



Balancing Act

June 11, 2007

Budget & taxes States investing in terrorist nations?	3
Politics & leadership CA considering Iraq referendum	6
Governors Patrick pitches MA education overhaul	7
Bird's eye view	3
Hot issues	10
Once around the statehouse lightly	13

● The next issue of Capitol Journal will be available on June 18th.

Top Story

State budgets are doing better than they have in years. But with tax revenue on the decline and demands for government services on the rise, budget analysts wonder how long the good times may continue to roll.

SNCJ Spotlight

State budget officials optimistic about present but not about future

According to the nation's state budget officers, the 2007 fiscal year — which ends June 30 for most states — has been a pretty good one. But next year could be a different story.

Last week, the National Association of State Budget Officers (NASBO) and the National Governors Association (NGA) released their biannual "Fiscal Survey of States," which revealed that state spending is up 8.6 percent over last



year, more than two percentage points over the 29-year historical average of 6.5 percent. What's more, only three states — MICHIGAN, RHODE ISLAND and WISCONSIN — have had to make cuts to their enacted budgets, totaling just \$170 million, although one other state — NEW JERSEY, which is expecting a \$400 million shortfall — perhaps should have done so. Still, that certainly beats fiscal years '02 and '03, when 37 states had to scale back their enacted budgets by \$12.6 billion and \$11.7 billion, respectively.

States have clearly enjoyed having the additional revenues, particularly after so recently suffering through the Depression-like budget shortfalls of a few years ago. A few obvious examples of that newfound budgetary freedom include MINNESOTA lawmakers' approval of funding for a new baseball stadium for the Twins and the NEW MEXICO Legislature funding a long-desired spaceport.

Those projects were made possible because states collected significantly more tax revenue last year than they originally expected. Much of that came from corporate income taxes,

“State finances are strong and stable, but we are beginning to see some cracks.”

with states collectively receiving nearly 11 percent more in those revenues than originally budgeted for fiscal 2007. That was augmented by increases in personal income taxes (2.4 percent) and sales taxes (0.6 percent). While governors expect revenues to keep climbing, they also expect the pace to slow a bit, likely

exceeding fiscal 2007 amounts by around 3.3 percent.

But the state budget officials aren't entirely optimistic about the future. Many indicated their state's economy is slowing. While 27 actually reported revenue collections were exceeding projections and 14 reported their revenues were on budget, those in nine states — CALIFORNIA, DELAWARE, FLORIDA, MAINE, MARYLAND, NEVADA, OKLAHOMA, RHODE ISLAND and WYOMING — said collections were below budgeted levels. Last year, every state either exceeded or met its revenue projection. “State finances are strong and stable, but we are beginning to see some cracks,” Scott Pattison, executive director of NASBO, said in a joint press conference with the NGA.

Pattison said another sign of potential trouble is that state budget surpluses are also on the decline. In 2006, they reached their highest level ever: \$62.1 billion. This year, they've dropped to \$50.4 billion and next year they're expected to fall to \$39 billion.

The week in session

States in Regular Session: CA, DC, DE, IL, LA, MA, ME, MI, NC, NH, NJ, NY, OH, OR, PA, RI, US, WI

States in Special Session: FL “b”

States Currently Prefiling or Drafting for 2008: FL, KY

States Projected to Adjourn: AZ, TN

States Adjourned in 2007: AK, AL, AR, CO, CT, FL, GA, HI, IA, ID, IN, KS, KY, MD, MN, MS, MT, ND, NE, NM, NV, OK, SC, SD, TX, UT, VA, VT, WA, WV, WY

State Special Sessions Adjourned in 2007: AL “a”, FL “a”, MS “a”, MT “a”, NM “a”, WI “a”, WV “a”

