

Capitol Journal

News & Views from the 50 States

October 24, 2011

The New South



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The next issue of Capitol Journal will be available on November 7th.

Top Story

Coming off their best showing in legislative elections since the 1920s, Republicans have high hopes of completing an historic political turnaround in the once Democratic "Solid South."

SNCJ Spotlight

Republicans aim for a southern state-house sweep

Far below the radar screen of the mind-numbing competition for the Republican presidential nomination, state legislative elections in Virginia and Mississippi on November 8th will demonstrate if the mighty GOP surge of 2010 has staying power. Coming off their best showing in legislative elections since the 1920s, Republicans have

A Cannon Perspective



With Lou Cannon

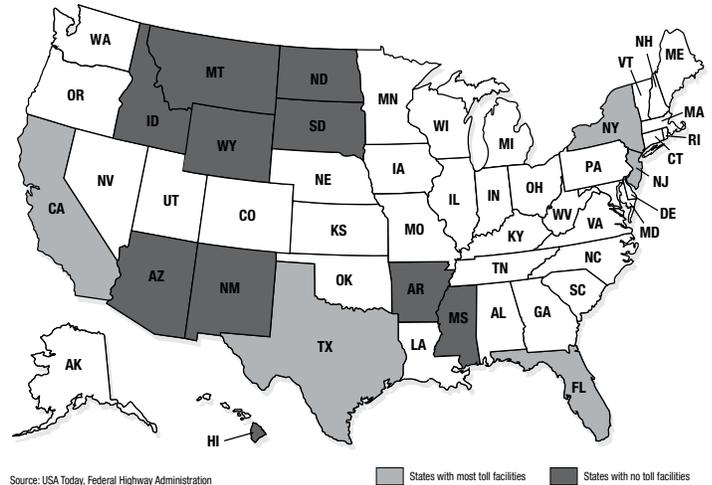
high hopes of winning majorities in the Virginia Senate and the Mississippi House. Republicans already hold the governorship and one legislative chamber in these states; a win in either of them would all but complete an historic political turnaround in the once Democratic “Solid South.”

Twenty years ago Republicans did not hold a single Southern legislative chamber. With the wind at their backs, after the 2010 elections Republicans now control three-fourths of the legislative chambers in the region — 21 out of 28 — and dominate Southern politics. In the 11 states of the old Confederacy that most Americans consider “the deep South,” the transformation is especially striking. Beyond the Virginia Senate and Mississippi House, Southern Democrats command a legislative majority

only in Arkansas, where they control both chambers. Democrats are slightly more competitive in the broader Southern region as defined by The Council of State Governments, which adds the border states of Kentucky, Oklahoma and West Virginia to the Confederate eleven. Democrats control the Legislature in West Virginia, where earlier this month they clung to the governorship in a special election with a candidate who distanced himself from President Obama. Democrats have a House majority in Kentucky and are favored to win the gubernatorial election in November. Oklahoma, not a state at the time of the Civil War, is thoroughly Republican.

Republican political domination in the South is the product of many factors, including Yankee immigration, the suburbanizing of Southern cities and the inexorable liberal drift of the national Democratic Party. But, as always in this region, race has been the principal driving force of political change. In the wake of the civil rights revolution and the Voting Rights Act of 1965 that empowered disenfranchised African Americans, the Democratic Party in the South over time became largely dependent on black votes, while an overwhelming number of whites, particularly in traditionally Democratic rural areas, shifted their allegiance to the GOP. Lost in the

Bird's eye view



Ten states boosting minimum wage

Despite the protracted political battles that typically accompany any measure that would increase government spending in the current economy, the minimum wage is going up in 10 states in 2012. But that's only because the rates in those states go up automatically with the rate of inflation. Of the rate increases that have been announced, the largest is in Washington, which already has the highest hourly minimum, at \$8.67, but which will rise 37 cents to \$9.04 next year. There was actually an effort to block that increase, as well as one in Florida, but the courts ruled the rates had to go up in both states.





shuffle were moderate white Democrats, only a handful of whom remain in partisan office in the South. To some degree this transformation has been matched by a decline of moderate Republicans in the Northeast, but these developments are not quite symmetrical. Republicans, conservative and moderate alike, have made a comeback in the Northeast, winning the governorships of New Jersey in 2010 and of Maine and Pennsylvania in 2011. In the latter two states and New Hampshire the GOP controls both legislative houses. A signal Republican achievement of the 2010 elections was winning a majority of the New York state Senate, which has given the GOP leverage in the ongoing legislative and congressional redistricting process in the Empire State.

