

Cash Infusion



May 2, 2011

Budget & taxes States clawing back business incentives	4
Politics & leadership First GOP wave breaks big on statehouses	7
Governors Nixon signs puppy mill overhaul	10
Bird's eye view	2
Hot issues	13
Once around the statehouse lightly	17

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The next issue of Capitol Journal will be available on May 9th.

Top Story

Most states invest in their own economic development initiatives, but Ohio's plan to spend \$1.4 billion this year outpaces the rest by far.

SNCJ Spotlight

Ohio's effort to jumpstart its job market

Ohio is undertaking what may be the biggest economic intervention by a state government since the Great Depression. The state is building new industrial parks, extending loans and grants to businesses, and subsidizing green energy and nanotechnology.

Most states invest in such economic development initiatives, just not on the same scale. Ohio intends to spend \$1.4 billion this year. By contrast, Indiana plans to spend only \$37 million and Florida just \$11 million. And while California has 25 people working full-time on economic development, Ohio has over 400.

Oddly enough, Ohio's economic "stimulus" was a Republican idea, initiated a decade ago by then-Gov. Bob Taft. Republican legislators actually called the program exactly that until the word became associated with the Obama administration's recovery plan.

One example of Ohio's approach is a speculative \$10 million industrial complex complete with rail line and land acquisition options on 1,600 acres of farmland in the town of Van Wert in northwest Ohio. The only thing the mega-site needs is a car company or other manufacturer willing to locate its factory there.

The poster child for the state's effort, however, could be Quasar energy group, a start-up company that converts waste into natural gas. The company received a \$2 million state grant and a \$3 million state loan to build a plant in

Columbus. It's now moving into a new government-subsidized office building on the Wooster campus of Ohio State University, a 57-acre BioHio Research Park the state hopes will become a "food and agriculture technology cluster."

"This is building an industry, not a business," says Quasar's president, Mel Kurtz.

Another beneficiary of the state's economic development largesse is Overdrive, a successful Ohio technology firm, which began as a Cleveland lawyer's computer hobby and is now a major distributor of audio books and e-books to libraries. When the company needed a larger office, it called the state and received a \$480,000 tax credit.

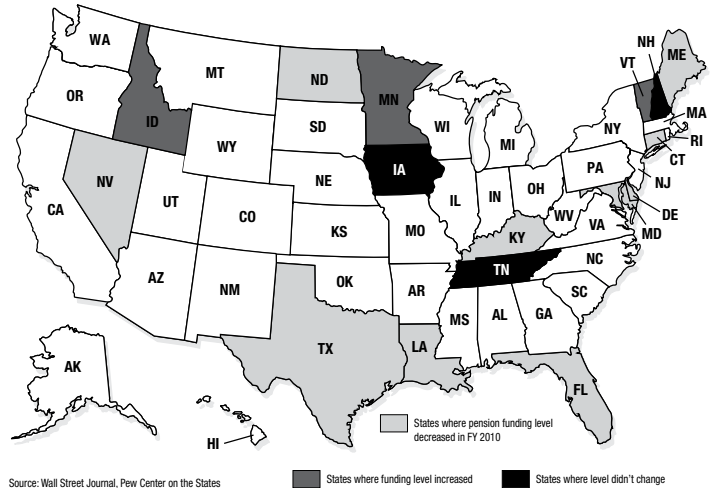
"There wasn't a lot of red tape," said company founder Steve Potash. "The state was a pleasure to do business with."

Potash said the money will help the company speed hiring and growth.

But the big question many inside and outside the state are asking is will such efforts succeed in providing the economic boost the state is hoping for.

Michigan's experiment with large scale economic development investment isn't encouraging. While the debate rages on about whether the federal stimulus worked —

Bird's eye view



Pension gaps widening in some states

The pension funding gaps in a number of states widened in fiscal 2010, according to a new study by the Pew Center on the States. Pew's research showed that the 16 states for which 2010 pension data is available had 75 percent of the assets they needed to cover their benefit obligations to government workers, down from 77 percent in fiscal 2009. Connecticut and North Dakota saw the biggest drops, 9 percent apiece (from 63 percent down to 53 percent and from 81 percent to 72 percent, respectively). Funding levels actually went up in three of the 16 states and stayed the same in three others, but the average for all 16 is well below the 84 percent level for all 50 states in fiscal 2008.





and will likely continue to do so through next year’s presidential election season — Michigan’s effort, although somewhat smaller in scale than Ohio’s, hasn’t. Michigan has spent between \$100 million and \$250 million annually on economic development over the past decade. But even a one-time additional injection of \$400 million in 2007 hasn’t stopped the state’s collapsing auto industry from dragging down its economy.