Letters indicate special/extraordinary sessions

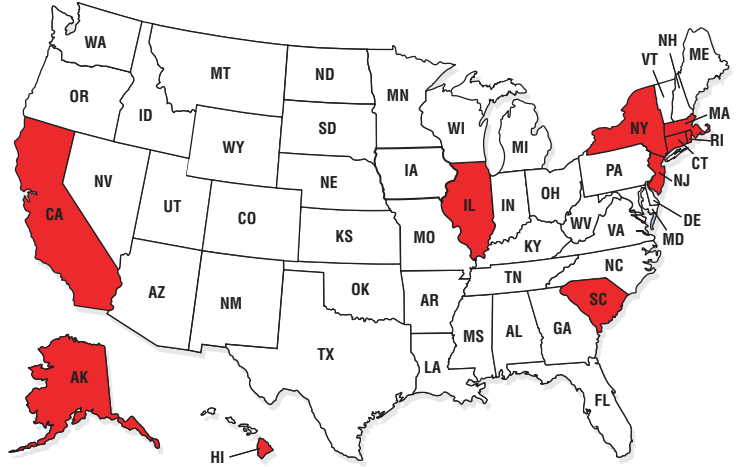
— Compiled By JAMES ROSS
(session information current as of 06/08/2007)
Source: State Net database



Meanwhile, the fiscal officials indicated that demands on state budgets -- particularly Medicaid, which currently accounts for 22 percent of overall state spending -- continue to rise. And NGA Executive Director Raymond C. Scheppach pointed out that ambitious proposals by numerous governors to reduce the number of uninsured residents in their states could create even more budget pressure on states heading into a potential economic downturn. Thirty-four governors have proposed universal health plans for fiscal 2008 totaling \$18.4 billion.

The concerns expressed by the state budget officers mirror those aired by fiscal officials from the legislative branch earlier this year in a report by the National Conference of State Legislatures. That report indicated that while most legislative fiscal officers thought their state would end the year in good financial shape, many feared that spending on programs like Medicaid would outstrip revenues in the future. (STATELINE.ORG, NASBO.ORG)

Bird's eye view



Source: State Net

 Plastic bag recycling bills

Recycling plastic bags

An estimated 1 trillion petroleum-based plastic bags enter the worldwide consumer marketplace each year. Experts believe that as many as 500 billion of those end up in landfills or, worse, in waterways where they can harm or kill marine mammals. Earlier this year, San Francisco became the first U.S. city to ban the use of petroleum-based plastic shopping bags in supermarkets and pharmacies. Since then, 10 states have introduced a total of 22 bills also addressing plastic bag use. Most require retailers to recycle or reduce their use of plastic bags, while bills like SB 692 in SOUTH CAROLINA mandate that plastic bags be degradable by the year 2012. These bills generally add plastic bags to retailers' current recycling programs that already include bottles and cans, or mandate that customers who bring in their own reusable bags receive a credit. Contact State Net for a complete list of this legislation.



— Compiled by KOREY CLARK

Budget & taxes

STATES INVESTING IN TERRORIST NATIONS? MISSOURI state Treasurer Sarah Steelman (R) is on a mission to make state government investing “terror-free.” She appears to be one of the few state officials bothered by the fact that while individual American citizens are barred from investing in companies that operate in countries on the State Department’s list of terrorist-





supporting nations, plenty of states do so through their pension programs. In an effort to change that, she’s expunged terror-listed companies from the portfolio of a \$26 million cultural trust fund she oversees; she’s begun working on doing the same to her state’s pension fund; and she’s sent a letter to every other state treasurer calling on them to do likewise. “If we are going to have economic sanctions, let’s really cut the purse strings,” she says.

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But so far, she hasn’t been getting much support — even where it might be expected. Bob Newman, who directs the quasi-public organization that manages the pension program in UTAH — a state that has been a staunch supporter of the “war on terror” — said in response to Steelman’s entreaty, “We are not in business to conduct foreign policy.” Newman says his organization’s board has a general policy against “social investing,” whether it be for combating terrorism or a more traditional cause like protecting the environment. The reason for that, he says, is simply that “Our goal is to manage the plan to provide the best return with the least risk we can.” And by limiting the number of stocks you’re able to invest in, you increase your risk.

Steelman doesn’t buy that argument, however. She suggests that publicly-traded companies that do business with terrorist-supporting nations can be bad investments because of the volatility of their stock prices, pointing out that her own “terror-free” fund is doing quite well.