The Republican takeover in the South has provided the region with a louder voice in national politics and tugged the GOP to the right. Some see this as a mixed blessing. Ron Brownstein of *National Journal*, among others, has suggested that a Republican Party with too much of a southern accent in its choice of candidates and policies has less chance of winning a national election against President Barack Obama. Perhaps, but four of the last six presidents had southern roots. Former Massachusetts Gov. Mitt Romney, the current frontrunner in the GOP presidential race, has southerners Herman Cain — ahead in some surveys — and Rick Perry nipping at his heels.

In next month's legislative elections, both parties are looking for clues in Virginia, one of only three Southern states carried by Obama in 2008 and a presumed toss-up in the 2012 presidential election. Republican Bob McDonnell won the governorship in 2009, and the GOP has a hefty majority in the state House of Delegates. Democrats hold a 22-18 margin in the State Senate. McDonnell, who carried 29 of the 40 Senate districts when he was elected, is popular in a state where unemployment is below the national average, and he has raised a ton of money for GOP State Senate candidates.

Republicans face a stiffer climb in Mississippi, where the House has been under Democratic control since the end of Reconstruction. The current Democratic margin is 67-54 with one independent. Republicans hold the Senate 27-24 with a vacancy. All legislative seats will be decided in the November election. Redistricting in Mississippi is deadlocked. The two parties could not agree on new maps, and the NAACP filed suit to prevent any elections from being held this year, alleging that none of the proposed maps accurately reflected population changes. A federal court allowed the election to proceed under the old maps, leaving undecided the issue of whether a special election will be ordered in 2012 after redistricting is complete. Whatever happens in the legislative elections, Mississippi has made history this year by nominating three-term Hattiesburg Democratic Mayor Johnny DuPree for governor, the first time in the state that a major party has put forth an African American for this office. Less because of his race than his party, DuPree is the underdog against Republican nominee Lt. Gov. Phil Bryant, who has heavily outspent him.

Because of their victories in the 2010 elections, Republicans made headway in the states this year on targeted issues of collective bargaining, immigration,

voter identification and abortion. But Tim Storey, a political analyst for the National Conference of State Legislatures, believes these policies probably will be subordinated to economic issues in the 2012 elections. Where the GOP gains in 2010 will make a difference in 2012, Storey said, is in giving Republicans an overall advantage in congressional and legislative redistricting based on the 2010 census. In most states, he said, Republicans have avoided overreach and used their majorities to shore up marginal districts already in GOP hands.

A similar assessment comes from David Wasserman of the *Cook Political Report*, who says that in close to half of all the districts in the House of Representatives, Republicans “have a huge semi-hidden advantage: their ability to shore up the seats they already have.” Currently, Republicans hold a 242-192 House majority (with one vacancy). While redistricting so far has been a wash in terms of the margin, Wasserman wrote in a recent edition of the *Cook Report*, that the strengthening of existing Republican districts means the GOP could lose the congressional popular vote in 2012 and still hold its majority in the House, thereby keeping John Boehner in the speakership.

Boehner is from Ohio, but it’s his party’s surge in Dixie that has contributed most significantly to the overall GOP advantage. Currently, Republicans stand to gain three of four new congressional districts in Texas, pick up a new district and perhaps an existing one in Georgia, gain from two to four seats in North Carolina and win a presently Democratic seat in South Carolina. These Southern seats come atop prospective Republican gains in Michigan and Missouri and population shifts that could cost the Democrats a seat or two in New York and Ohio. These Republican gains of eight to 12 seats would roughly offset heavy Democratic advantages in two big states. In Illinois, where Democrats control both the governor’s office and the legislature, a new map could eliminate five or six Republican seats. In California, where a non-partisan commission is drawing congressional lines for the first time, Democrats stand to pick up two or three seats.

But in politics, to use the Yogi Berra line, it’s never over until it’s over, and obstacles remain in the path to assured Republican political control. Twenty-three states have yet to complete redistricting and several of the approved plans face court tests; even some Republicans worry that Texas redistricting might not pass muster under the Voting Rights Act. In any case redistricting has its limits: Storey notes that popular or well-heeled candidates have in the past withstood unfavorable changes in district boundaries.

On balance, however, Republicans through their breakthrough in the 2010 midterm elections put themselves in a strong position to control the House and a majority of state legislatures for years to come. The upcoming elections in Virginia and Mississippi will show if the GOP can maintain its momentum.

— By Lou Cannon

Budget & taxes

ND WEIGHS DOING AWAY WITH PROPERTY TAXES: In stark contrast to most of the rest of the country, times are pretty good in North Dakota. So good, in fact, the state is considering becoming the first in the nation to abolish property taxes.

