

July 13, 2009

Young, Healthy... and Uninsured



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The next issue of
 Capitol Journal will be
 available on July 20th.

Top Story

Young adults are the fastest growing group of uninsured in the nation, prompting a growing number of states to allow children to stay on their parents' health insurance plans well into adulthood.

SNCJ Spotlight

More states helping young adults keep health coverage

Last month, hundreds of thousands of young adults wrapped up their college careers and prepared to enter the workforce. Unfortunately, the vast majority of those not stepping into a good job right away may find themselves among the many millions of people under age 30 in this country without even basic health care coverage.

Young adults have become the fastest growing group of uninsured in the nation. According to the National Conference of State Legislature, people between the ages of 19 and 29 now account for more than 13 million of the

Most of these measures allow young adults to remain on their parents' policy into their mid-20s, though NEW JERSEY now allows adult dependents to stay on their parents' plan until age 31. FLORIDA sets the age limit at 30, as does ILLINOIS as long as the dependent is a military veteran (the maximum age is 26 otherwise). SOUTH DAKOTA sets the bar as high as 29 as long as the dependent is a full time student.

Most states have similar restrictions. The majority require the adult child to be unmarried — though SOUTH DAKOTA and INDIANA do not — and in all but a handful of states coverage can only be extended to adult children who have no kids of their own. Some states, such as CALIFORNIA, limit the coverage extension only to those adult children who are physically or mentally incapable of self-sustaining employment.

While the laws vary a bit from state to state, the reasons behind them do not. As the National Academy for State Health Policy (NASHP) points out, going without health coverage is most often a matter of economics. Young adults, even those with college degrees, often hold down entry level, low-wage or part-time jobs that do not provide health insurance benefits. The cost of buying individual policies is usually prohibitive. NASHP notes that in 2005, 41 percent of uninsured young adults fell below 100 percent of the federal poverty line (\$9,750 for single-person household) while 72 percent were below 200 percent of that mark. With individual policies often running hundreds of dollars per month, coverage is simply a financial impossibility.

There are other options, but few affordable ones. Medicaid allows states to extend coverage on some older low-income adolescents, but rarely anyone over age 21. Some states also copy federal policies that allow some children to access insurance through COBRA, but NCSL's Tobler notes that most laws allow employers to charge someone accessing COBRA up to 102 percent of the premium, rarely affordable for young people already strapped for cash.

But going without coverage isn't always just about dollars and cents. Kevin Sullivan, a San Francisco-based health insurance broker, says many young adults fall into a group he calls "the Invincibles," those that typically don't buy health insurance "because they believe they won't get hurt or sick." Those folks, he says, are willing to risk going without coverage, regardless of the cost.

Many observers believe that having to obtain an individual policy is not automatically a bad thing. Tim Tracy Jr., a CONNECTICUT-based insurance agent, says it really depends on each person's situation. In some cases, he says, it may actually be better for the adult child to stay off his or her parents' coverage.

"It could be beneficial to have an adult child stay on their parents' policy if that individual has a pre-existing condition and wouldn't be able to get their own individual plan," Tracy says. "A negative would be to keep an adult child on the policy and then something happens that would prevent them from getting their own plan when their coverage expires on their parents' plan because they reach the age limit."



While states will likely continue to adopt these measures, NCSL's Tobler notes they are not a panacea for the rising tide of health care costs. For one, no state has a measure that requires employers to carry an employee's adult dependents on the company policy. If an employer chooses to do so and the rates for that policy climb accordingly, the employer may legally pass that increased cost along to the employee. This could eventually impact all of a company's workers should the employer need to add expensive services like maternity coverage to accommodate adult dependents. Tobler also points out that state laws generally apply only to employer-provided group plans, while NASHP notes that state dependent coverage laws do not apply in cases where the company is self-insured. Those exceptions, says Sullivan, the San Francisco insurance broker, decidedly illustrate the real problem with health insurance.

"Ultimately, this is window dressing," he says. "Cost is the 400 pound gorilla in the corner, throwing banana peels at everyone in the room, and no one is noticing."

— By RICH EHISEN

Budget & taxes

STATES MISUSING STIMULUS FOR EXPEDIENCE'S SAKE: States aren't using federal economic stimulus funds as they were intended, according to a new report by congressional investigators. The report, released by the Government Accountability Office at a House oversight hearing last week, says states, among other things, aren't sending transportation funds to the most economically distressed areas or using stimulus dollars for long-term improvements as required by the American Recovery and Reinvestment Act.

