the incoming administration of Gov.-elect Andrew Cuomo (D), **NEW YORK** Gov. David Paterson (D) asked approximately 2,500 “at-will” political appointees to submit undated letters of resignation. Those required to submit their departure letters include agency heads, acting agency heads, deputy and assistant agency heads, counsels and deputy counsels, public information officers and others in senior exempt positions (TIMES UNION [ALBANY]).

— *Compiled by RICH EHISEN*




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## Hot issues

**B** **USINESS:** The **MASSACHUSETTS** Public Health Council unanimously approves a ban on the sale and manufacture of baby bottles and sipping cups containing the chemical bisphenol A, or BPA. Officials rejected calls for a broader ban on anything infants might chew on. The ban goes into effect next January

for manufacturers and in July for retailers (BOSTON GLOBE). • **NEW YORK** Gov. David Paterson (D) signs SB 8380, a bill that quadruples penalties against employers who steal wages from their workers by paying below the minimum wage, failing to pay overtime or unfairly garnishing wages. The measure allows an Empire State court or the Labor Department to force employers to pay back wages plus another 100 percent in damages, up from 25 percent currently. The law goes into effect in April (STATE NET, NEW YORK TIMES).

**CRIME & PUNISHMENT:** The **ILLINOIS** Fourth District Appellate Court rules that the public has no right to see search warrant files kept by circuit court clerks, even after warrants have been served. The court ruled that making the warrants public would hinder authorities in their ability to conduct criminal investigations (JOURNAL-REGISTER [SPRINGFIELD]). • **NEW JERSEY** Gov. Chris Christie (R) signs AB 207, a bill that allows police officers laid off for “reasons of economy” during their first year on the job to avoid re-taking the civil service exam or repeating the police academy. The law also gives laid-off officers five years of priority status, which allows cities to re-hire them ahead of people on future civil service lists (STATE NET, STAR-LEDGER [NEWARK]).

**EDUCATION:** The **KANSAS** Board of Education rejects a proposal to adopt a specific anti-bullying program or curriculum for statewide use. Sunflower State school districts are currently required to have anti-bullying programs in place, but are allowed to choose from a variety of options (LAWRENCE JOURNAL-WORLD).

**ENVIRONMENT:** The **NEW JERSEY** Legislature gives final endorsement to AB 2290, a measure that will require 20 percent of the nitrogen in lawn fertilizer to be the slow-release variety to help prevent it from seeping into Garden State waterways. The measure would also bar licensed professionals from applying fertilizers within 10 feet of a waterway, while a 25-foot buffer would be established for homeowners doing their own applications. The bill would also restrict when fertilizers could be applied. The measure moves to Gov. Chris Christie (R), who

## The week in session

**States in Regular Session:** DC, NJ, US

**States in Recess:** CA(2011), IL, IN(2011), ME(2011), MI, NY, OH

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

**States in Informal Session:** MA

**States Currently Prefiling or Drafting for 2011:** AR, AZ, CT, FL, GA, IA, KY, MT, ND, NH, NV, NY, OK, SC, TN, TX, VA, WA, WY

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

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

**State Special Sessions Adjourned in 2010:** AL “a”, AZ “a”, AZ “b”, AZ “c”, AZ “d”, CA “e”, CA “f”, CA “h”, CT “a”, CT “b”, DE “a”, FL “a”, FL “b”, HI “d”, HI “e”, KY “a”, MN “a”, MN “b”, MO “a”, MS “a”, MS “b”, NH “a”, NJ “a”, NM “a”, NV “b”, NY “w”, OR “a”, PA “a”, TN “a”, UT “a”, WA “a”, WA “b”, WI “b”, WI “c”, WV “a”, WV “b”

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS  
(session information current as of 12/17/2010)  
Source: State Net database



has said he will sign it into law (STAR-LEDGER [NEWARK]). • Still in **NEW JERSEY**, the Assembly approves AB 2501, which would require construction crews to return soil to its original condition after work is done so that it can absorb water. That measure moves to the Senate (BLOOMBERG BUSINESSWEEK [NEW YORK]). • **NEW YORK** Gov. David Paterson (D) vetoes SB 8129, a bill that would have placed a moratorium on issuing new permits for gas drilling that relies on hydraulic fracturing, or fracking, a process that uses the high-pressure injection of water, sand and a variety of chemicals to crack and prop open shale seams in order to extract gas deposits. Paterson issued his veto in conjunction with Executive Order 41, which imposes the fracking moratorium — and extends it for just more than one month longer than the bill would have — but which also distinguishes between vertical wells and newer “horizontal drilling” techniques, in which gas drillers plumb the underground shale seams laterally. The governor’s order restricts permits for “high-volume, horizontal hydraulic fracturing” (NEW YORK TIMES). • President Barack Obama signs U.S. SB 1421, legislation that bars the import of bighead carp into the United States. The bighead is one of two Asian carp species that are threatening to infest the Great Lakes. The other, silver carp, are already banned (ASSOCIATED PRESS). • **MICHIGAN** Gov. Jennifer Granholm (D) signs an eight-bill package of legislation intended to streamline the regulatory process for environmental cleanups. The bill package is also expected to encourage more liable parties to bring contaminated properties, known as brownfields, into environmental compliance. The bills are SB 1345, SB 1346, SB 1348, SB 1443, HB 6359, HB 6360, HB 6363 and HB 6416 (MICHIGAN GOVERNOR’S OFFICE).