Spurred by the growth of state spending — which has doubled from \$2 billion to \$4 billion since 2005 — a citizens’ group called Empower the Taxpayer got a proposed constitutional amendment to eliminate local property taxes statewide on the June 2012 ballot. Supporters of the proposal — Measure 2 — say the state can afford it with the economy prospering from oil and gas development, and it would make the state more attractive to business expansion.

Some also say the move is needed to address a pair of problems that have accompanied the state’s oil boom: rising property values are pricing older

homeowners on fixed incomes out of their homes, while strong housing demand from oil workers is driving rental rates out of reach.

Vernon Brossart, a resident of Williston, in the oil-booming northwestern region of the

state, said local officials have made things worse by granting property tax exemptions to new and expanding businesses.

“Guess who pays the rest? I do. My next-door neighbor does,” he said. “The retired fellow who worked all his life and paid for his house doesn’t get [a property tax exemption].”

But although a number of states have attempted to limit the growth of property taxes and, according to Jacqueline Byers, Research Director for the National Association of Counties, a few local governments have opted not to collect property taxes in good economic years, none have actually eliminated them.

“They need (property taxes) in their arsenal,” she said.

Critics of Measure 2 say it will create big budget battles.

“This is potentially the most profound policy change since statehood,” said Scott Wagner, a Cass County commissioner.

If passed, the constitutional amendment would force the Legislature to come up with \$740 million elsewhere in the budget to replace the property tax income school districts, counties and cities would lose.

State Sen. Dwight Cook (R), Chairman of the Senate’s Finance and Taxation Committee, said passage would probably spark a slew of lawsuits from local governments seeking clarification of the state government’s obligation to provide that replacement revenue, and the Legislature would be pressured to reverse the income tax cuts it has made in recent sessions.

“This is potentially the most profound policy change since statehood.”



“We will live in a world of uncertainty, and nothing will bring the wheels to a halt quicker than that type of uncertainty,” he said.

Andy Peterson, president of the North Dakota Chamber of Commerce, said businesses in the state share those concerns.

“We need to start looking at a comprehensive model of tax reform, rather than just cut the dog’s tail off,” he said. “If you have a piece of farm machinery that breaks down, you don’t put a hand grenade in the engine compartment and then say we’re going to fix it.”
(BISMARCK TRIBUNE)

Upcoming stories

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

- **Online sales tax**
- **Health care**
- **The economy**

PROPERTY TAX LESSONS FROM CA: In 1978, California voters, eager to rein in property taxes that had doubled in 10 years, approved Proposition 13, capping real estate levies at 1 percent of a property’s most recent sale price.

In the three decades since, the measure has forced state spending reductions that, among other things, have dropped the state’s per-student school spending level from seventh in the nation to 29th and raised its General-Fund-backed debt level from \$2.25 billion to \$82.6 billion.

Kevin Starr, a University of Southern California history professor and the author of several books on the state, said Proposition 13 “choked off a source of revenue, and the lack of that revenue has brought California to the edge.”

The measure has created wide disparities in tax payments as well. Santa Clara County Assessor Larry Stone said his new neighbor in Sunnyvale will pay nearly six times the \$3,000 Stone pays for the house he bought there in 1975.

“You couldn’t invent a crazier system,” he said.

Los Angeles Mayor Antonio Villaraigosa has said the measure also “had the unintended effect of favoring commercial property owners at the expense of homeowners.” Ironically, the businesses that opposed the measure in 1978 have become its biggest beneficiaries. In 1975, commercial and apartment buildings in Los Angeles County accounted for 60 percent of the tax rolls, while single-family homes made up 40 percent. Today the ratio in that county — which comprises a quarter of the state’s \$4.38 trillion in assessed property value — is virtually flipped.

It was actually tax-strapped homeowners that drove Howard Jarvis to launch petition drives five times before finally getting Prop. 13 on the ballot in 1978. The following year, property tax collections plummeted 52 percent, from \$10.3 billion to \$4.9 billion, according to the state Board of Equalization. As a result, the funding of education and portions of local government shifted “from the property tax base to the more volatile income and sales tax bases,” said a report last month from Standard & Poor’s.



California now has the nation's third highest individual income tax rate, with a top rate of 10.55 percent, the eighth highest corporate income tax rate, at 8.84 percent, and the highest sales tax rate, at 8.25 percent, according to the non-partisan Tax Foundation. Still, Prop. 13 remains popular with both businesses and homeowners. According to a September 23rd Field Poll, 63 percent of voters said they would vote for the measure if it was on the ballot again now.