The need to spend the stimulus money quickly appears to be the main reason for the states' lack of full compliance. The GAO found, for instance, that many states either didn't figure distressed areas into their transportation plans until late in the process or used their own criteria to determine which areas were distressed instead of the federal requirement's. The report specifies 21 ILLINOIS counties deemed economically distressed by state officials that "would not have been so classified following the act's criteria."

The report says well over half of the \$15.9 billion in stimulus-funded transportation projects underway across the country involve road resurfacing, road widening or other pavement improvements, because such projects don't typically require time consuming environmental impact studies and can be started quickly.

The report also says schools aren't using stimulus funds for educational reform because the money must be spent quickly and because they have more pressing

needs. Stimulus money was used to save 2000 teachers' jobs in FLORIDA's Miami-Dade school system, for example, as well as to preserve existing programs in Flint, MICHIGAN, despite the fact that no new school buildings have been built there in over three decades.

The GAO's findings fueled the claims of Congressional Republicans, such as Rep. Darrell Issa of CALIFORNIA, the ranking GOP member of the oversight committee, that the stimulus package isn't working.

"By any standards, the expectations that accompanied the stimulus have fallen far short," said Issa spokesman Kurt Bardella. (USA TODAY)

PA HOUSE DEMOCRATS THREATEN TAX-FREE BUDGET: Last Wednesday, a week into the new fiscal year without a state budget, PENNSYLVANIA House Democratic leaders threw down the gauntlet. Increasingly frustrated by their own caucus' reluctance to rally behind Gov. Ed Rendell's (D) plan to increase the personal income tax, Senate Republicans' refusal to support any tax hike and the public's claim to desire a no-new-tax budget, they vowed to produce just such a spending plan.

"If the public wants a no-tax budget, they should very well see what a no-tax budget looks like," said House Speaker Keith McCall (D), who predicted severe cuts to schools, highway projects and social service programs. "All of these lines will be cut, and cut substantially."

McCall said Democratic staffers would start working on the plan immediately, using the \$27.3 billion budget passed by the Senate in May as a base and adding an additional \$1.7 billion in cuts needed to bring the budget into line with recent revenue declines.

It wasn't clear whether Rendell supports his fellow Democrats' strategy or if their threatened no-tax budget will ever actually reach the House floor for a vote. But the state has only limited authority to spend money without a budget, and if no spending plan is in place by July 17, more than 33,000 state employees will begin receiving partial paychecks. (PATRIOT-NEWS [HARRISBURG])

BUDGETS IN BRIEF: ARIZONA Gov. Jan Brewer (R) signed a budget deal last Wednesday ensuring funding for public education and the state's receipt of over \$2 billion in federal assistance. The four-bill package approved by the Legislature two days earlier added about \$10 billion in general fund spending to the budget previously rejected by the governor (ARIZONA REPUBLIC [PHOENIX]). • Last Tuesday, for the second time in a week, **ILLINOIS** Gov. Pat Quinn (D) backed off his threats to make major cuts in state spending and instead vetoed much of the state budget sent to him by lawmakers. Legislative leaders said the move only deepened their mistrust of the rookie governor, but Quinn said the budget bill was flawed from "beginning to end" and needed to be completely rewritten to spread spending cuts across state



government (CHICAGO TRIBUNE). • **CALIFORNIA** began issuing IOUs in lieu of cash payments last week to taxpayers, vendors and local governments. Some of the nation's largest banks, including Bank of America Corp., Citigroup Inc., Wells Fargo & Co. and J.P. Morgan Chase & Co., said they would not accept the state's IOUs after July 10 (NEW YORK TIMES, WALL STREET JOURNAL). • **RHODE ISLAND'S** Division of Taxation has issued notices to over 100 online retailers, advising them of the law signed by Gov. Donald Carcieri (R) last week (HB 5983) obligating them to collect the state's 7-percent sales tax on certain online purchases made by Rhode Island residents. Three online retailers — Amazon.com, Overstock.com and BlueNile.com — have already severed ties with their Ocean State affiliates as a result of the law, which they say is unconstitutional (PROVIDENCE JOURNAL).