Still, she concedes that the issue might have to be handled by state lawmakers. And there may be one who’s so inclined in UTAH: House Majority Leader David Clark (R), who’s a member of the Legislature’s retirement committee. He said he’d heard little about terror-free investing but that he was “very much intrigued by the thought.” (SALT LAKE TRIBUNE)

CT ENDS SESSION WITHOUT BUDGET: CONNECTICUT wrapped up its 2007 legislative session last week without adopting a state budget for next year, despite the fact that Democrats control both houses of the state’s General Assembly — and that the state expects to end the year with a surplus of over \$900 million. The Democrats were unable to reach an agreement with Republican Gov. M. Jodi Rell about whether a tax increase is necessary. Rell started the year calling for an across-the-board hike in the state income tax, but now opposes any tax increase. The Dems, on the other hand, want to lower the income-tax rate for middle-class taxpayers by increasing it for wealthier residents.

Both sides appeared to be resigned to a budgetless session before the session had actually ended. On its final day, Rell, saying it was “the same old story, tax and spend, tax and spend, tax and spend,” called for a special session on June 12. But House Speaker James Amann (D) had already tentatively scheduled a special session for the

day after the regular one adjourned. Senate President Pro Tem Donald E. Williams Jr. (D), meanwhile, made it pretty clear how he felt about Rell's comments. "We don't need the governor to wag her finger and call us into special session when we know what we have to do."

In spite of the open hostilities, Williams still seemed confident that a budget deal was imminent. "There's not a deal yet, but I think that in the next day or two or three that it's possible that we could have an agreement," he said. (HARTFORD COURANT)

BUDGETS IN BRIEF: LOUISIANA Gov. Kathleen Blanco (D) announced this month that her administration intends to contribute between \$600 million and \$700 million in state funds to the "Road Home" program, which provides grants to residents whose homes were damaged by hurricanes Katrina and Rita. Up until then, the governor had been insisting that the federal government foot the entire bill for the program, including a projected \$5 billion shortfall (USA TODAY). • **CONNECTICUT** lawmakers have passed legislation that would make illegal immigrants who graduate from high schools in the state eligible for the resident tuition rate at the state's public universities and colleges. Gov. M. Jodi Rell (R) has not indicated whether or not she will sign the bill (NEW YORK TIMES). • **HAWAII** Gov. Linda Lingle (R) signed legislation (Act 110) that is expected to save businesses \$151 million — or about \$1,100 per employee per year — on their unemployment insurance taxes over the next three years (HONOLULU ADVERTISER). • **TENNESSEE's** General Assembly passed a 42 cents-per-pack increase in the state's cigarette tax last week. Gov. Phil Bredesen (D) will likely sign the measure, since he proposed it (CHATTANOOGA TIMES FREE PRESS). • **NEVADA** lawmakers approved a record \$7 billion state budget for the next two years on the final day of their 2007 session last Monday. Just over half of the total dollars are earmarked for education, while a third will go to human services, including Medicaid (NEVADA APPEAL). • The budget approved by **TEXAS** lawmakers last month includes healthy pay raises for the state's eight top officials. But Gov. Rick Perry (R) said he'll decline the increase — which would boost his salary from about \$115,000 to \$150,000 — because he doesn't need the money (AUSTIN AMERICAN-STATESMAN). • A county judge in **PENNSYLVANIA** ruled last week that the system the state uses to assess real estate for tax purposes is unconstitutional and recommended that the state legislature consider changing it. But one close observer of the case said lawmakers are unlikely to do so before the case makes its way through the legal system, which could take a couple of years (ASSOCIATED PRESS, PHILADELPHIA INQUIRER). • **GEORGIA** Gov. Sonny Perdue has approved \$828,758 in funding to keep 400 state prosecutors from having to take a week-long furlough this month due to a budget shortfall (ATLANTA JOURNAL-CONSTITUTION).

— Compiled by KOREY CLARK

Politics & leadership

CA **CONSIDERING IRAQ REFERENDUM:** Last week, CALIFORNIA moved a step towards becoming the first state to formally call for the immediate withdrawal of U.S. troops from Iraq, when the Senate approved a measure to bring that issue before the state’s voters. SB 924 would place a ballot measure on the presidential primary ballot next February that would read: “Shall President George W. Bush...end the United States occupation of Iraq and immediately begin the safe and orderly withdrawal of United States forces: and, further, shall President George W. bush and the Congress provide the necessary diplomatic and nonmilitary assistance to promote peace and stability in Iraq and the Middle East?”