There have been calls for reform, however. Mayor Villaraigosa supports creating a "split roll" that would allow levies on commercial properties to rise more quickly than those for homes.

"Let's apply Prop. 13's protections to homeowners and homeowners alone," he said in August at a meeting of the Sacramento Press Club.

That idea has some support among the state's Democratic voters, who favored it 53 percent to 37 percent in the Field Poll, but not among Republicans, who opposed it 70 percent to 23 percent.

But Harvey Englander, a California political consultant who worked with Jarvis for two years after the passage of Prop. 13, said Jarvis himself would support changing the measure now.

"H.J.'s goal was property tax relief for homeowners or renters," he said. "He didn't love big corporations.

Englander favors raising the rate businesses pay from 1 percent to 1.5 percent.

"What people want is certainty," he said. "They want to know exactly how much they are going to pay."

The state's Board of Equalization supports a different approach: raising assessments on commercial properties to their current market value, which it estimates would generate \$2.5 billion more a year in taxes statewide, according to spokeswoman Anita Gore.

But any form of split-roll proposal is a nonstarter for Howard Jarvis Taxpayers Association Executive Director Jon Coupal, who said increasing commercial property taxes will only drive more businesses from the state.

"The anti-Prop. 13 jihad hasn't thought this out well," he said.

And there's a major disincentive for devoting much effort to reform.

"It doesn't poll well," said state Controller John Chiang. (BLOOMBERG BUSINESSWEEK)

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: 298

Number of Intros last week: 666

Number of Enacted/Adopted last week: 158

Number of 2011 Prefiles to date: 37,824

Number of 2011 Intros to date: 134,926

Number of 2011 Session Enacted/Adopted overall to date: 46,235

Number of Measures currently in State Net Database: 154,565

— Compiled By OWEN JARNIGAN
(measures current as of 10/19/2011)
Source: State Net database

But many of the states' voters don't seem too interested in any of that. Only about half of New Jersey's voters know all 120 of their state's legislative seats are being contested, according to a Monmouth University/NJ Press Media Poll released last week. And a poll conducted by Christopher Newport University and the *Richmond Times-Dispatch* found that 70 percent of Virginia voters are paying little to no attention to the elections there.

The Louisiana secretary of state's office did raise the turnout projection for its Saturday election from "no more than 30 percent" to "up to 40 percent" due to higher-than-expected early voting activity. But a state election official pointed out that a lot of those early voters may just be residents who don't want to miss the LSU-Auburn college football game scheduled for the same day (STATELINE.ORG, RICHMOND TIMES-DISPATCH, TIMES PICAYUNE [NEW ORLEANS], ASSOCIATED PRESS, STATE NET).

IA LOCKS IN DATE FOR 2012 CAUCUSES:

Iowa GOP leaders voted last week to hold their presidential caucuses on January 3rd.

"The date is in stone, period," said Steve Scheffler, a member of both the Iowa Republican Party's central committee and the Republican National Committee.

"There is no chance we will reconvene to change the date."

The customary kickoff to the presidential nominating process had been scheduled for February, until Florida broke with RNC rules last month and set its primary date for January 31st.

"I will do everything in my power on the [Republican National Committee] to hold Florida accountable for creating this mess," said Iowa GOP Chairman and RNC member Matt Strawn.

Strawn also casts some blame on Nevada, which announced this month that it was moving its primary date up to January 14th.

"The actions of early state newcomer Nevada have also exacerbated this problem and unnecessarily crowded the January calendar," Strawn said.

To preserve their state's privileged status, Iowa GOP leaders knew they would have to hold the caucuses before January 14th. But New Hampshire has yet to set a date for its traditionally first-in-the-nation primary. So to give that state as much wiggle room as possible without wading into the Christmas holiday season themselves, Party leaders settled on the first Tuesday in January.

The week in session

States in Regular Session: DC, MA, MI, PA, PR, US, WI

States in Recess: CT, NC, NH, NJ, NY, OH, RI

States in Special Session: MO "a", WI "c"

Special Sessions in Recess: DE "b", VA "a"

States in Veto Session: IL

States Currently Prefiling or Drafting for 2012: AL, FL, KS, KY, ME, TN

States Adjourned in 2011: AK, AL, AR, AZ, CA, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, MT, ND, NE, NM, NV, OK, OR, PR, SC, SD, TN, TX, UT, VA, VT, WA, WV, WY

State Special Sessions Adjourned in 2011: AK "a", AK "b", AL "a", AZ "a", AZ "b", AZ "c", CA "a", CT "a", DE "a", GA "a", KY "a", LA "a", MD "a", ME "a", MN "a", MS "a", NM "a", TX "a", UT "a", UT "b", UT "c", WA "a", WI "a", WI "b", WV "a", WV "b"

Letters indicate special/extraordinary sessions

— Compiled By OWEN JARNIGAN
(session information current as of 10/20/2011)
Source: State Net database

They're hoping New Hampshire will choose January 10th. But New Hampshire Secretary of State Bill Gardner said that date won't work because it's too close to Nevada's primary date. And Gardner said two weeks ago that if Nevada doesn't move its date to January 17th or later, he'll hold his state's primary on December 6th or 13th.