There are negative signs within Ohio as well. Many of Ohio’s state stimulus-funded projects are behind schedule or are failing to generate the jobs or investment returns that were projected. For instance, a planned multibillion-dollar synthetic natural gas plant in Lima, which has received \$70 million in federal, state and local funding, is still just an artist’s rendering without financing. It’s difficult to judge the long-term success of such projects in the middle of a recession, however.

But Ohio State University economist Mark Partridge said government efforts at economic revival rarely work.

“Politicians and economic development officials overestimate their ability to forecast the future — to predict the next Silicon Valley or even to know beforehand that a Silicon Valley is going to occur,” he said.

Business leaders in the state are far more optimistic.

“We’re looking to get industry up and moving again,” said Ohio Chamber of Commerce President Andrew Doehrel. “We’re not saying pick Company XYZ because it has a chance of success. We’re saying pick Company XYZ because they’re into plastics and Akron is successful in that field. It’s targeting that is necessary and useful.”

The one thing everyone in Ohio may agree on is that the state had to do something. It has lost over half a million jobs in the past decade, most of them well-paying manufacturing jobs. Only Michigan has lost more. The state is also losing people. Formerly prosperous towns like Akron and Van Wert are ghosts of what they once were, and as a result of the 2010 Census, the state will lose two of its 18 U.S. House seats.

“We had to do something in a dramatic way,” said former Gov. Taft. “It’s a long-term strategy, not an overnight attitude. It’s how states like Ohio must transform themselves. We don’t have any other choice.” (USA TODAY)

— *Compiled by KOREY CLARK*

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: 156

Number of Intros last week: 2,454

Number of Enacted/Adopted last week: 1,456

Number of 2011 Prefiles to date: 30,820

Number of 2011 Intros to date: 116,568

Number of 2011 Session Enacted/Adopted overall to date: 23,567

Number of Measures currently in State Net Database: 151,901

— Compiled By JAMES ROSS
(measures current as of 4/28/2011)
Source: State Net database

fulfilled most of its agreement with the state because its plant employed about 800 people at its peak.

But Massachusetts is getting considerably more from Evergreen than Henry County, Virginia got from American of Martinsville, a maker of sofas and recliners. That company received a \$280,000 grant from the state in 2009 to expand its local plant and add 94 jobs to its 121 existing ones over three years. The plant managed to grow its workforce to 200 by April 2010, but that same month, the facility abruptly closed. In an effort to protect its investment, Henry County put liens on the furniture still on the plant's premises, but the company filed for bankruptcy, and because the bankruptcy court ruled the county an unsecured creditor, it was never repaid.

Another challenge facing states that take a harder line on incentives is the possibility of driving businesses away.

"Frankly, you wonder whether...they are trying to chase industry clean out of here, and beat us with a stick until we finally say, 'The heck with you,'" said YUSA's Fairchild.

Kvamme, Ohio's job-creation director, however, says his state "will continue to be pro-business, [but] when companies receive tax dollars with the promise that they will create jobs, we must hold them accountable for the sake of our tax-paying businesses and citizens."

He adds that it's what others in the business world do.

"What does their bank say if they don't make a payment? What does their mortgage company say?" (WALL STREET JOURNAL)

STATES RECOVERING BUT STILL NOT RECOVERED: State tax collections are continuing to improve but budget gaps remain, according to the latest budget update from the National Conference of State Legislatures (NCSL).

NCSL's State Budget Update: March 2011 indicates the general improvement in state revenues stems from strong performance in personal income and sales and use tax collections. Thirty-eight states reported personal income tax collections that were at or above estimates, and 37 reported general sales tax collections in that same positive territory.