Both the vote on the measure — which was 23 to 11 — and the passionate debate that preceded it broke along party lines. Democrats viewed the nonbinding advisory measure as a way to get President Bush to stop wasting American money and lives.

“That war is costing CALIFORNIA dearly,” said the bill’s sponsor, Senate President

Pro Tem Don Perata (D). But Republicans said the measure was pointless, given that voters already expressed their dissatisfaction with the war very clearly in last November’s elections. “Is there any one among us who doubts that uppermost on the minds of the voters who cast ballots last November was the issue of the conduct of the war in Iraq?” said Sen. Roy Ashburn (R). He added that the resolution would only “raise false expectations” that the war will immediately be brought to an end.

Still, the proposal is expected to win passage in the Assembly. Gov. Arnold Schwarzenegger, however, has not indicated whether he will sign it. (LOS ANGELES TIMES)

COCONUT ROAD LINKED WITH ‘BRIDGE TO NOWHERE’: A transportation bill approved by Congress last year included \$10 million for a project linking a stretch of pavement in southwestern FLORIDA known as Coconut Road with Interstate 75. The Republican congressman from the district where Coconut Road resides claims he didn’t request the money. And county officials in that district actually voted twice not to accept it. The key to the mystery of the appropriation’s provenance may lie with the fact its author was Rep. Don Young (R-ALASKA), who last year also directed over \$200 million to a project in his home state linking an island inhabited by 80 people to the mainland, affectionately known as the “Bridge to

“Is there any one among us who doubts that uppermost on the minds of the voters who cast ballots last November was the issue of the conduct of the war in Iraq?”



Nowhere.” It seems that a real estate developer named Daniel J. Aronoff, who helped Young raise money in the Sunshine State, owns a few thousand acres along Coconut Road. “It would appear that Don Young was doing a favor for a major contributor,” said Ray Judah, one of the county commissioners in FLORIDA who opposes the interchange project. For his part, when approached by a reporter in the House for comment, Young made an obscene gesture. (NEW YORK TIMES)

— *Compiled by KOREY CLARK*

Governors

PATRICK PITCHES MA EDUCATION OVERHAUL: MASSACHUSETTS
 Gov. Deval Patrick (D) unveiled his education reform plan last week, an agenda that includes a proposal to make the state’s community colleges — among the most expensive in the nation — free to all high school graduates in the state by the year 2015. Additional reforms would include new teacher training programs, a longer school, creating a universal pre-kindergarten program and strengthening math and English requirements. Patrick said his proposals were an “effort to change fundamentally the way we think about and deliver public education” in the Bay State.

Observers estimated that the cumulative agenda would cost the state around \$1 billion annually. Patrick didn’t say how he planned to pay for it all, instead noting that he would soon establish a “readiness project” to recommend further improvements and to develop funding mechanisms for those changes. While Patrick’s supporters and critics alike praised the plan for its ambition, analysts like Steve Poflak, of the Pioneer Institute, a conservative think tank, cautioned that the funding would be a significant challenge at best. “I think there’s certainly a tremendous amount of vision in the education plan, but I approach the financing side of it with a great deal of trepidation,” Poflak said. “I think it’s going to be tremendously difficult to come up with the funds for each one of these initiatives.”

But Doug Rubin, Patrick’s chief of staff, called the criticism premature, noting that Patrick’s plan is a long-term proposition that will require the governor to work closely with lawmakers to work out all the details. “This takes time, and for critics and naysayers to shoot it down before you even get a chance to have that discussion doesn’t do anybody any good,” he said. (BOSTON GLOBE)

SPITZER WANTS EXPANDED FAMILY LEAVE: NEW YORK Gov. Eliot Spitzer (D) has quietly been working with Empire State lawmakers to win support for a plan that would give workers several weeks of paid leave to care for newborn children or seriously ill family members. Only two states — WASHINGTON and