Ultimately, all the primary jockeying could end up costing Iowa.

"Eventually Congress is going to get involved and Iowa may lose the first in the nation caucus because of national disgust with the way the system has been working," said veteran Iowa Democratic strategist Paulee Lipsman. "That would be a real shame because a national primary system, or something similar, would put more emphasis on who can raise the most money rather than on who has the best ideas and organization." (DES MOINES REGISTER, SIOUX CITY JOURNAL)

POLITICS IN BRIEF: NEW YORK'S second-largest state workers union, the Public Employees Federation, struck a deal with the Cuomo administration last week that makes minor changes to the labor contract union members rejected last month. Gov. Andrew M. Cuomo (D) said if the agreement is approved by the union's executive board he will suspend the 3,500 layoffs he has ordered, to allow the federation's 55,000 members time to vote on the revised contract (NEW YORK TIMES). • **MICHIGAN** Gov. Rick Snyder (R) signed legislation last week ending retiree health benefits for some current but all future state legislators. All but two of the state's sitting senators and a handful of representatives will still receive the benefits because they will have served six years by January 2013 (DETROIT FREE PRESS). • **OREGON** Attorney General John Kroger announced last week he is giving up a run for a second term to deal with an undisclosed health problem. "I was recently diagnosed and am under the care of a physician at OHSU for a significant but not life-threatening medical condition," he said in a statement

Upcoming elections

10/20/2011 - 11/10/2011

10/22/2011

Louisiana Primary Election

House (All)

Senate (All)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Commissioner of Agriculture and Forestry, Commissioner of Insurance

11/08/2011

Arizona Recall Election

Senate District 18

Georgia Special Election

House Districts 10 and 25

Senate Districts 28 and 50

Iowa Special Election

Senate District 18

Kentucky General Election

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor of Public Accounts, Commissioner of Agriculture

Mississippi General Election

House (All)

Senate (All)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor, Commissioner of Agriculture and Commerce, Commissioner of Insurance

Mississippi Special Election

Senate District 8

Missouri Special Election

House Districts 15, 39, 41 and 83

New Jersey General Election

Assembly (All)

Senate (All)

Oklahoma Special Primary

House District 1

Oregon Special Primary

US House (District 1)

Tennessee Special Election

Senate District 6

(continues on next page)



(OREGONIAN [PORTLAND]. • The CALIFORNIA Fair Political Practices Commission approved a rule last week making the Golden State the first to allow people to make political campaign contributions via text message. The wireless industry opposed the regulation because of difficulties it foresees in meeting state and federal election law requirements, such as obtaining identifying information about donors and making sure they are not foreign nationals, who are not permitted to contribute to political campaigns in the United States (POLITICO).

— Compiled by KOREY CLARK

Upcoming elections (cont.)
10/20/2011 - 11/10/2011

Texas Special Election
House District 14

Virginia General Election
House (All)
Senate (All)

Wisconsin Special Election
Assembly District 95

Governors

WALKER DENIES SHORTING PENSION PROMISE: Wisconsin Gov. Scott Walker (R) denied last week a published report by the Associated Press that claimed he had reneged on a campaign promise to immediately pay the full cost of his state pension. According to the report, Walker and Lt. Gov. Rebecca Kleefisch (R), who made the same promise during last year’s campaign, did not begin paying those costs until August, when a state law went into effect requiring public employees and elected officials to do so.

During his campaign, Walker said if elected he would voluntarily pay the same amount he was proposing that state workers contribute, an estimated 5 percent, beginning as soon as he took office. During his first eight months in office, however, he did not make a single payment. Walker in fact did not pay anything until the law went into effect in August, requiring elected officials to pay 6.65 percent of their salary toward their retirement. That figure rises to 7.05 percent in January.

Walker, however, argues that the delay in making his promised contributions benefited the state’s coffers, arguing that the higher percentage he will pay under the new law means he will actually contribute approximately \$5,000 more over his four-year term than he would have had he only paid the 5 percent proposed during the campaign.