— *Compiled by KOREY CLARK*

Politics & leadership

BURRIS BOWS OUT OF 2010 US SENATE RACE: Democrat Roland Burris seemed destined for a brief career in the U.S. Senate from the moment he was appointed by former ILLINOIS Gov. Rod Blagojevich (D) shortly before the governor was impeached. That promise was fulfilled last Thursday when news broke that Burris would not seek election to a full term next year.

Although one of Burris' strongest potential challengers, state Attorney General Lisa Madigan, announced last week that she would seek a third term in her current office, winning next year's election would still have been exceedingly difficult for Burris. U.S. Sen. Richard Durbin, ILLINOIS' senior senator and the Senate's No. 2 Democrat, has said repeatedly he would not support Burris' candidacy. Recent polls show most ILLINOIS voters don't support him either, likely in part to his early claims that he offered nothing to Blagojevich in exchange for his appointment and evidence to the contrary that surfaced later. And Burris has been dogged by anemic fundraising. A campaign finance disclosure report filed with the Federal Election Commission in April showed he raised only \$845 during the spring and was more than \$111,000 in debt.

His decision not to run, however, may be good for Democrats, increasing their chances of holding on to the former seat of President Barack Obama. Republicans considered Burris an easy target. With Burris — and Madigan — out of the race, the Democratic nomination could end up going to first-term Treasurer Alexi Giannoulias; Chicago Urban League President Cheryle Jackson; or Christopher Kennedy, a Chicago businessman and the son of the late Robert F. Kennedy. (ASSOCIATED PRESS, USA TODAY)



POLITICS IN BRIEF: NEW HAMPSHIRE

Attorney General Kelly Ayotte (R), just sworn in for a second full term in April, has announced that she is resigning to explore a run for U.S. Senate. Potential replacements include Deputy Attorney General Orville “Bud” Fitch, Gov. John Lynch’s (D) legal counsel Michael Delaney and his former legal counsel, Kate Hanna (UNION LEADER [MANCHESTER]). •

MINNESOTA Democrat Al Franken was sworn in as U.S. Senator last week. Franken will be thrown right into the action, taking part in the confirmation hearings this week for Supreme Court nominee Sonia Sotomayor as a member of the Senate Judiciary Committee (ASSOCIATED PRESS).

— *Compiled by KOREY CLARK*

Upcoming stories

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

- **Pay to play**
- **State health care**
- **State budgets**

Governors

A TOUGH YEAR FOR GOVS: The year is only half over, but there has already been extraordinary gubernatorial turnover. Since January, two governors — ARIZONA Gov. Janet Napolitano and KANSAS Gov. Kathleen Sebelius, both Democrats — have resigned to take jobs in the Obama administration. NEW MEXICO Gov. Bill Richardson (D) was set to join them until a campaign finance scandal forced him to remove his name from consideration. Another Democrat, ILLINOIS Gov. Rod Blagojevich (D), was later impeached for attempting to sell President Barack Obama’s vacant U.S. Senate seat for personal gain.

Republicans have been taking flight as well, most notably ALASKA Gov. Sarah Palin, who shocked everyone — including her own party — by announcing she will voluntarily walk away later this month, fully 18 months before the end of her first term. Two more Republicans, FLORIDA Gov. Charlie Crist and MINNESOTA Tim Pawlenty, will finish out their terms but have already said they will not run for re-election in 2010. All three are potential presidential candidates, perhaps as early as 2012. Crist has also announced he is running for the U.S. Senate seat being vacated by retiring GOP Sen. Mel Martinez.

Another possible future GOP presidential candidate is also now set to leave the governor’s office behind. Last Wednesday, President Barack Obama officially nominated UTAH Gov. Jon Huntsman Jr. (R) to serve as U.S. ambassador to China. The move came almost two months after Obama announced the selection. Huntsman will resign his office upon his confirmation, which is expected to come fairly rapidly.



The drama has not been limited to those leaving office. SOUTH CAROLINA Gov. Mark Sanford's (R) strange disappearance touched off a frenzy of concern last month, a tumult that turned to rage for many when it was learned the governor was in fact not hiking along the Appalachian Trail as his staff claimed, but had instead slipped off to Argentina for a tryst with his mistress. That spurred a host of the Palmetto State's most powerful GOP lawmakers to urge Sanford to step down. Although a majority of the GOP-led Senate and a host of local officials also called on Sanford to resign, the state GOP ultimately chose not to make that call an official one. The Party opted instead to censure Sanford for "falling below the standards expected of Republican elected officials." In spite of several polls showing the public still wants him to resign — and a rally at the Columbia statehouse last Thursday urging him to do so — Sanford has so far held fast in his resolve to finish out his term.