Hot issues

B **USINESS:** The **CONNECTICUT** House approves legislation that bars local governments from taking private property solely to spur economic growth. It now goes to Gov. M. Jodi Rell (R) for review (**HARTFORD COURANT**). • The **CONNECTICUT** House also approves a measure that would require all cigarettes sold in the Constitution State to be self-extinguishing. It moves to Rell (R) (**THE DAY [NEW LONDON]**). • **COLORADO** Gov. Bill Ritter (D) vetoes SB 84, which would have required the state to maintain a database of all persons registering as interior designers, allowing only those in the database to use the term “registered interior designer” (**ROCKY MOUNTAIN NEWS [DENVER]**). • Still in **COLORADO**, Ritter signs SB 203, legislation that requires mortgage brokers to be licensed by the state. Under the new law, any broker who has a license revoked would not be eligible for reinstatement unless he or she provides full restitution to the consumers involved. It goes into effect immediately (**ROCKY MOUNTAIN NEWS [DENVER]**). • The **DELAWARE** Senate approves SB 37, which grants state insurance regulators the power to oversee health insurance rates. The measure moves to the House (**NEWS JOURNAL [WILMINGTON]**). • The **MAINE** Senate approves LD 1869, which limits the fees mortgage lenders may charge as well as bans the practice of “flipping” loans - when a lender convinces a borrower to refinance without any benefit to the consumer. It moves to Gov. John Baldacci (D) (**KENNEBEC JOURNAL**). • The **OREGON** Senate approves HB 2871, legislation that would cap interest rates on all consumer loans under \$50,000 at 30 percentage points above the federal reserve discount rate. It returns to the House for review of a minor amendment (**OREGONIAN [PORTLAND]**).

CRIME & PUNISHMENT: The **CONNECTICUT** House approves legislation that would require gun owners to report their lost or stolen weapons to police within 72 hours. It shoots off to Gov. M. Jodi Rell (R) for review (**THE DAY [NEW LONDON]**). • **CALIFORNIA** prison officials begin allowing overnight conjugal visits for gay and lesbian inmates with registered domestic partners. The Golden State is one of only six that allow any kind of conjugal visit and the first state to allow them for same sex partners (**SAN FRANCISCO CHRONICLE**). • **HAWAII** Gov. Linda Lingle (R) signs legislation that makes it a felony to abuse animals. Violators face a \$10,000 fine and up to five years in jail (**HONOLULU STAR BULLETIN**). • The **NEVADA** Legislature approves AB 148, which requires that pseudoephedrine-based cold and allergy medications be sold only at pharmacies. Those medications can be used to make the illegal drug methamphetamine. The measure heads to Gov. Jim Gibbons (R) for review (**NEVADA APPEAL [CARSON CITY]**). • A federal appeals court rules that **MISSOURI**'s lethal injection death penalty procedure is not

unconstitutionally cruel and unusual punishment. Critics contend the process causes the condemned inmate excessive pain and suffering (JOPLIN GLOBE).

EDUCATION: The **CONNECTICUT** Senate approves legislation that would allow the children of illegal immigrants to pay in-state college tuition rates as long as they have attended and graduated from a Constitution State high school. It moves to Gov. M. Jodi Rell (R) for review (HARTFORD COURANT).

• **OKLAHOMA** Gov. Brad Henry (D) signs HB 1476, legislation that requires Sooner State public schools to provide financial literacy instruction to students in grades 7 through 12. Coursework will cover topics like balancing a checkbook, credit card debt and retirement planning. It goes into effect for the 2008-2009 school year (OKLAHOMAN [OKLAHOMA CITY]). • The **LOUISIANA** House approves HB 969, which would bar teachers, coaches and other school personnel from having sexual relationships with their students under age 19. It moves to the Senate (NEWS STAR [MONROE]). • The **OREGON** House approves SB 1040, which would allow schoolchildren to possess and use medications for emergency relief of asthma and severe allergies. It returns to the Senate for review of amendments (STATESMAN JOURNAL [SALEM]).

ENVIRONMENT: **OREGON** Gov. Ted Kulongoski (D) signs SB 838, legislation that requires large utilities to generate 25 percent of the Beaver State's electricity from renewable resources such as wind, sunlight and biomass by 2025 (STATESMAN JOURNAL [SALEM]).