“I think I exceeded it,” he said. “In the end I’m paying five grand more for my pension.”

Walker did not offer a reason for his delay in making the payments. But Walker spokesperson Cullen Werwie made it clear they also believe the governor had not broken his promise.



“The take-home message from us is that he’s going to be paying more,” Werwie said. “Ultimately, we’re going to contribute more money back to the taxpayers than had been previously discussed....Ultimately, we feel like we’re fulfilling what our campaign pledge was.”

Needless to say, Democrats saw it otherwise.

“You’re asking people to do what you won’t do”

“You’re asking people to do what you won’t do,” said Democratic Party spokesman Graeme Zielinski.

“It is indefensible Scott Walker promised to live by these rules and then broke his word to Wisconsin,” said Scot Ross, executive director of the group One Wisconsin Now, one of several pro-labor groups working on a recall effort against the governor. “Scott Walker tore Wisconsin in two to pass these unnecessary changes and then tells us ‘Do as I say, not as I didn’t.’” (MILWAUKEE JOURNAL-SENTINEL, POST-CRESCENT [APPLETON])

MIDWEST GOVS URGE NEW FLOOD PLANNING: A collection of governors from states along the Missouri River last week urged the U.S. Army Corps of Engineers to take the preemptive — and completely unprecedented — step of lowering the water level of North Dakota’s Garrison Dam this fall as a hedge against a repeat of this spring’s devastating flooding. The Corps estimated the total damage from those floods could top \$1 billion.

Under a proposal from North Dakota Gov. Jack Dalrymple (R), the Corps would lower the water level of Lake Sakakawea behind Garrison Dam by 2.5 feet, thus creating an additional 748,000 acre-feet of space to store melting snow water in the spring. Doing so would entail releasing water over 38 days prior to the first winter freeze.

“The No. 1 priority we are all concerned about is flood control,” said Nebraska Gov. Dave Heineman (R), who was joined at the meeting in Omaha by Dalrymple, Iowa Gov. Terry Branstad, Kansas Gov. Sam Brownback and South Dakota Gov. Dennis Daugaard, all Republicans. Missouri Gov. Jay Nixon (R), Wyoming Gov. Matt Mead (R) and Montana Gov. Brian Schweitzer (D) also participated by phone.

But Heineman’s statement wasn’t entirely correct. Schweitzer vigorously resisted the assertion that reservoirs in upstream states like Montana should be treated as “sacrifice zones” for controlling flooding in downstream states like Nebraska. He argued that those states need to reconsider their own levee and flood plain management plans rather than forcing upstream states to release water. Schweitzer said such actions would put his state at risk in times of drought. He further argued that it would be foolish to make flood control the top priority for the entire river corridor in response to one historic flood year.

The differing views between Schweitzer and Heineman gradually became heated, with Schweitzer accusing the Nebraska governor of refusing to share data Schweitzer



said showed how rare this year’s flooding has been. Heineman countered by chiding Schweitzer for not attending the gathering in person.

Schweitzer later accused his counterparts of political grandstanding, saying management of the six major flood control dams along the Missouri River is under federal purview.

“This has more to do with them politically covering their backsides than it has to do with the actual management of the river,” he said. (GRAND FALLS TRIBUNE, USA TODAY, LINCOLN JOURNAL STAR)

In case you missed it

The sluggish national economy has pushed more people than ever onto government welfare rolls. But for many of them, that help now comes with a new requirement: a drug test.

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

http://www.statenet.com/capitol_journal/10-17-2011/html#sncj

CHAFEE PITCHES PENSION OVERHAUL: Rhode Island Gov. Lincoln Chafee (I) joined with Treasurer Gina Raimondo (D) last week to unveil a proposal to create a new Ocean State retirement system that would combine 401(k)-style accounts with traditional pensions. The proposal, which the duo presented to

lawmakers during a one-day special session last Tuesday, would impact approximately 51,000 current and former public employees. The plan would also raise the minimum retirement age and impose a 19-year freeze on annual cost-of-living pension increases.

“This has more to do with them politically covering their backsides than it has to do with the actual management of the river.”

Chafee said the state’s current \$7

billion unfunded pension liability is “the greatest economic development issue we face as a state,” calling it “a cloud over the state — causing uncertainty for economic development, threatening to crowd out state spending on other important government initiatives, and pushing many of our cities and towns to the brink of insolvency.”