## In case you missed it

Lawmakers will spend much of their energy in 2011 dealing with ongoing budget shortfalls. But money woes are far from the only issues that will dominate statehouses next year.

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

[http://www.statenet.com/capitol\\_journal/12-13-2010/html](http://www.statenet.com/capitol_journal/12-13-2010/html)

**HEALTH & SCIENCE:** A federal judge in **VIRGINIA** rules that the federal health care reform law’s requirement that most Americans obtain insurance is unconstitutional because it exceeds the regulatory authority granted to Congress under the Commerce Clause. The judge declined, however, to suspend the act’s implementation pending appeal. It is the third ruling on the law. Two other federal courts have upheld the law’s constitutionality. Most observers expect the law’s fate to eventually be determined by the U.S. Supreme Court (NEW YORK TIMES).

**SOCIAL POLICY:** An **ALASKA** court rejects a challenge to a new Last Frontier State law that requires parents to be notified before girls under 18 may obtain an abortion. Although the court allowed the law to go into immediate effect, it did make some changes, including removing provisions calling for a fine of up to \$1,000 and imprisonment of up to five years for people who violate the law and a section allowing physicians to be liable for damages. Plaintiffs said they will appeal the ruling (ANCHORAGE DAILY NEWS).



**POTPOURRI:** The **NEW JERSEY** Senate endorses AB 2592, legislation that would allow someone with a Garden State driver’s license or identification card to electronically submit the name and telephone number of an emergency contact. Police could use that information to notify that person in case the license or ID holder is hurt or killed in an accident. The measure now returns to the Assembly (STAR-LEDGER [NEWARK]).

– *Compiled by RICH EHISEN*

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# Once around the statehouse lightly

**A N UNDERLYING PROBLEM:** Cotton may be, as one commercial used to say, the fabric of our lives, but a global spike in cotton prices recently just about forced Illinois prisoners into going commando. As *The Southern* reports, Prairie State officials were recently left scrambling after the company that supplies the cotton fabric used to sew skivvies for state prison inmates balked on a delivery because the rising costs had made it impossible for them to make a profit. Faced with the unseemly possibility that prisoners were literally about to lose their shorts, another supplier was quickly found...at a cost \$50,000 higher than the original contract. Talk about getting pantsed!

**JOBS ON A ROLL:** Speaking of prisoners, Iowa corrections folks may turn to toilet paper to both save the state some money and put a handful of inmates to work. As the *Des Moines Register* reports, the Iowa prison system has started using toilet paper made by prisoners in neighboring Missouri. While officials say Mr. Whipple would never mistake the single ply rolls with his beloved squeezable Charmin, it is perfectly acceptable for its intended use. So acceptable, in fact, Iowa prison officials say they will ask lawmakers in January to endorse a plan for Hawkeye State inmates to start making their own tissue next year. The plan is expected to save the state \$100,000 a year and employ up to 50 inmates.

**CREATING JOBS THROUGH JOB CREATION:** A horde of new lawmakers will be coming into office soon, with many focused on legislation intended to create jobs. Anyone looking for a model on how it’s done need look no further than San Francisco, where the *Chronicle* reports local leaders recently adopted an ordinance requiring building contractors with city contracts to ensure that at least half their workers live within city limits. Leaders crowed about the 355 construction jobs



they say the measure will create, and that half of those folks will be from among the “disadvantaged.” But they were less chatty about how the new law will also necessitate the hiring of several city workers to administer the program, including two people just to ensure employers are complying with the statute and two more to produce official city ID cards for workers. Total estimated costs: about \$2.2 million annually, or around \$6,200 per job. Nice.

**A HOOK AND A JAB:** Flipping a bird to the feds is all the rage these days among GOP governors. Two flying digits recently came from incoming govns in Wisconsin and Ohio, who vowed to reject a combined \$1.2 billion in federal funds for high speed rail projects in their states. The clearly annoyed feds didn’t even wait for the two men to take office before yanking the money and sending it to other states, mostly California. That fact wasn’t lost on the folks at the *Los Angeles Times*, who capped a recent editorial with a snarky jab at Wisconsin Gov.-elect Scott Walker: “Thanks a billion, cheeseheads.” A few days later the *Milwaukee Journal-Sentinel* folks responded with a few shots of their own at Walker’s actions, but not without first giving California a little grief as well by inferring its famously happy cows owe their mirth to the Golden State’s medical marijuana laws. Oh snap!

— By RICH EHISEN

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