HEALTH & SCIENCE: The **CALIFORNIA** Senate and Assembly each pass measures that would, among other things, require employers to spend 7.5 percent of their payroll on health care or pay into a state fund that would provide comprehensive coverage. Each proposal — SB 48 and AB 48 — moves to the other chamber for review (SACRAMENTO BEE) • **VERMONT** Gov. Jim Douglas (R) allows legislation that will increase the number of people able to utilize the state's medical marijuana statute to become law without his signature. The measure broadens the law to include people with chronic, debilitating conditions (RUTLAND HERALD). • **RHODE ISLAND** Gov. Don Carcieri (R) vetoes legislation that would have made permanent the Ocean State's law allowing seriously ill people to use marijuana. The measure was due to expire this year under a sunset clause. Lawmakers say they will seek an override (PROVIDENCE JOURNAL). • **OKLAHOMA** Gov. Brad Henry (D) signs SB 424, which increases Medicaid eligibility for children from 185 percent of the federal poverty level to 300 percent. That change is expected to add 42,000 additional children to the state health plan (DAILY ARDMOREITE).



HOMELAND SECURITY: TEXAS Gov. Rick Perry (R) signs legislation that will allow him to create a Border Security Council to establish a system for mutual aid during emergencies. The measure also expands law enforcement agencies' ability to use wiretapping in their investigations (DALLAS MORNING NEWS).

Upcoming stories

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

- **Hiring illegal workers**
- **Predatory lending**
- **Credit scoring**

IMMIGRATION: COLORADO Gov. Bill Ritter (D) vetoes HB 1313, which would have broadened the number and type of documents Centennial State driver's license applicants could have used as identification for the state DMV. Critics of the measure contend it would have made it easier for illegal immigrants to obtain a license (ROCKY MOUNTAIN NEWS [DENVER]).

SOCIAL POLICY: The **CALIFORNIA** Senate approves SB 11, which would expand the Golden State's domestic partnership law to include adult heterosexual couples. It now moves to the Assembly (SACRAMENTO BEE). • Still in **CALIFORNIA**, the Assembly endorses AB 43, which would legalize same-sex marriages. It moves to the Senate (LOS ANGELES TIMES). • A federal appeals court upholds a lower court ruling that declared a **MICHIGAN** law banning partial birth abortion unconstitutional. The 6th U.S. Circuit Court of Appeals said the law was so broad it would ban virtually all abortions in the Wolverine State (DETROIT NEWS). • The **NEW HAMPSHIRE** Senate approves a proposal to repeal a Granite State law requiring parental notification for teenagers to get abortions. The measure moves to Gov. John Lynch (D), who says he will sign it (MANCHESTER UNION LEADER).

POTPOURRI: The **CALIFORNIA** Assembly endorses AB 221, legislation that would bar the Golden State from investing in companies involved with the defense or nuclear sector in Iran or companies developing Iranian petroleum resources that already are subject to federal sanctions. It moves to the Senate (SAN FRANCISCO CHRONICLE). • The **CALIFORNIA** Assembly also approves AB 1634, which would require dog and cat owners to spay or neuter their pets or face a \$500 fine. It heads to the Senate (SACRAMENTO BEE). • Still in **CALIFORNIA**, the Senate approves SB 924, which would place an advisory measure on next February's ballot calling for the immediate withdrawal of U.S. troops from Iraq. It moves to the Assembly (LOS ANGELES TIMES). • **CONNECTICUT** Gov. M. Jodie Rell (R) signs legislation that bars funeral protesters from demonstrating for one hour before through one hour after a funeral or memorial service. The measure also requires protesters to stay back at least 150 feet from the entrance or boundary of church or cemetery facilities (HARTFORD COURANT).

