

August 4, 2008

# Caring for Autism



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● The next issue of  
● Capitol Journal will be  
● available on August 11th.  
●

## Top Story

*For years insurers have been allowed to exclude autism from basic health insurance policies. But under increasing pressure from autism advocates, several states now require insurers to cover at least some autism care for children.*

## SNCJ Spotlight

### Mandate Mania

**M**ost states require health insurers to cover illnesses such as cancer, diabetes and cystic fibrosis. But for years insurers have been allowed to exclude autism from basic health insurance policies. Under increasing pressure from autism advocates, however, several states now require insurers to cover at least some autism care for children. While undoubtedly a boon to the parents of autistic kids, many insurers and even some lawmakers question whether such mandates may ultimately make health coverage less affordable for everyone.

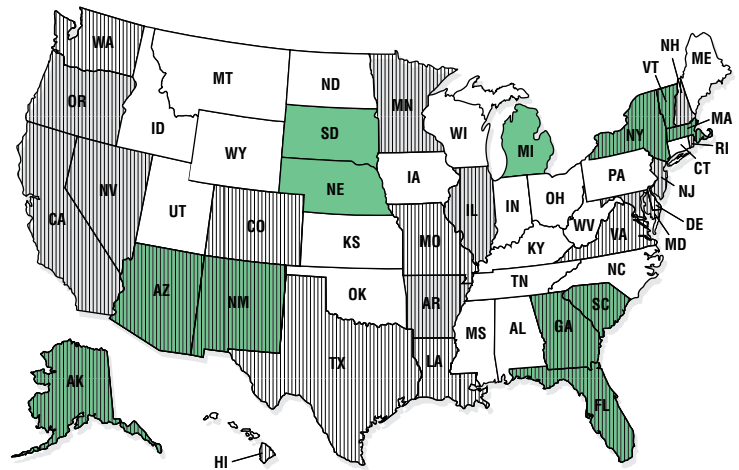
Those concerns have so far done little to stop lawmakers from approving such mandates. This July, PENNSYLVANIA and LOUISIANA became the latest states to adopt measures that force insurers to cover some autism care for children up to age 18. Each measure requires insurers to pay for up to \$36,000 of treatment annually, with a lifetime cap of \$150,000.

The insurance industry has regularly opposed such measures, contending that while well-meaning, mandating autism coverage ultimately forces them to pass along increased costs to their customers. But insurance advocacy groups like the VIRGINIA-based Council for Affordable Health Insurance (CAHI) also realize that lawmakers are hard-pressed to ignore such proposals, noting in a 2008 report that “elected representatives find it difficult to oppose any legislation that promises enhanced care to potentially motivated voters.”

Over the last year and a half the states have considered bills aimed at these “potentially motivated voters.” According to the Autism Society of America, at least 16 states — COLORADO, KENTUCKY, GEORGIA, INDIANA, NEBRASKA, SOUTH CAROLINA, HAWAII, CONNECTICUT, OREGON, MAINE, ARIZONA, FLORIDA, NEW JERSEY, NEW YORK, LOUISIANA, and PENNSYLVANIA — now require insurers to cover autism care.

At least two more states are poised to soon join them. In CALIFORNIA, SB 1563 is the first of a broader autism package set up by the CALIFORNIA Legislative Blue Ribbon Commission on Autism a year ago to account for gaps in the state’s original autism insurance mandate, SB 88, enacted in 2000. The bill, authored by Senate Pro Tem Don Perata (D), has passed the Senate and is awaiting a vote in the Assembly Appropriations Committee. Although an Assembly vote on the measure has been

## Bird's eye view



Source: National Conference of State Legislatures. Legend: Green box: Requires consent to perform genetic test. Hatched box: Requires consent to disclose genetic information.

### States exceptionally protective of genetic privacy

States tend to treat genetic information more delicately than other types of health data, owing in large part to its predictive nature. Virtually all impose some sort of special legal protections for it. Twelve states, for instance, require informed consent for a third party to perform or require a genetic test. Twenty-seven require consent to disclose genetic information. And nineteen impose specific penalties — civil, criminal or both — for genetic privacy violations. WASHINGTON is the only state that eschews the policy of “genetic exceptionalism,” treating genetic information the same as other health information by including genetic information in the definition of health information in its health privacy law.



slowed by the state's ongoing budget negotiations, Perata spokesperson Lynda Gledhill said she "does not anticipate the bill having any problems getting out of the legislature or making its way to the governor's desk."