Upcoming elections

4/27/2011 - 5/18/2011

04/30/2011

Louisiana Special Election
House District 46

Louisiana Special Primary
House District 47

05/03/2011

California Special Election
Assembly District 4

Wisconsin Special Election
Assembly Districts 60, 83 & 94

05/10/2011

Alabama Special Election
House District 105

Arkansas Special Primary Runoff
House District 54

Maine Special Election
Senate District 7

Massachusetts Special Election
House Districts 10th Middlesex & 6th Worcester

05/14/2011

West Virginia Special Primary
Constitutional Officers: Governor

05/17/2011

California Special Primary
US House (District 36)

New Hampshire Special Election
House District Hillsborough 4

But new budget gaps for the current fiscal year have opened up in at least 19 states, 31 states and Puerto Rico are projecting budget gaps cumulatively totaling \$86.1 billion for FY 2012 and 19 states anticipate budget gaps of \$30.9 billion for FY 2013.

“Legislators are not ready to unroll their sleeves just yet,” said NCSL Executive Director William Pound. “Even though revenue collections are up, almost half the states are not expecting to return to peak revenue collections until sometime between FY 2013 and FY 2016.” (NATIONAL CONFERENCE OF STATE LEGISLATURES)

BUDGETS IN BRIEF: States are investigating whether some of the nation’s largest life insurance companies are failing to pay out on policies of deceased customers. Verus Financial LLC, an auditing firm working on behalf of 35 states has raised concerns that some insurers haven’t just been slow in turning over funds but have failed to make use of data sources that could have indicated if policyholders had died and had heirs who were owed money even though the insurers used those same sources to justify cutting off annuity payments for customers who had died (WALL STREET JOURNAL). • **MISSOURI** Gov. Jay Nixon (D) signed SB 19, legislation that will phase out the state’s corporate franchise tax over the next five years. The tax is levied on business assets exceeding \$10 million (KANSAS CITY STAR). • **ARIZONA** Gov. Jan Brewer (R) signed HB 2619, legislation authorizing the Department of Economic Security to levy a “special assessment” this year and next on employers in the state. The temporary increase, expected to amount to \$28 per employee this year and \$42 next year, will be used to help repay federal loans to cover unemployment benefits (ARIZONA CAPITOL TIMES [PHOENIX]). • After weeks of negotiations, **CONNECTICUT** Gov. Dannel P. Malloy (D) reached a budget deal with Democratic legislative leaders last month that will raise income, corporate, inheritance, gas, alcohol and cigarette taxes but avoid the sales tax increases on hair cuts, boat cleaning and storage, car washes and other services the governor proposed three months ago (HARTFORD COURANT). • Over two-thirds of the states are planning to raise taxes on businesses this year to replenish the funds used to pay jobless benefits that have been drained by persistently high unemployment, according to a survey of labor agencies by the National Association of State Workforce Agencies (NEW YORK TIMES). • The

The week in session

States in Regular Session: AL, CO, CT, DC, DE, FL, HI, IA, IL, IN, KS, LA, MA, ME, MI, MN, MO, MT, NC, NE, NH, NV, NY, OK, OH, OR, PA, PR, RI, SC, TN, TX, US, VT

States in Recess: WI

States in Special Session: AK “a”, CA “a”, VA “a”, WA “a”

Special Sessions in Recess: WI “a”

Upcoming Special Sessions: UT “b” regarding Sales Tax / Transportation convenes 05/06/2011.

States in Budget Hearings: NJ

States Currently Prefiling or Drafting for 2011: LA

States Projected to Adjourn: HI, IA, IN, FL, KS, MT

States Adjourned in 2011: AK, AR, AZ, GA, ID, KY, MD, MS, ND, NM, SD, UT, VA, WA, WV, WY

State Special Sessions Adjourned in 2011: AL “a”, AZ “a”, AZ “b”, DE “a”, KY “a”, LA “a”, UT “a”

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 4/28/2011)
Source: State Net database



ILLINOIS General Assembly has approved a plan to pay about \$4.5 billion into its pension systems in the upcoming fiscal year using cash instead of borrowing for the first time in two years (NORTHWEST INDIANA TIMES [MUNSTER]). • BP has agreed to pay \$1 billion for early oil spill restoration efforts in the Gulf of Mexico in a voluntary agreement with the federal government and five states. The agreement won't absolve BP of legal liability for last year's oil disaster or of the associated economic and environmental cleanup costs, including the \$21 billion in fines and penalties that have already been imposed on the company (NEW YORK TIMES).