As presented to lawmakers, Raimondo said the proposal would shave \$3 billion off the state’s unfunded commitments to public employee retirees and current-day workers. She also warned that not endorsing the reforms would cost the state hundreds of millions of dollars, saying the required state and local contributions to the pension fund for state workers and teachers would soar from about \$370 million this year to \$615 million in the new budget year that begins on July 1, 2012. Under her and Chafee’s proposal, she said, those contributions would fall to \$353 million.

The proposal drew praise from business groups like the Greater Providence Chamber of Commerce, which pointed to assertions by Chafee and Raimondo that the government would look to cut services and raise taxes if the rising costs of pensions are not addressed.

“The eyes of the nation are watching,” Chamber President Laurie White said. “The business community has been very involved in demanding that this issue be tackled.”



But labor leaders were not as impressed. AFL-CIO President George Nee said the proposal would renege on promises made to public employees, and that those workers are likely to sue the state if the plan is adopted.

“It’s a political problem, it’s a legal problem,” Nee said. “And it’s also a person problem because behind each of these numbers there’s a person.”

The House and Senate Finance Committees are expected to hold a series of public hearings on the proposal beginning this week. Both chambers are expected to vote on it some time in November. (BOSTON GLOBE, PROVIDENCE JOURNAL)

GOVERNORS IN BRIEF: MICHIGAN Gov. Rick Snyder (R) issued EO 2011-12, which establishes the 14-member Indigent Defense Advisory Commission to investigate how to improve legal representation provided to low income criminal defendants in the Wolverine State. The Commission is charged with issuing recommendations for improving the system to Snyder by July, 2012 (MICHIGAN GOVERNOR’S OFFICE). • **ILLINOIS** Gov. Pat Quinn (D) vowed to veto a massive gambling expansion bill currently being held by Prairie State lawmakers. Quinn said he favors a smaller version of the measure — which passed in May but was never sent to him — that would allow a casino in Chicago and four other new casinos but not allow slot machines at racetracks, O’Hare and Midway airports and the Illinois State Fairgrounds. The measure, HB 3107, currently authorizes five new casinos and slot machines at racetracks (CHICAGO TRIBUNE). • **TENNESSEE** Gov. Bill Haslam (R) said he is reviewing a Senate-approved measure that would allow low-income students in certain Volunteer State counties to take half the money that state and local schools spend per pupil in order to pay private school tuition. Haslam said he is considering whether to take a position on SB 485, which passed the Senate last spring but has so far stalled in the House, when it comes up again next session (TENNESSEAN [NASHVILLE]). • **NEW YORK** Gov. Andrew Cuomo (D) reiterated his opposition to a proposed extension of a so-called “millionaires’ tax” on high-earning residents, saying it places the Empire State at a competitive disadvantage with neighboring states (NEW YORK TIMES).

— *Compiled by RICH EHISEN*



Hot issues

BUSINESS: The U.S. Senate approves U.S. SB 382 (HB 765), legislation that would allow ski areas to apply to use national forest land for activities like biking, zip lines and rope courses in the spring, summer and fall. Any developments would require the approval of the U.S. Forest Service. The measure,

which passed unanimously in the U.S. House of Representatives last month, moves to President Barack Obama, who is expected to sign it into law (DENVER POST). • **MICHIGAN** Gov. Rick Snyder (R) signs HB 4732, which limits Wolverine State students ages 16 and 17 to working no more than 24 hours a week when school is in session (MICHIGAN GOVERNOR'S OFFICE).

CRIME & PUNISHMENT: The **PENNSYLVANIA** Senate Transportation Committee approves SB 1184, legislation requiring first-time DUI offenders to equip their vehicles with ignition interlock systems that test their breath for alcohol before allowing the car to be started. Current Keystone State law requires interlocks only for repeat DUI offenders. The bill is now in the full Senate (PITTSBURGH POST-GAZETTE). • Still in **PENNSYLVANIA**, the House approves HB 1794, legislation that would require defendants in a sexual assault case to be tested for HIV within 48 hours of being bound over for trial. The bill is now in the Senate (PATRIOT-NEWS [HARRISBURG]). • **MICHIGAN** Gov. Rick Snyder (R) signs HB 4721 and SB 522, which collectively require the state to develop an automated system to facilitate information sharing between the Department of Human Services and law enforcement agencies that allows officials to cross-check the names of people receiving public assistance against a database of outstanding felony warrants in order to make sure only those who are eligible are able to receive public assistance (MICHIGAN GOVERNOR'S OFFICE).