In MASSACHUSETTS, Senate Bill 2840 is also moving along quickly. Introduced on July 24, the bill requires insurers to cover a multitude of mental disorders, including autism. It has cleared the Senate and is now in the House, where it is also expected to gain approval before heading to Gov. Deval Patrick (D).

Other measures have not fared as well, however. In ILLINOIS, Gov. Rod Blagojevich (D) recently used his amendatory veto power to combine Rep. Robert W. Pritchard's (R) autism insurance bill, SB 1900, with HB 4255, another measure dealing with multiple sclerosis. Pritchard, who is a sponsor for both bills, filed a motion to accept Blagojevich's amendment in the House, but noted that "the Speaker [Michael Madigan (D)] feels that it is beyond the ability of a governor to veto a bill and change it — so [Madigan] is not going to allow the issue to be brought before [the House] for debate. So the issue is dead."

Craig Snyder, lobbyist and board member for Autism Speaks, a New York City-based advocacy group, is not overly disappointed by the collapse of the ILLINOIS bill. Autism Speaks has been heavily involved in pushing legislation in ARIZONA, FLORIDA, LOUISIANA, and PENNSYLVANIA this year, and, according to the Center for Responsive Politics, a D.C.-based, nonpartisan research group, spent \$550,000 in 2007 on lobbying — more than five times its annual expenditures in 2005 and 2006 — and plans to devote even more funds to autism this year.

"We want good strong mandate bills such as the one that was just signed into law in PENNSYLVANIA," Snyder said in an interview. "We want those bills in all 50 states, but we're realistic to understand it's going to take a little time, and, in some cases, you lose a battle before you win the war. We're not discouraged by any setbacks."

Some notable setbacks also occurred in MISSISSIPI, where according to Statehealthfacts.org, a project of the Kaiser Family Foundation, 19 percent of the population has no health insurance. Magnolia State lawmakers rejected four autism insurance bills this session. Senator Eugene S. "Buck" Clarke (R), who chairs the Senate Insurance Committee, said cost concerns were the main issue with the

## The week in session

**States in Regular Session:** CA, NY(Senate)

**States in Recess:** DC, MI, NJ, NY(Assembly), PA, US

**States in Special Session:** AK "d", MS "a"

**Special Sessions in Recess:** CA "a", CA "b", CA "c", CT "b", CT "c", PA "a"

**States in Informal Session:** MA

**States in Skeleton Session:** OH

**States in Perfunctory Session:** IL  
Special Sessions "a"-v"

**States Currently Prefiling or Drafting for 2009:** FL, KY, MT, ND, NV, VA

**States Adjourned in 2008:** AK, AL, AZ, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, NC, NE, NH, NM, OK, RI, SC, SD, TN, UT, VA, VT, WA, WI, WV, WY

**State Special Sessions Adjourned in 2008:** AK "c", AL "a", AR "a", CT "a", DE "a", KY "a", LA "a", LA "b", ME "a", NC "b", NH "a", NV "a", OR "a", VA "a", VA "b", WI "c", WI "d", WI "e", WV "a", WV "b"

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS  
(session information current as of 08/01/2008)  
Source: State Net database

proposals. “I was very sensitive this year, in my first year [as Insurance Chair] about any mandates that could possibly raise health insurance. I’m trying to figure out a way to lower health insurance,” Clarke said.

Dan Ramsey, CEO for Independent Insurance Agents of OKLAHOMA, and Robert Zirkelbach, spokesman for America’s Health Insurance Plans, agree with Clarke’s logic. Both said they oppose insurance mandates in principle because they raise insurance prices in an already difficult to insure population. They also expressed concerns about the cumulative effect mandates have on the cost of healthcare coverage.

According to CAHI, there are a total of 1,961 such mandates throughout the country. The CAHI report additionally states that mandated benefits can increase the cost of health insurance by up to 50 percent, depending on the state.

However, according to Snyder of Autism Speaks, autism mandates by themselves have almost no effect on the overall insurance market, increasing policies by an average of about 1 percent. Snyder believes it is a terrible misjudgment to “lump together and say all mandates are bad” and that the specifics of each case must be looked at.