Marital scandal has also touched NEVADA Gov. Jim Gibbons (R), who is currently embroiled in a messy divorce while simultaneously facing a civil suit brought by a former Playboy model who claims Gibbons and others violated her civil rights in the aftermath of an alleged assault prior to his election in 2006. Gibbons was cleared of the assault charges, but a Silver State judge recently refused to toss the civil suit brought by Chrissy Mazzeo, who claims that Gibbons and others retaliated against her for pressing criminal charges against the future governor. Gibbons' relationship with lawmakers has also been, at best, strained, with the governor setting state records this session for both handing down the most vetoes and having the most vetoes overridden.

Times have also been brutal for NEW YORK Gov. David Paterson (D), who came into office in 2008 amidst a plethora of goodwill when he replaced scandal-plagued former Gov. Eliot Spitzer (D). But things quickly turned south for Paterson last year, due in part to the state's budget woes but also a series of very public gaffes, including fumbling his efforts to fill Hillary Clinton's U.S. Senate seat. Those miscues helped earn him the lowest public approval ratings in state history, just 19 percent according to a recent Marist University survey.

Things only got worse from there after a shocking GOP coup wrested away control of the Empire State Senate from Democrats in June. Although Paterson made several attempts to prod lawmakers into solving their dispute, including withholding senators' pay and per diems and calling daily special sessions, the Senate remained in a 31-31 deadlock for over a month. Paterson, however, had the last laugh when he

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: 55

Number of Intros last week: 554

Number of Enacted/Adopted last week: 899

Number of Prefiles to date: 32,758

Number of Intros to date: 146,586

Number of 2009 Session Enacted/Adopted overall to date: 34,402

— Compiled By JAMES ROSS
(measures current as of 7/9/2009)
Source: State Net database

named Richard Ravitch, a longtime government aide and former transit official, to serve as lieutenant governor, which would make him the Senate's tie-breaking vote and end the political stalemate. Although Republicans immediately obtained a restraining order to block the appointment, the move prompted Democrat Pedro Espada Jr. to return to the Democratic fold, bringing the crisis to an abrupt end. When asked if his actions had spurred the resolution, Paterson would only say, "no comment." (NEW YORK DAILY NEWS, HOUSTON CHRONICLE, CNN.COM, SALT LAKE TRIBUNE, NEW YORK TIMES, ALBANY TIMES-UNION)

FORMER STAFFERS LINE UP AGAINST BLAGO: John Harris, the former Chief of staff for impeached **ILLINOIS** Gov. Rod Blagojevich (D), has agreed to testify against his old boss. Harris' testimony will come as part of a plea deal in the federal government's corruption case against Blagojevich, who is accused of trying to sell the appointment to President Barack Obama's vacant U.S. Senate seat. In exchange for his testimony, Harris will plead guilty to a single count of wire fraud and prosecutors will recommend he serve less than three years in jail. Other members of the Blagojevich team are also expected to testify against him. (CHICAGO TRIBUNE)

GOVERNORS IN BRIEF: The Republican Governors Association announced last Tuesday it raised more than \$12.2 million in the first six months of 2009. That figure was slightly more than the \$11.6 million the Democratic Governors Association raised. The RGA also holds a much bigger stash of available cash on hand, \$20.4 million compared to \$12.5 million for the DGA. The RGA also named **MISSISSIPPI** Gov. Haley Barbour (R) as its new chairman. Barbour replaces **SOUTH CAROLINA** Gov. Mark Sanford (R), who stepped down on June 24th over revelations of an extra-marital affair (POLITICO.COM). • **VIRGINIA** Gov. Tim Kaine (D) rejected a second request for information on his official travel schedule. Kaine cited a 1991 state Supreme Court ruling in refusing both requests, one in June from the state GOP and another last week from the Associated Press. The 1991 ruling said such requests are unduly burdensome to the performance of a governor's duties (ASSOCIATED PRESS, WTKR.COM). • **NORTH CAROLINA** Gov. Bev Perdue (D) issued Executive Order 18, which declares that "executive branch e-mails sent to and from state government accounts will be retained and

The week in session

States in Regular Session: CA, DC, MA, MI, NC, PA, US

States in Recess: NJ, NY, PR, WI

States in Special Session: AZ "c", CA "c", CA "d", IL "b", MS "c", NY(Senate)