— *Compiled by KOREY CLARK*

Politics & leadership

FIRST GOP WAVE BREAKS BIG ON STATEHOUSES: A shift to the right in the states was expected after voters put Republicans in charge of 25 legislatures and 29 governors' offices last November. But just how much the new class of GOP leaders has been able to accomplish with its first wave of legislation is striking.

The historic curbs on the power of public sector unions in Wisconsin was just the roaring start of the first surge. Wisconsin's action was immediately followed by a similar one in Ohio. In Oklahoma, where Republicans control both chambers and the governor's office for the first time in the state's history, sweeping changes are being made to the state's civil justice system and public workers are being required to work longer and contribute more to their retirement plans. And numerous other GOP-led states are going after public employee pay, benefits or collective bargaining rights.

But union power is far from the only issue Republicans have been moving on. In Florida, they've passed a law imposing greater accountability on teachers and proposed 18 abortion restrictions, some of which are bound to be enacted.

Ohio's new Republican governor, John Kasich, came right out of the gate with a plan to turn government job creation functions over to a nonprofit corporation whose board he chairs. That plan is now law, along with another curtailing the collective bargaining rights of more than 350,000 of the state's public workers.

North Carolina's Legislature, which Republicans control for the first time since 1870, has approved an expansion of charter schools and a bill creating separate crimes for the death or injury of a fetus at any stage of development, excepting legal abortions. The state's Republicans have made progress on giving gun owners more rights to carry concealed weapons as well, and the state is also among nearly a dozen in which legislation requiring photo IDs at the polls is gaining traction.

HIGH COURT PASSES ON EARLY LOOK AT HEALTH CARE LAW:

The U.S. Supreme Court has refused to hear an early challenge to the federal health care law. Virginia Attorney General Ken Cuccinelli, a Republican, had requested the high court consider the law's constitutionality before legal challenges in his state and others make their way through the lower courts because of the costs of implementing the law as well as conflicting legal precedents, which have led to contradictory lower court rulings over the last several months.

Two federal judges, both Republican appointees, have ruled the law's requirement that individuals carry health insurance is unconstitutional. One of them, U.S. District Judge Roger Vinson in Florida, ruled in a challenge to the law brought by 26 states that the entire law was unconstitutional. But three other federal trial judges, all Democratic appointees, have upheld the law's constitutionality.

Cuccinelli's challenge to the law came on March 23, 2010, the day President Obama signed it. U.S. District Court Judge Henry E. Hudson ruled in Cuccinelli's favor in December, becoming the first federal judge to void the law's insurance mandate. But Cuccinelli knew his request of the Supreme Court was a long shot because the justices rarely agree to take cases directly after federal district court rulings.

"Expediting our case would have been the exception and so, although disappointing, this is not surprising," Cuccinelli said in a statement.

The U.S. Court of Appeals for the Fourth Circuit in Richmond, Virginia, will hear oral arguments in Cuccinelli's case this month. And in early June, federal appeals courts in Cincinnati and Atlanta will consider similar cases, one of which is the multistate suit Judge Vinson ruled on earlier this year. It is likely one of those cases will make its way to the Supreme Court in its next term, which runs from October through June 2012. (WALL STREET JOURNAL)

POLITICS IN BRIEF: The **ALABAMA** Legislature adjourned last Thursday so members could return to their communities to deal with the damage from last week's storms (MONTGOMERY ADVERTISER). • **NEW JERSEY** Lt. Gov. Kim Guadagno (R) disqualified Olympic track-and-field champion Carl Lewis, a Democrat, from running for the state's Senate last week, saying he has not lived in the state long enough to fulfill the four-year residency requirement for seeking office there, having voted in California as recently as 2009 and paid income taxes in that state until 2008. Democrats contend Lewis bought a home in the state in 2005 and has had a **NEW JERSEY** driver's license since 2006 (STAR-LEDGER [NEWARK]). • The **NEW HAMPSHIRE** Senate passed legislation last week that would end the practice of requiring non-union members to pay a share of union collective bargaining costs. Having been amended in the Senate, the right-to-work bill (HB 474) now heads back to the House. Gov. John Lynch (D) has said he will veto it, but Republicans, who hold supermajorities in both chambers, could override him (CONCORD MONITOR). • **NEBRASKA** legislative aide Sally Gordon retired last week at the