“In the case of autism, you have a group of people that have been categorically discriminated against by the insurance industry for 40 years. It’s outrageous,” said Snyder.

Snyder compared the case of autism to cancer, diabetes, and cystic fibrosis, saying that children with any malady other than autism receive a certain standard of care for medically necessary treatments. He added that even though autism treatments have been proven effective by the Surgeon General and by the American Academy of Pediatrics, parents of children with autism still have to “pay out of pocket.”

But Ramsey, who previously served in the OKLAHOMA legislature, contends that it has become “fashionable to start adding mandates in the legislature. And they just keep on adding them and adding them and every time it’s the same message — they’re only going to cost a little bit — and next thing you know, you turn around and that little bit has turned into a 30-35 percent [cost] increase because of mandates. And every time one of them is added, it just creates a situation where fewer people can afford to have any insurance.”

In OKLAHOMA, 17 mandates were proposed this year, none of which passed. And OKLAHOMA is another state where 19 percent of the population is uninsured.

Furthermore, Zirkelbach said, “The medical community has stated that some autism services are educational in nature and some services are medical in nature. And what a lot of the state mandates are doing across the board is that they’re asking health plans to cover what have typically been educational services for autism.”

The debate is not likely to end soon. Snyder believes Congress needs to pass a federal autism insurance mandate, something his group plans to pursue next year.

“We don’t want to swing at the ball and strike out. And we believe in order to do that, we have to get to a certain tipping point in the state legislatures before we go



to Congress,” he says. “Having said that, the tipping point in the state legislatures is coming very quickly. There are about 25 states that have taken action or have bills pending. It’s a very, very rapid movement across the country. I think by the time the new president is sworn in and the new congress is sworn in, we’ll be in a position to really press our case in Washington.”

— *By Katherine Hasnain*

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# Budget & taxes

**BUSH PUSHES PRIVATE TRANSPORTATION FUNDING:** Last week the Bush administration unveiled a transportation funding plan calling for more toll roads and private investment in road and mass-transit projects.

The White House proposal comes as Congress prepares to start work on a six-year transportation spending bill that could run over \$400 billion. The proposal also contrasts sharply with the recommendation of a bipartisan commission earlier this

**“Our federal approach to transportation is broken. And no amount of tweaking, adjusting or adding new layers on top will make things better.”**

year that gas taxes should be doubled over the coming years to significantly increase transportation funding, which the commission found is currently providing only about 40% of what is needed to reduce traffic congestion,

improve public safety and spur economic growth.

Transportation Secretary Mary Peters said raising gas-tax rates is not the answer to the nation’s aging infrastructure problem.

“Our federal approach to transportation is broken,” she said. “And no amount of tweaking, adjusting or adding new layers on top will make things better.”

But many Democrats criticized the administration for trying to shift the burden of transportation funding onto the private sector.

“It’s basically an opportunity for people who have wanted to systematically reduce the federal participation in infrastructure,” said Rep. Earl Blumenauer (D-OREGON), who is leading the transportation debate in the House. “It’s going to fall with a thud.” (WALL STREET JOURNAL)

**MOTORISTS STEERING CLEAR OF TOLL ROADS:** The Bush administration’s plan to rely more on toll roads may not be much of an alternative to

increasing gas taxes. One of the arguments for moving away from using gasoline taxes to fund transportation projects is that with rising gas prices, Americans are driving less — 9.6 billion miles less in May 2008 than in May of 2007, according to the Federal Highway Administration — and switching to more fuel-efficient cars. Apparently they're also avoiding toll roads, bridges and tunnels. Parrish French, finance director for WEST VIRGINIA's parkways authority, said revenue from passenger car tolls this past June was down 7.3 percent from June 2007. "It's killing us," said French. Revenue was also down 3.5 percent on FLORIDA's 600 miles of toll roads and bridges between July 2007 and March 2008, down 4.8 percent on the NEW JERSEY Turnpike in June compared to the same month last year, and off about 5 percent on the Indiana Toll Road in the first quarter of this year. (USA TODAY)