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

States in Skeleton Session: OH

States Currently Prefiling or Drafting for 2010: AL, KY

States Adjourned in 2009: AK, AL, AR, AZ, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, MT, ND, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WA, WV, WY

State Special Sessions Adjourned in 2009: AZ "a", AZ "b", CA "a", CA "b", CT "a", CT "c", FL "a", IL "a", IN "a", KY "a", MS "a", MS "b", NV "a", NY "a-s", TX "a", UT "a", VT "a", WI "a", WV "a", WV "b"

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 7/10/2009)
Source: State Net database



archived as public records for 10 years.” Perdue’s order reinforces a similar order from former Gov. Mike Easley (D) before he left office in January (STATE NET, WINSTON-SALEM JOURNAL).

– Compiled by RICH EHISEN

Hot issues

B **USINESS:** Calling healthy eating a personal choice, **CONNECTICUT** Gov. M. Jodi Rell (R) vetoes SB 1080, which would have required chain restaurants in the Constitution State to disclose on their menus the total calories of specific menu items (HARTFORD COURANT). • **LOUISIANA** Gov. Bobby Jindal (R) signs SB 136, which defines a restaurant as any establishment that makes at least 50 percent of its revenue from food sales. The ruling applies even to those that are predominantly billed as a bar or nightclub (ADVOCATE [BATON ROUGE]). • Still in **LOUISIANA**, Jindal vetoes HB 658, which would have allowed Pelican State workers to wait up to three years to claim disability and seek indemnity benefits when no immediate disability occurs at the time of an accident (ADVOCATE [BATON ROUGE]). • **NEW JERSEY** Gov. Jon Corzine (D) signs SB 2577, legislation that allows developers of new housing construction projects currently restricted to those who are age 55 or older to apply to bypass the age rule (NEWJERSEYNEWSROOM.COM).

CRIME & PUNISHMENT: The **INDIANA** Supreme Court rules that convicted sex offenders who lived near schools or other places frequented by children before a state law restricting their residency was enacted in 2006 do not have to move now to adhere to the statute. The justices concurred with lower court rulings that forcing people to move from homes they lived in prior to the law’s enactment is unconstitutional (INDIANAPOLIS STAR TRIBUNE). • The **NORTH CAROLINA** Senate approves HB 1185, a bill that would allow someone convicted of habitual impaired driving to ask the DMV to be reinstated. If reinstated, the person would not be able to drive with alcohol in their blood for the next seven years. The measure returns to the House (WINSTON-SALEM JOURNAL).

EDUCATION: Education officials in **TEXAS** decide that all high school students must take more electives and fewer required courses in order to meet new graduation requirements lawmakers enacted earlier this year (HB 3). Most new standards go into effect with students starting high school in the next academic year,



but officials chose to put them in place right away (DALLAS MORNING NEWS). • **CONNECTICUT** Gov. M. Jodi Rell (R) signs HB 6483, which requires credit card companies to register with colleges or universities before conducting any business on campus. The measure additionally bars card companies from marketing during certain time periods or at particular events and prohibits school from selling student information to those companies (STATE NET). • **LOUISIANA** Gov. Bobby Jindal (R) signs a pair of bills, HB 612 and SB 259, which collectively require Pelican State school districts to establish a new career diploma for students who don't intend to go to college. The curriculum would include more vocational and technical courses (TIMES-PICAYUNE [NEW ORLEANS]).

<p style="text-align: center;">Upcoming elections 7/9/2009 - 7/30/2009</p> <p>07/14/2009 Alabama Special Election House District 06</p> <p>California Special Election US House (CA 32nd Congressional District)</p>

HEALTH & SCIENCE: Citing tough fiscal times, **CONNECTICUT** Gov. M. Jodi Rell (R) vetoes HB 5021, a bill that would have made health insurance companies cover various medical treatments, including hearing aids for children, prosthetic devices, bone marrow testing, wigs for certain patients who suffer hair loss, and ostomy supplies (HARTFORD COURANT). • Still in **CONNECTICUT**, Rell also vetoes HB 6582, a bill that would have opened the state employee health insurance program to employees of municipalities, non-profit organizations and small businesses. Rell also vetoes HB 6600, which would have established a state-funded health care plan open to residents at or below 300 percent of the federal poverty level (STATE NET). • **NEW HAMPSHIRE** officials approve a health insurance plan for small businesses that promises to allow companies with fewer than 50 employees to purchase coverage with wellness incentives at 20 percent less than current market prices. The program, officially known as **NEW HAMPSHIRE** HealthFirst, goes into effect in October (NASHUA TELEGRAPH).