age of 102. Gordon has worked for three governors and as a legislative sergeant at arms for 27 years (OMAHA WORLD-HERALD). • Backers of **CALIFORNIA's** Proposition 8, banning gay marriage, asked the chief judge of the U.S. District Court in San Francisco that declared the law unconstitutional last August to nullify that ruling because the judge who issued it, Vaughn R. Walker, who retired earlier this year, failed to disclose that he was gay (LOS ANGELES TIMES). • **NEVADA** Gov. Brian Sandoval (R) appointed U.S. Rep. Dean Heller (R) to replace U.S. Sen. John Ensign (R), who submitted his resignation last month, seeking to bring an end to a Senate ethics investigation focused on various issues linked to the extramarital affair he admitted having in 2009 (LAS VEGAS REVIEW-JOURNAL, WASHINGTON POST). • **MASSACHUSETTS** House lawmakers voted overwhelmingly last week to strip police officers, teachers and other municipal employees of most of their rights to bargain over health care (HB 3401). But unlike in **WISCONSIN** and other states that have curbed public employees' collective bargaining rights, the push in **MASSACHUSETTS** was led by Democrats seeking to save millions of dollars for cash strapped cities and towns. Senate President Therese Murray (D), however, has indicated she is unwilling to turn her back on her party's traditional ally (BOSTON GLOBE). • The **FLORIDA** House passed a sweeping election reform bill last month that Republicans say will streamline the state's voting machinery and Democrats say will make it harder for people to vote. House Bill 1355, sponsored by Rep. Dennis Baxley (R), is now in the Senate (MIAMI HERALD).

— Compiled by *KOREY CLARK*

Governors

NIXON SIGNS PUPPY MILL OVERHAUL: Missouri Gov. Jay Nixon (D) signed two bills last week that effectively overhaul a voter-approved ballot measure to strictly regulate the state's dog breeding industry.

The measures, SB 113 and SB 161, collectively repeal the bulk of Proposition B, which Show Me State voters approved last November as a bulwark against the state's notorious puppy mills. That measure would have limited dog breeders to no more than 50 animals at one time, barred the breeding of female dogs more than twice in 18 months, mandated the use of larger cages or enclosures with solid floors (rather than wire) and required dogs to receive annual veterinary exams as well as prompt treatment for all illnesses and injuries. The measure would also have criminalized violations of those tenets.

But the measure, which had yet to go into effect, faced immediate pushback from the industry, which claimed the law was too harsh and unfairly penalized good dog



breeders along with the bad ones. In contrast, the two bills Nixon signed eliminate the 50-dog cap and breeding limits, ease the enclosure requirements, mandate immediate veterinary care only for serious injuries and make first-time violators subject only to civil penalties. Repeat violators could still face criminal charges, and dogs would still have to have an annual routine veterinary exam. They also impose enhanced licensing fees on breeding operations, with funds targeted to pay for more enforcement of the new laws. Lawmakers dubbed the two overhaul bills emergency measures, allowing them to become effective immediately.

Most of Proposition B was actually overturned under SB 113. But that drew significant criticism from animal rights groups that had supported the ballot measure, prompting Nixon to urge lawmakers to send him another bill that reincorporated parts of Proposition B. The result was SB 161, which Nixon dubbed “the Missouri solution.”

It was not much of a solution for groups like the Humane Society of the United States. HSUS CEO Wayne Pacelle accused Nixon and lawmakers of subverting the will of the voters, calling it “a shameful example of politics at its worst.” But while the national HSUS vehemently opposed the changes to Proposition B, Missouri animal rights groups, including the state HSUS chapter, and the agricultural industry signed off on them.

“At a time in which people spend a lot of their time figuring out the easiest way to disagree, everybody here gave up a little to make sure we found ways to agree.”

“At the end of the day, the Missouri groups were willing to compromise a little more to reach a solution that was agreeable to all parties and that we felt was in the best interest of Missouri’s animals,” said Kathy Warnick, president of the Humane Society of Missouri.

Nixon, who signed the bill within hours of it reaching his desk last Wednesday, heaped praise on all sides for quickly getting a deal done.