**BUDGETS IN BRIEF:** Cigarette sales have dropped nearly 25 percent in MARYLAND since the state doubled its tobacco tax in January, exacerbating its budget problems. Lawmakers approved the hike from \$1 a pack to \$2 last fall to help close a budget deficit and expand subsidized health care (WASHINGTON POST). • **RHODE ISLAND** Gov. Don Carcieri (R) will seek a federal waiver to cap Medicaid spending at \$12.4 billion over the next five years to help the state deal with its worst fiscal crisis in almost two decades. The General Assembly authorized the move in the state budget it passed last month (PROVIDENCE JOURNAL). • Among the \$1.4 billion ILLINOIS Gov. Rod Blagojevich (D) cut from the state budget this month was more than \$5.5 million set aside by lawmakers to prevent or correct wrongful convictions. The governor's vetoes also included money to support the death penalty reforms he signed five years ago (CHICAGO TRIBUNE).

• In a rare live televised address last week, NEW YORK Gov. David Paterson (D) called on lawmakers to return to Albany next month to deal with a budget deficit that is projected to grow to \$26.2 billion over the next

## Upcoming elections

07/31/2008 - 08/21/2008

08/05/2008

### Georgia Primary Runoff

US Senate (Senate District 05)

### Kansas Primary Election

House (All)

Senate (All)

US House (All)

US Senate (Pat Roberts)

### Michigan Primary Election

House (All)

US House (All)

US Senate (Carl Levin)

### Missouri Primary Election

House (All)

Senate (Odd)

Constitutional Officers: Governor,

Lieutenant Governor,

Secretary of State, Treasurer, Attorney

General

US House (All)

08/07/2008

### Tennessee Primary Election

House (All)

Senate (Even)

US House (All)

US Senate (Lamar Alexander)

08/12/2008

### Colorado Primary Election

House (All)

Senate 4,8,10,12,14,16,17,18,19,21,

23,25,26,27,28,29,31,33,35

US House (All)

US Senate (A. Wayne Allard)

### Connecticut Primary Election

House (All)

Senate (All)

US House (All)

### Nevada Primary Election

Assembly (All)

Senate (Central Nevada, Clark 1, 3, 4, 6,

11, Northern Nevada, Washoe 3)

US House (All)

*(Continues on next page)*



three years. The governor said his administration was considering an array of possible steps, including reducing the state's work force and selling or leasing public assets (NEW YORK TIMES). • **IOWA** officials said last week that emergency repairs on the state's flood-damaged roads have cost about \$30 million so far this year. Flooding closed 464 miles of the state's highway system (DES MOINES REGISTER). • For the first time since oil prices spiked 30 years ago, a majority of **CALIFORNIA** residents — 51 percent — favor the expansion of oil drilling off the coast, according to the results of a statewide poll released last week by the Public Policy Institute of California. The news could place pressure on Gov. Arnold Schwarzenegger (R) and Democratic members of the state's congressional delegation seeking to extend the federal moratorium on coastal drilling (SAN FRANCISCO CHRONICLE). • AIDS deaths declined or held steady in most parts of the United States between 2001 and 2006 but rose more than 10 percent in the South, according to a report released last week by the Southern AIDS Coalition. The organization blamed "rising infection rates coupled with inadequate funding, resources and infrastructures" for the "disparate and catastrophic situation in our public health care systems in the South" (MSNBC.COM). • Members of **FLORIDA's** congressional delegation expressed concerns last week about a proposed \$1.75 billion state purchase of property in the Everglades owned by U.S. Sugar. The lawmakers wondered, among other things, how the deal would impact local communities and federal support for Everglades restoration, and why neither they nor local officials were told about the deal before it was made public last month (PALM BEACH POST).

— Compiled by *KOREY CLARK*

### Upcoming elections (cont.)

07/31/2008 - 08/21/2008

08/19/2008

#### **Washington Primary Election**

House (All)

Senate (All)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor, Commissioner of Public Lands, Insurance Commissioner, Superintendent of Public Schools  
US House (All)

#### **Wyoming Primary Election**

House (All)

Senate (Even)

US House (All)

US Senate (All)

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# Politics & leadership

**I**NFLUENTIAL US SENATOR INDICTED: U.S. Sen. Ted Stevens (R-ALASKA), the longest serving Republican in the Senate and a lawmaker who's wielded considerable influence over federal spending, was indicted last week on seven felony charges of failing to disclose more than \$250,000 in gifts he received from an oil company.