EDUCATION: The U.S. Department of Agriculture signs off on legislation to allow **FLORIDA** to transfer public school food and nutrition programs to the control of the state Department of Agriculture and Consumer Services. Lawmakers endorsed the change earlier this year but needed the approval of the USDA, which bankrolls the nearly \$1 billion program (MIAMI HERALD). • The **WISCONSIN** Senate approves SB 174), a bill that would bar the use of state-funded school voucher programs beyond Milwaukee and eastern Racine County. The measure moves to the Assembly for consideration (MILWAUKEE JOURNAL-SENTINEL).

HEALTH & SCIENCE: The **WISCONSIN** Assembly approves AB 210, which eliminates an existing law that requires an independent review process to review health insurers' denial of coverage to their customers. The measure would also allow Badger State Insurance Commissioner Ted Nickel to write emergency rules that establish a new review process that is in line with the federal Affordable Care Act (MILWAUKEE JOURNAL-SENTINEL). • **MICHIGAN** Gov. Rick Snyder (R) signs HB 4087, which eliminates retiree health benefits for any lawmaker who is not already vested in the state system by January 1st, 2013. The measure is expected to remove the benefits of 97 of the 147 lawmakers currently in the Wolverine State Legislature, as well as all those elected in the future (DETROIT FREE PRESS, MICHIGAN GOVERNOR'S OFFICE)



IMMIGRATION: The 11TH U.S. Circuit Court of Appeals temporarily blocks two components of a new **ALABAMA** law (HB 56) that forces Heart of Dixie schools to check the immigration status of students enrolling for the first time in the state and requires immigrants to carry documents that prove their legal status. The court is expected to hear a full challenge to the law in November (CHRISTIAN SCIENCE MONITOR).

— Compiled by RICH EHISEN

Once around the statehouse lightly

NO MONEY BACK GUARANTEE: Remember former Minnesota Gov. Tim Pawlenty’s presidential campaign? Yeah, us either. But while Pawlenty’s presidential bid has come and gone, one thing remains: lots and lots of debt. As *Politico* reports, the former Gopher State gov’s brief campaign has him in hock to the tune of \$453,000. With that kind of burden, Pawlenty is looking for every break he can get. To wit, *The State* of Columbia reports he has appealed to the South Carolina GOP to refund a \$25,000 early filing fee he paid to get into next January’s first-in-the-South presidential primary. Alas, Palmetto State Reeps don’t seem terribly sympathetic to his plight. Matt Moore, executive director of the South Carolina Republican Party, said only that “it is our current policy not to refund filing fees.” Now if it was a star like Chris Christie...

WILL HE OR WON’T HE? Speaking of Gov. Christie, for months, pundits breathlessly weighed in nonstop on the possibility the New Jersey gov would run for president. Every single speech and movement seemed to be a sure sign of what Christie would do, every act a possible sign. Now that Christie has ended all that with a definitive “no,” everyone can finally focus on something else for a while, right? Uh, no they cannot. As the *Newark Star-Ledger* reports, Christie is now hinting he would accept the vice presidential nomination if whomever gets the presidential nod sees fit to ask him. In other words, here we go again!

A HAZY KIND OF CANDIDATE: Staying in Christie’s world, former Olympic sprinter Carl Lewis has had lots of trouble trying to get into another kind of race: one for a New Jersey Senate seat. The problem is his address, or more specifically that he hasn’t had one in the Garden State for nearly long enough to qualify for the ballot.



But as the Associated Press reports, this hasn't been a problem for Ed Forchion, another perennial candidate for the same seat who is on next month's ballot even though he admits he has been living in California for the last three years. Why no furor over Forchion? Neither party is saying, but it might have something to do with the fact that Forchion is a self-described "pothead" who calls himself Weedman. He also has not suffered from blunted ambition: for years he has sparked up campaigns for other offices as well, including governor, the U.S. Senate and several local offices. In other words, he's not much of a threat. Unless, of course, you count the potential of late night raids on the Senate's supply of cookies and potato chips. **IT'S A MAN'S WORLD:** Much is made these days of California businesses making off to other, theoretically more pro-business environs in other states. But at one recent legislative hearing on the matter, state Treasurer Bill Lockyer reminded everyone that the Golden State offers wonders that go beyond just raw dollars and cents. As the *Sacramento Bee* reports, Lockyer reminded lawmakers that "Fortunately, also, wives of CEOs often like to live in California and that keeps the CEO here." That drew a quick interjection from Sen. Alex Padilla, who offered, "Or husbands of CEOs." A chastened Lockyer quickly concurred, noting, "I stand corrected." Somewhere, the spouses of current or former California CEO icons like Meg Whitman, Carly Fiorina, Amy Trask and Carol Bartz were surely nodding.

— By *RICH EHISEN*



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