“At a time in which people spend a lot of their time figuring out the easiest way to disagree, everybody here gave up a little to make sure we found ways to agree,” Nixon said. “That’s really, really important.” (KANSAS CITY STAR, ST. LOUIS BUSINESS JOURNAL, UPI)

BREWER REJECTS TUITION TAX CREDIT: Saying she was unwilling to risk making the state’s budget hole bigger, Arizona Gov. Jan Brewer (R) vetoed last week a second effort by lawmakers to expand private school tuition tax credits. Brewer had vetoed a similar effort, HB 2581, just a week before. Undaunted, lawmakers inserted the tax credits into SB 1186, a 140-page bill containing a number of technical changes to the state’s tax code. But Brewer was not impressed with the tactic, calling it “rushed” and “contrary to historic legislative custom.” The governor said her veto may require calling lawmakers into a special session to deal with the bill’s original contents. (ARIZONA REPUBLIC [PHOENIX])

Hot issues

B **USINESS:** The federal Food and Drug Administration announces it will regulate e-cigarettes as a tobacco product instead of as a drug. The decision comes after a federal appeals court ruled that e-cigarettes, which allow users to inhale heated nicotine derived from tobacco, cannot be considered medical devices (LOS ANGELES TIMES). • **IDAHO** Gov. C.L. “Butch” Otter (R) signs HB 193, which requires anyone challenging plans for shipments of so-called megaloads on state highways to first post a bond equal to 5 percent of the load’s insured value. Megaloads can be up to three stories tall and take up two lanes of traffic (IDAHO STATESMAN [BOISE]). • **PENNSYLVANIA** Gov. Tom Corbett (R) signs HB 377, which repeals a Keystone State law that mandated most new homes have automatic sprinkler systems (MORNING CALL [ALLENTOWN]). • **A CALIFORNIA** Assembly committee shelves AB 669, which would have levied a 1-cent per fluid ounce tax on sodas and other sugary drinks sold in the Golden State (CONTRA COSTA TIMES). • Still in **CALIFORNIA**, the Senate approves SB 39, which bars the sale of caffeinated beer drinks. It is now in the Assembly (LOS ANGELES TIMES). • The **TEXAS** House approves HB 1451, which would require the state to license and regulate dog and cat breeders with 11 or more breeding females. It moves to the Senate (AUSTIN AMERICAN-STATESMAN). • **MISSOURI** Gov. Jay Nixon (D) signs two measures that overhaul a voter-approved ballot measure to regulate the state’s dog breeding industry. The measures are SB 113, which eliminates the measure’s 50-dog limit and restrictions on how often female dogs can be bred. It also raises breeder licensing fees. He also signs SB 161, which boosts requirements for veterinary care at breeding operations and phases in larger space requirements for animal enclosures (KANSAS CITY STAR). • The **NEW HAMPSHIRE** House approves SB 57, legislation that increases the maximum interest rate on vehicle title loans from 36 percent per year to 25 percent per month. It moves to Gov. John Lynch (D) for review (NASHUA TELEGRAPH). • **UTAH** Gov. Gary Herbert (R) signs SB 35, which defines a construction business owner as a person who is an active manager that holds at least an 8 percent ownership interest and who is not subject to workplace supervision (DESERET NEWS [SALT LAKE CITY]).

CRIME & PUNISHMENT: The **INDIANA** Senate approves SB 57, which would make it a crime to possess, sale, manufacture or deliver any of a number of synthetic cannabinoids sold under retail names like K2 and Spice. The bill moves to Gov. Mitch Daniels (R) for review (NORTHWEST INDIANA TIMES [MUNSTER]). • **MONTANA** lawmakers give final endorsement to HB 106, legislation that requires repeat DUI offenders to take a breath test twice a day, every day, at their own expense



from the time of arrest until their sentence is completed. It moves to Gov. Brian Schweitzer (D), who is expected to sign it into law (BILLINGS GAZETTE). • The **OREGON** Senate endorses SB 803, legislation that would make it illegal to intentionally look at child porn on the Internet even if it isn't downloaded or purchased.