— *Compiled by RICH EHISEN*

Once around the statehouse lightly

ONE OF THESE DAYS, POW, RIGHT TO THE KISSER: It's rough sledding right now for ILLINOIS Gov. Rod Blagojevich. He wants Prairie State lawmakers to back his big-ticket healthcare plan, but so far his fellow Dems in Springfield have not been cooperating. As reported by the *Chicago Sun-Times*, a recent face to face meeting with Sen. Mike Jacobs — one of two prominent Democratic holdouts keeping the proposal from approval — apparently got so heated that Blagojevich was ready to take a swing at the lawmaker. As Jacobs sees it, the governor, a former Golden Gloves boxer, “blew up like a 10-year-old child.” In addition to the potential punch, Blagojevich allegedly threatened to pull millions of dollars from projects in Jacobs’s district and to try to have him unseated in the next election. Blagojevich denies it all, but Jacobs was adamant. “If he’d have been my son,” Jacobs said, “I might have put him over my knee and spanked him.” Jacobs later amended his tack, saying that “If this governor would have been in East Moline, ILLINOIS, in one of my local taverns, I would have kicked his tail end, and that’s the bottom line.” Sounds like either way, Blagojevich might have ended up with a sore backside.

AND THAT DAY IS APPARENTLY NOW: At least Blagojevich actually caught himself before throwing the punch. According to the Associated Press, ALABAMA Republican Sen. Charles Bishop showed no such restraint last week. Convinced that Democrat Lowell Barron had called him a “son of a [expletive]” during a recess from what was clearly a high energy floor session, Bishop punched Barron in the head. After security folks and other lawmakers intervened, the two men went to separate corners to cool down. Bishop later said he felt bad about the incident because “that’s not the way grown men solve their problems.” Maybe it would be if he was meeting with Blagojevich.

DUDE, WHAT ARE YOU SMOKING? CALIFORNIA Gov. Arnold Schwarzenegger is renowned for his love of a good cigar, so it should come as no surprise that he fired one up on his recent trip to Canada. What did come as news, however, is that The Govenator’s stogie of choice was one of the dreaded Cuban variety long-banned by our own government. According to the *Ottawa Citizen*, Schwarzenegger took a detour on his way to the airport specifically to grab a prized Cuban Partagas — still a strict no-no for U.S. citizens even when traveling abroad. While Schwarzenegger has admitted in the past to having a strong affection for fine Cuban torps — Montecristos and Cohibas in particular — the gov’s entourage



would confirm only that he did stop for a smoke. But, inquiring minds asked, was it a Cuban? “There’s no way of telling now because he smoked it,” said Schwarzenegger’s spokesperson Aaron McLear.

BUT CAN HE STILL VOTE?

Congressional House Speaker Nancy Pelosi is a noted fundraiser. The CALIFORNIA Democrat, the first female House Speaker in history, rarely leaves a stone unturned in her quest for campaign cash. Accordingly, reports the *San Francisco Chronicle*, she recently faxed state Sen. William Craven an invitation to a \$500-per-person “Win the House 2008” fundraiser in her San Francisco district. While it already seemed a little odd that she would send such an invite to a noted Republican, it was actually even stranger because Craven left office several years ago...and died in 1999.

SURE SHOT HE’S NOT: Cody Downs made big headlines a few years back when he ran for the ALASKA statehouse at the tender age of 20. The precocious Downs lost that race and went back to a quiet life away from the media glare. Or at least he did until last month. As reported by *KTUU Channel 2*, Downs was driving home one evening when the inhabitants of a van stopped in front of him began to act in a threatening manner. Sensing trouble, Downs grabbed his trusty P-22 semi-automatic pistol from under the seat and made sure his potential assailants knew he was packing heat. Sufficiently rebuffed, Downs says, they drove off in due haste. Sadly, while Downs was apparently no longer in danger of being attacked, he was still not free of his biggest threat — putting the gun away safely. Minutes later he was frantically rushing himself to the hospital after shooting himself in the thigh. Docs said the bullet just missed bone and arteries. He’ll live, but the police have possession of the gun. Downs does have a souvenir — the bullet is lodged in his leg for life.

— by *RICH EHISEN*

Correction

In the Hot Issues section of our June 4 issue, we incorrectly identified CALIFORNIA SB 386 as a measure that would add “familial status” to the categories of discrimination banned by the state’s Fair Employment and Housing Act. The correct bill number is CA SB 836. We regret the error.



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