The federal grand jury indictment stated that Stevens “knowingly and willfully engaged in a scheme to conceal” gifts he received — including major home renovations, home furnishings and a Land Rover — from the VECO Corporation, once one of the biggest players in ALASKA’s oil industry, and that company’s former chief executive, William J. Allen. The indictment came one day shy of a year after the FBI raided Stevens’ home as part of an expansive public corruption investigation in the Last Frontier State.

Stevens denied the charges and declared his intention to fight them in a statement posted on his Web site.

“I am innocent of these charges and intend to prove that,” he said.

In accordance with Senate GOP rules, Stevens relinquished his positions as senior Republican on the Commerce Committee and on the Defense Appropriations Subcommittee. While serving in those posts, and previously as chairman of the full Appropriations Committee,

**“I am innocent of these charges and intend to prove that.”**

he has garnered more than \$3 billion in earmarks — including the so-called Bridge to Nowhere — for his home state, according to the Washington, D.C.-based advocacy group Citizens Against Government Waste.

The citizens of ALASKA aren’t the only ones who stand to lose from Stevens’ indictment. He’s up for re-election in November. And Congressional Democrats, who haven’t won a Senate race in ALASKA for over three decades, think they have a strong enough candidate to unseat him in the popular Anchorage mayor, Mark Begich. (NEW YORK TIMES)

**KY LEGISLATORS BOOST PENSIONS BY CHANGING BRANCHES:**

Last week KENTUCKY Rep. Frank Rasche (D) became eligible to quadruple his annual legislative retirement benefit. He did so simply by leaving his roughly \$20,000-a-year post in the General Assembly and taking an \$80,000 position with the state Department of Education.

Thanks to a technical provision buried in a retirement system bill approved in 2005, legislators who serve more than five years in the General Assembly and then move to the judiciary or executive branch, or, conversely, come to the General Assembly from one of those other branches, will have their legislative pension benefit calculated off the higher-paying job. And the healthier legislative pension checks are on top of any retirement benefits the former lawmakers receive in connection with their new position.

Former Attorney General and current Rep. Greg Stumbo (D), one of a dozen others who now qualify for a pension boost, said he doesn’t have a problem with lawmakers receiving bigger benefits.

“The General Assembly is a full-time job with part-time pay,” he said.



Donna Early, who manages the legislative pension program as well as the one for judges, said the new provision would cost the state more, but it wasn't clear yet how much.

"This is all new. We're still gathering data on how much it will cost," she said.

She added that even though pension checks might double or quadruple for some

former lawmakers, it doesn't necessarily mean the overall cost to the state will increase commensurately, because

**"The General Assembly is a full-time job with part-time pay."**

some will make the switch in their late 60s or 70s and continue to work for years.

"They're going to ultimately get the higher benefits, but if you add it up over their life expectancy, it might be a 33 percent increase in total compensation," she said.

But Sen. Ernesto Scorsone (D), who is seeking an open circuit judge position but won't be eligible for a pension increase if he gets that job because he opted not to join the legislative retirement system, opposes the idea of lawmakers having their own retirement system on principle.

"My position has always been that legislators should be treated like all state workers," he said. "There's really no reason to have a separate retirement system. We should be in the state retirement system, and it should be an incentive to keep that system healthy and make sure it's funded properly." (LEXINGTON HERALD-LEADER)

**'BONUSGATE' INCLUDED SPAM SCAM:** Among the details that have been revealed about PENNSYLVANIA's "Bonusgate" scandal since it broke last month — including the sordid headline-grabbing tale of a former beauty queen who allegedly slept her way into a state job — are charges that House Democrats pulled an email scam on the state's voters. According to the 74-page grand jury report made public July 10, between 2003 and 2005, the Democrats purchased millions of voters' email

addresses from an outside vendor to send out campaign-related information and stuck taxpayers with the \$1.2 million bill. Then the Dems used \$420,000 more in public funds