The measure moves to the House (OREGONIAN [PORTLAND]). • **OKLAHOMA** Gov. Mary Fallin (R) signs HB 1439, which allows business owners or employees to use deadly force when they have a reasonable fear they face death or great bodily harm. The measure expands the Sooner State law that allows residents to use deadly force to protect themselves at home (OKLAHOMA [OKLAHOMA CITY]). • The **OREGON** House approves HB 3239, which would require anyone convicted of sexually assaulting an animal to register as a sex offender. It moves to the Senate (OREGONIAN [PORTLAND]).

EDUCATION: The **ARIZONA** Legislature gives final approval to HB 2565, which bars colleges and universities from discriminating against students based on their religious views. It moves to Gov. Jan Brewer (R) for review (ARIZONA REPUBLIC [PHOENIX]). • Still in **ARIZONA**, Brewer vetoes SB 1467, which would have allowed guns on parts of Grand Canyon State college campuses. She called the bill “sloppily written” (FOXNEWS.COM). • Also in **ARIZONA**, Brewer signs HB 2002, which bars school districts from paying for membership in an association that attempts to influence an election. Brewer also inks her name to HB 2415, which requires school districts to provide schools with forms for reporting bullying incidents. It also requires schools to discipline employees who fail to report bullying incidents and develop procedures to protect victims. Brewer also signs SB 1141, legislation that requires public schools to get documentation of their pupils’ Arizona residency (ARIZONA REPUBLIC [PHOENIX]). • A **COLORADO** House committee rejects SB 126, a Senate-approved measure that would have allowed undocumented immigrants to pay in-state tuition at Centennial State colleges and universities (DENVER POST). • The **OREGON** House approves HB 2732, which would require Beaver State students to complete an application to a college or university, the military or an apprentice or training program before they could receive their high school diploma. It has moved to the Senate (OREGONIAN [PORTLAND]). • The **INDIANA** House gives final approval to HB 1003, a bill that would make approximately 60 percent of the Hoosier State’s school children eligible to receive publicly-funded vouchers to pay for private school tuition. It goes to Gov. Mitch Daniels (R), who is expected to sign it into law (COURIER-JOURNAL [LOUISVILLE]). • Still in **INDIANA**, lawmakers also endorse HB 1002, which would expand the entities allowed to authorize new charter schools to include private, four-year universities and a new statewide board. The measure, which also requires

In case you missed it

Republican governors are overwhelmingly opposed to the federal Affordable Care Act, but the vast majority of them are also taking steps to implement the law in their states.

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

http://www.statenet.com/capitol_journal/04-18-2011/html



school districts to make unused buildings available to charter schools and boosts funding for the charters' startup costs, moves to Gov. Daniels (COURIER-JOURNAL [LOUISVILLE]).

ENERGY: The **IOWA** House approves HF 561, which would allow the state's largest utility to begin billing customers in advance to pay for building a new nuclear power facility. If built, it would be the Hawkeye State's first new nuclear plant since 1975. It moves to the Senate (DES MOINES REGISTER).

ENVIRONMENT: A federal court in **FLORIDA** grants the U.S. Environmental Protection Agency greater authority over water permits affecting discharges from sugar growers, farms and businesses operating in the Everglades, ruling that the Sunshine State has failed to sufficiently protect the environmentally endangered area. State officials say they will appeal the ruling (MIAMI HERALD). • **IDAHO** Gov. C.L. "Butch" Otter (R) signs HB 343, which allows the Gem State governor to declare a wolf disaster emergency and enlist local law enforcement agents to reduce the state's gray wolf population (IDAHO STATESMAN [BOISE]).

HEALTH & SCIENCE: The U.S. Supreme Court rejects a request from **VIRGINIA** Attorney General Ken Cuccinelli (R) that it rule immediately on the constitutionality of the federal Affordable Care Act (ACA), the nation's health care overhaul. The court did not elaborate on its decision (WASHINGTON POST). • The **OREGON** Senate approves SB 99, which would create a state health care insurance exchange in line with ACA requirements. It has moved to the House (OREGONIAN [PORTLAND]). • The **VERMONT** Senate endorses HB 202, legislation that would create the nation's first state single-payer health care system. The measure, which is also designed to align the state with ACA tenets, is now in a conference committee (BURLINGTON FREE PRESS). • The **COLORADO** Senate approves SB 200, which would create a health insurance exchange in the Centennial State. It has moved to the House for consideration (DENVER POST). • **MONTANA** Gov. Brian Schweitzer (D) vetoes SB 224, which would have required legislative approval before the state could accept any federal health care funds (GREAT FALLS TRIBUNE). • **MICHIGAN** Gov. Rick Snyder (R) signs SB 53, which bars statements of sympathy or sorrow made by Wolverine State doctors, nurses and hospitals to the families of harmed patients from being used against them as an admission of fault in medical malpractice cases (CRAINE'S DETROIT BUSINESS).