IMMIGRATION: The **NEW JERSEY** Supreme Court rules that bail set for illegal immigrants accused of serious crimes can be raised to prevent federal officials from deporting them before their cases can be heard (STAR LEDGER [NEWARK]).

SOCIAL POLICY: The **MASSACHUSETTS** attorney general files suit to overturn the federal Defense of Marriage Act, which defines marriage as the union of a single man and a single woman. The suit claims that the federal government unconstitutionally overstepped its authority in adopting the law in 1996 (BOSTON GLOBE). • **LOUISIANA** Gov. Bobby Jindal (R) signs HB 517, a measure that allows health care workers to opt out of participating in abortions, stem cell research and human embryo cloning on religious grounds (ADVOCATE [BATON ROUGE]).



POTPOURRI: Calling it “only appropriate,” **NEW JERSEY** Gov. Jon Corzine (D) signs AB 1784, which requires that any flag representing the United States or the state of **NEW JERSEY** be made in the U.S. (NEWJERSEYNEWSROOM.COM).

— *Compiled by RICH EHISEN*

Once around the statehouse lightly

SPECTRAL SPECULATION: ALABAMA officials may have found a way to bring one of the Heart of Dixie’s most economically depressed areas back from the dead. As the *Montgomery Advertiser* reports, the state is planning to breathe some life into its tourism industry by creating an 18-county “ghost trail” that will regale visitors with tales of the paranormal goings-on in the state’s downtrodden Black Belt region. So named for its fertile black soil, the Black Belt is also apparently home to a litany of folklore, legends and spectral guests. Tourism officials are confident this will prompt a visit from a plethora of folks anxious to grab a peek at their otherworldly counterparts. Sure to be a winner: a room in the St. James Hotel in Selma, said to be haunted by the ghost of the infamous outlaw Jesse James. It is probably best to leave your wallet in the car if you stay there.

NOW TO THE IMPORTANT STUFF: With the bloody budget battle now behind them, **NEW JERSEY** lawmakers and Gov. Jon Corzine last week turned to something really important. As the *Newark Star-Ledger* reports, Corzine chose the Fourth of July holiday to sign AB 1784, a measure that requires all state or national flags bought with state dollars to be made in the U.S.A. Assemblyman Nelson Albano hailed the bill, which passed the General Assembly on a unanimous vote. “It makes absolutely no sense to allow even one dime of the public’s money to be spent on an American flag made anywhere but in America,” Albano said. It also doesn’t hurt that the nation’s “oldest and largest” flag making company is based in **NEW JERSEY**.

BETTER STUFF AND MORE OF IT: One has to wonder what it would take to dim **CALIFORNIA** Gov. Arnold Schwarzenegger’s enthusiasm. In spite of another year of hyper-partisan budget battles, fires, drought and a host of other problems, the Governor isn’t having any of this gloom and doom business when it comes to pumping up the Golden State. As the *Sacramento Bee* reports, Schwarzenegger recently scoffed at the idea of **CALIFORNIA** not being a good business climate in comparison to other states. “We are the best place simply because of we are a diversified economy,”



Schwarzenegger said. “Look at other states. TEXAS? Oil. FLORIDA? Old people. Whatever. We have a whole bunch of things.” Everything, apparently, but humility.

A WHOLE NEW RACE: NORTH CAROLINA

lawmakers recently passed a bill that would authorize the study of making all laws and the Tar Heel state constitution gender neutral. The bill was inspired by, among other things, the fact that while the constitution refers to the governor as “he,” the current gov, Bev Perdue, is a “she.” As the *Charlotte News and Observer* reports, the measure didn’t sit well with Rep. George Cleveland. Cleveland says he “has no problem with the female race whatsoever” and in fact has “learned in my life that there are a lot of very intelligent, competent females who could lead me around by the nose.” His objection, he says, is accommodating political correctness. Like understanding that woman are a gender, not a whole other race.

In case you missed it

Both the federal government and states regularly turn to tobacco taxes as a relatively easy source of additional revenue. But as we reported in the July 6th issue of SNCJ, that revenue stream may soon be harder to come by.

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

http://www.statenet.com/capitol_journal/07-06-2009/html

— *By RICH EHISEN*

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