**"If you put all these allegations together, what we are seeing is a theft of democracy, and taxpayers are picking up the tab ."**

to pay a tech consultant to disguise the fact that the campaign emails had been sent from the taxpayer-funded Capitol computer system. "If you put all these allegations together, what we are seeing is a theft of democracy, and taxpayers are picking up the tab," said Barry Kauffman, executive director of Common Cause of PENNSYLVANIA. "It's like the public unknowingly turn over their credit card to politicians and are being beaten with it." (PHILADELPHIA INQUIRER)



**POLITICS IN BRIEF:** Backers of Proposition 8, a proposed ballot measure to constitutionally ban same-sex marriage in **CALIFORNIA**, filed a legal challenge last week to the “inflammatory” language assigned to the measure by state Attorney General Jerry Brown. As currently drafted, the measure would be introduced with the words: “Eliminates Right of Same-Sex Couples to Marry,” which proponents contend would unduly influence voters to reject the measure (SAN JOSE MERCURY NEWS). • Presumptive Republican presidential nominee Sen. John McCain said last week that he supports a proposed ballot initiative in his home state of **ARIZONA** that would bar affirmative action by universities and state and local agencies. Although McCain hadn’t seen the details of The Arizona Civil Rights Initiative filed with the Secretary of State’s office last month, he said, “I’ve always opposed quotas” (DETROIT FREE PRESS). • After years of fruitless attempts, a proposal to shrink the size of the **PENNSYLVANIA** General Assembly will finally receive a public hearing, thanks largely to the legislative pay raise scandal of 2005, “Bonusgate” and the upcoming elections. But it’s unlikely HB 55 – which would reduce the House from 203 to 161 members and the Senate from 50 to 40 – will get much further than that due to widespread opposition to the bill among lawmakers (MORNING CALL [HARRISBURG]).

## Upcoming stories

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

- **Energy**
- **Prison health care**
- **No Child Left Behind**

– *Compiled by KOREY CLARK*

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# Governors

**WEST COAST GOVS PITCH OCEAN ACTION PLAN:** Governors Christine Gregoire of WASHINGTON and Ted Kulongoski of OREGON, both Democrats, joined with Republican CALIFORNIA Gov. Arnold Schwarzenegger last week to pitch the final draft of a long-anticipated action plan for cleaning up the Pacific Ocean. That plan includes efforts to curb pollution, prevent oil spills and reduce harmful shoreline development.

The 116-page proposal, known as the West Coast Governors’ Agreement on Ocean Health, focuses on 26 specific action items. Those include seven it lists as top priorities: increasing ocean research and monitoring, cleaning coastal waters and beaches, encouraging sustainable economic development in coastal areas and restoring ocean and shoreline habitats.

The plan also emphatically opposes new offshore oil drilling, an idea which has grown more popular among both state and federal Republican political leaders



as oil and gasoline prices have climbed to record highs. Instead, the plan urges the federal government to take a coordinated view of ocean restoration, including ecologically sound offshore energy development that excludes “all new offshore oil and gas leasing, development and production” in favor of investigating renewable wind, wave, current and tidal energy.

The proposal drew immediate praise from the Joint Ocean Commission Initiative (JOCI), one of two national commissions that have previously urged lawmakers to address ocean concerns like over-fishing, coastal development and polluted runoff that has fed harmful algal blooms in coastal waters and littered beaches with garbage. The JOCI lauded the governors for filling what it says has been a vacuum of federal environmental leadership.

“Given the hardships faced by regional fisheries, along with growing threats from climate change and pollution, the time is now for full-throttle execution of the governors directives,” said JOCI co-chairman Leon Panetta.

The proposal, which was originally crafted in 2006, also drew strong support from a plethora of federal agencies, including the White House Council on Environmental Quality, Department of Commerce, Department of the Interior and Environmental Protection Agency. In a joint statement, the agencies hailed the plan, saying, “We all share the same desire to address the many ocean and coastal management challenges and this effort will move everyone forward in facing those challenge.” (SEATTLE POST-INTELLIGENCER, LOS ANGELES TIMES, U.S. ENVIRONMENTAL PROTECTION AGENCY)

**LAWMAKERS OPEN PALIN INVESTIGATION:** The ALASKA Legislature has voted to hire an independent investigator to determine whether Gov. Sarah Palin (R) abused the power of her office by trying to get her former brother-in-law fired from his job as a state trooper. The probe stems from Palin’s July 11 firing of state Department of Public Safety Commissioner Walt Monegan, who later claimed that the governor had pressured him to fire state trooper Mike Wooten, the former husband of Palin’s sister, Molly McCann. Palin had previously accused Wooten of abusive behavior toward McCann and their family, including using a stun gun on McCann’s 10-year-old son and threatening to shoot Palin and McCann’s father. Police cleared Wooten of many of the allegations, though he did serve a five-day suspension in 2006.