IMMIGRATION: **ARIZONA** Gov. Jan Brewer (R) signs SB 1225, which makes it a felony to use forgery to rent or buy a home to be used as an immigrant-

Upcoming stories

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

- **Education**
- **Health care**
- **Immigration**

Once around the statehouse lightly

A NOSE FOR NOODLING: If your idea of fun includes sticking a hand down some 60-pound catfish’s gullet, then Texas Rep. Gary Elkins has the bill for you. As the *Austin American-Statesman* reports, Elkins recently introduced HB 2189, a measure that would legalize “noodling,” a form of fishing where anglers forgo the standard rod and reel in favor of catching the big cats by hand. It is not for the faint of heart: doing so requires swimming down to depths up to 20 feet, locating one of the riverbank holes the big cats call home, and then reaching in to prompt the whiskery fish to grab on to that hand so it can be dragged to the surface. That is, presuming the angler really does stick his mitt toward a catfish and not a finger-chomping snapping turtle, alligator or some other toothy inhabitant. Elkins’ bill will soon be heard on the House floor.

SING ME AWAY, SING ME AWAY: If you are looking for the official Oklahoma state song, you better be specific about which one you mean. As the *Enid News and Eagle* reports, Gov. Mary Fallin signed a bill last week (SB 73) designating “Swing Low, Sweet Chariot” as the state’s official gospel song. But as *EN&E* also notes, the Sooner State is awash in official tunes, including an official waltz (“Oklahoma Wind”), rock song (“Do You Realize?”), folks song (“Oklahoma Hills”), country song (“Faded Love”) and children’s song (“Oklahoma, My Native Land”). Oh, and of course the official overall state song, Rogers and Hammerstein’s “Oklahoma!” Maybe they’ll soon have an official state concert to perform them all.

HAVE YOU BEEN DRINKING? Cracking down on drunk drivers has become a priority for lawmakers at every level of government. But apparently not everyone thinks it is so bad for someone to get their drink on and then hop into the old cruiser for a jaunt on the public roadways. Case in point comes from Montana, where the *Billings Gazette* reports that Rep. Alan Hale — and no, he’s not the actor who played the Skipper on *Gilligan’s Island* — recently took umbrage to HB 106, a bill that would require repeat DUI offenders to take a breathalyzer test before getting behind the wheel. Hale, who owns a bar, decried the measure for “destroying a way of life that has been in Montana for years and years” and, sin of sins, being bad for business. That argument didn’t hold sway with his fellow lawmakers, who overwhelmingly sent the bill to Gov. Brian Schweitzer.



DALE CARNEGIE HE'S NOT: Freshman Texas Rep. David Simpson isn't much for going along to get along. As the *Austin American-Statesman* reports, Simpson is developing quite a reputation for going his own way, often to the consternation of both Democrats and his GOP colleagues. Among his more notable stands include opposing the re-election of fellow Republican Joe Straus as House Speaker and being one of only two Reeps to vote against the GOP-supported budget bill. Video of Simpson praying over his vote on the speaker even ended up as fodder for political satirist Jon Stewart on "The Daily Show." While some laud his actions, others are less amused, including Democratic Rep. Senfronia Thompson, one of the longest serving members in the House, who recently accused him of "trying to be a genius when he's not one." Simpson was unperturbed, saying "The people didn't send me here to sit down and shut up."

I SAID I'D BE BACK: The suspense is over: former California Gov. Arnold Schwarzenegger is returning to the movie biz, setting to take a star turn reprising his signature role as the killer robot in a new "Terminator" movie. As *Entertainment Weekly* reports, studio execs are hoping the hubbub around a Schwarzenegger return can breathe some life into the moribund franchise. Hmm...they should ask California voters how well his last effort to do that worked out.

— By *RICH EHISEN*

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