## 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:** 21

**Number of Intros last week:** 366

**Number of bills enacted/adopted last week:** 126

**Number of prefiles to date:** 21,220

**Number of Intros to date:** 87,702

**Number of bills enacted/adopted overall to date:** 25,288

— Compiled By JAMES ROSS  
(measures current as of 07/31/2008)  
Source: State Net database



Palin denied that Monegan’s removal was related to the situation with Wooten, and said she will cooperate fully with the investigation. (WALL STREET JOURNAL)

**EXECUTIVE ORDERS:** Citing the state’s ongoing budget shortfall of more than \$15 billion, CALIFORNIA Gov. Arnold Schwarzenegger (R) issues Executive Order S-09-08, which eliminates an estimated 10,300 temporary state jobs and reduces pay for about 200,000 state workers to the federal minimum wage of \$6.55 per hour. Schwarzenegger said he is taking the action to prevent CALIFORNIA from running out of cash to pay its bills, and that the state will rehire the temporary workers and give employees who have had salary cuts their entire back pay as soon as he and lawmakers reach a budget deal. The state budget is more than a month overdue (SACRAMENTO BEE, STATE NET).

**GOVERNORS IN BRIEF:** Saying that the billions of bushels of corn currently being used to produce ethanol would be better suited as livestock feed, **TEXAS** Gov. Rick Perry (R) has asked the U.S. Environmental Protection Agency for an emergency waiver cutting the federal ethanol mandate to 4.5 billion gallons, from the 9 billion gallons required this year and the 10.5 billion required in 2009. A decision is expected within the next few weeks (NEW YORK TIMES). • **ILLINOIS** Gov. Rod Blagojevich (D) insisted last week that he is not a target in an ongoing federal investigation into possible corruption in his administration. The denial came in spite of his lawyers citing a decades-old federal court ruling that says “potential” criminal defendants don’t have to turn over grand jury subpoenas in civil litigation in an effort to block a court order to release several federal subpoenas his administration has received over the last year (CHICAGO TRIBUNE). • **KENTUCKY** Gov. Steve Beshear (D) ordered that a proposed change in state billboard regulations that would have allowed electronic billboards with changing messages along interstates and other major highways be withdrawn because of safety concerns (LOUISVILLE COURIER-JOURNAL).

— Compiled by RICH EHISEN

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## Hot issues

**B**USINESS: A federal judge rules that **FLORIDA** cannot force business owners to let customers bring weapons onto their property. The decision came in a challenge to a new Sunshine State law that requires business owners to allow employees with concealed weapons permits to keep guns locked in their cars while at work. The judge upheld that statute, but said those weapons





Boards adopts regulations that require oceangoing ships within 24 nautical miles of the Golden State shoreline to burn only diesel oil with a sulfur limit of 0.5 percent. The new limit goes into effect on July 1, 2009, and then drops to 0.1 percent in 2012. The shipping industry is expected to file a legal challenge to block the new standards (LOS ANGELES TIMES).

• **MASSACHUSETTS** Gov. Deval Patrick (D) signs legislation that makes the Bay State the first to exempt cellulosic biofuels from state gas taxes and requires all diesel and home heating fuel to be 2 percent biofuels by 2010 and 5 percent by 2013. The measure additionally requires the state to develop a low-carbon fuel standard for vehicles that would reduce greenhouse gases by 10 percent (BOSTON GLOBE).

**HEALTH & SCIENCE:** President George W. Bush (R) signs legislation that removes a U.S. ban on foreign visitors and immigrants who are HIV-positive. The federal Department of Health and Human Services, however, still has its own prohibition that is separate from the congressionally imposed travel ban (LOS ANGELES TIMES).

**SOCIAL POLICY:** Federal officials order **INDIANA** to stop implementation of its welfare modernization plan. The Hoosier State last year awarded a \$1.16 billion, 10-year contract to a private firm to manage benefit applications, but the U.S. Dept. of Food and Agriculture said the contractor is taking too long to process those forms. State officials hope to resume using the vendor later this year (INDIANAPOLIS STAR). • **MASSACHUSETTS** Gov. Deval Patrick (D) signs legislation that repeals a 1913 law that bars out-of-state couples from marrying in the Bay State if the union would be illegal in their home state. The new law becomes effective immediately (BOSTON GLOBE).

**POTPOURRI:** The **NEW JERSEY** Supreme Court upholds most of the Garden State's current regulations on the treatment of farm animals. However, the ruling did determine that the practice of tail docking — amputating part of a cow's tail — is inhumane (STAR-LEDGER [NEWARK]). • **NORTH CAROLINA** Gov. Mike Easley (D) signs legislation that grants the Tar Heel State governor greater authority to order local water systems to share their water with other regions without having to first declare a health and safety emergency (WINSTON-SALEM JOURNAL).

— *Compiled by RICH EHISEN*

## In case you missed it

A myriad of self-induced problems have combined to turn CALIFORNIA from a national leader into a struggling laggard. But as we reported in the July 21 issue of SNCJ, reformers are using other states as a model in an effort to return the Golden State to its once brilliant luster.

In case you missed it, the article can be found on our Web site at [http://www.statenet.com/capitol\\_journal/07-21-2008/html](http://www.statenet.com/capitol_journal/07-21-2008/html)

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# Once around the statehouse lightly

**PARTY ON:** One of the most important things that lawmakers historically do is to fund state institutions of higher learning. After all, an investment in education is theoretically an investment in the future. So it should be of great comfort to legislators to learn that nine of the top 10 and 17 of the top 20 “party schools” in the country are publicly funded institutions. So says the *Princeton Review*, which dubs the venerable University of FLORIDA the number one party hot spot in the academic universe, followed closely by the University of MISSISSIPPI, PENNSYLVANIA State, WEST VIRGINIA University and OHIO University. In case you were wondering how the Gators achieved such a lofty ranking, it was based on “a combination of survey questions concerning the use of alcohol and drugs, hours of study each day, and the popularity of the Greek system.”

**STOP SPREADING THE NEWS:** It hasn’t been a good year for banks and other financial institutions. Some, like Bear Stearns and IndyMac, have already slipped on the proverbial banana peel and into the abyss of failure, while rumors persist that perhaps hundreds more could be right behind them. But if you happen to live in GEORGIA, you would be smart to keep such speculations to yourself. That’s because, as the *Augusta Chronicle* reports, Peach State law forbids gossips from spreading false statements about the financial solvency of any financial institution, with violators facing up to \$10,000 in fines. For what it is worth, the banking industry folks say nobody has ever actually been convicted under the statute, and it isn’t likely the state will come after someone for having a private chat with co-workers around the water cooler. Not yet, anyway.

**DO AS I SAY, NOT AS I DO:** COLORADO Gov. Bill Ritter was just trying to do the right thing when he recently filmed a television commercial intended to encourage Keystone State residents to conserve energy. As the *Rocky Mountain News* reports, the spot showed Ritter turning down the Governor’s Mansion thermostat from 72 degrees to 68 degrees. Great idea, right? Yes, except that it is now summer and turning down the thermostat would kick on the air conditioning and use more energy, not save it. Oops. Ritter re-shot the spot, which now shows the governor standing at the thermostat, where he implores viewers to, “Turn it up in the summer, turn it down in the winter.”



**YOU MEAN WE GET BOTH?** Pundits these days are more often known for yelling than for sly humor. Not so for the National Journal's cherubic polling whiz Charlie Cook, who made a memorable appearance at last month's annual meeting of the National Conference of State Legislatures in New Orleans. During his presentation on the presidential races, Cook reminded listeners that LOUISIANA Gov. Bobby Jindal is so intelligent that he was accepted into both Harvard's law and medical schools, opportunities he ultimately rejected in order to study in England as a Rhodes Scholar. Cook, a Pelican State native, praised Jindal's election as governor, albeit with an ode to the state's long-standing reputation for, uh, colorful politics. "We've tried smart and we've tried honest," Cook said. "But we've never tried smart and honest."

— By *RICH EHISEN*

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