

Global Warming



September 7, 2009

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The next issue of Capitol Journal will be available on September 14th.

Top Story

In spite of ongoing concern over the faltering economy, dozens of states and the federal government are pushing ahead with plans to duplicate a historic 2006 CALIFORNIA law seeking to reduce greenhouse gas emissions.

SNCJ Spotlight

Despite economy, states gear up greenhouse gas reduction efforts

It has been three years since CALIFORNIA Gov. Arnold Schwarzenegger (R) signed AB 32, the Global Warming Solutions Act. A host of other states and Congress have since followed suit with measures of their own. But now, with the economy in the most turmoil since the Great Depression, supporters and opponents alike are struggling to come to grips with how much these measures will cost.

On the surface, AB 32's directive is fairly straightforward: reduce greenhouse gas emissions to 1995 levels by 2020 — about a 25 percent decrease. What it will take to achieve that, however, is much more complicated and, to many critics, far too expensive.

But to staunch supporters like CALIFORNIA Air Resources Board (CARB) Chairman Mary Nichols, the person tasked with ensuring AB 32's implementation, the issue of greenhouse gas reduction is about much more than just dollars and cents.

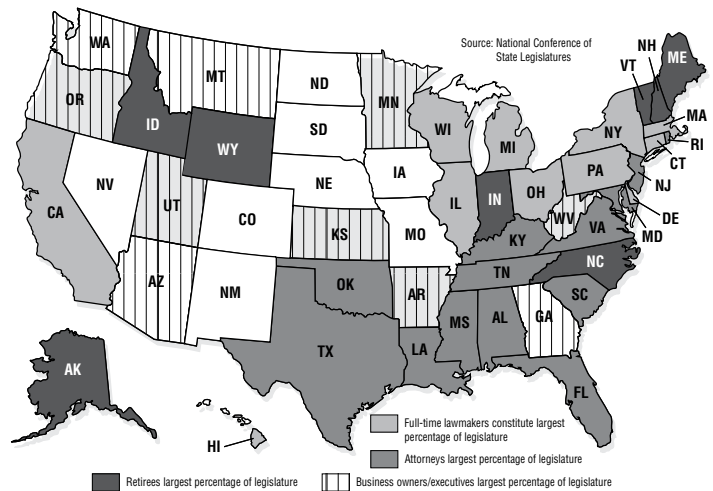
“Our coastline will be under water in 100 years; this is fact, not theory,” Nichols said at a July Sacramento Press Club luncheon, adding that the changes currently going on in the atmosphere are “subtle, slow and complicated.” Moving forward with AB 32 implementation, she contends, is a preemptive measure against disaster.

That implementation process involves a variety of methods, including direct regulations on many industries, monetary and non-monetary incentives for reducing greenhouse gas emissions, and a controversial “cap-and-trade” mechanism. CARB has also developed a Low Carbon Fuel Standard — issued in January of 2007 — which requires a 10 percent reduction in the carbon intensity of the Golden State's transportation fuels by 2020.

Other states have also developed their own plans to reduce greenhouse gas emissions, several of which mimic CALIFORNIA's efforts to decrease its carbon footprint.

According to the Center for Climate Strategies, a non-profit, non-partisan organization in Washington D.C. that helps governments develop comprehensive plans for dealing with climate change, at least 30 states have completed greenhouse gas reduction plans since 2006. Many others, including COLORADO, GEORGIA, and ILLINOIS, have plans under construction. More are likely to come on board, as State Net reports that lawmakers considered over 200 similar bills this year alone.

Bird's eye view



More state legislators full-timers

There are considerably more full-time state legislators than there were 20 years ago, according to new data from the National Conference of State Legislatures. In 1976, less than 3 percent of state lawmakers worked full time. But in 2007, more than 16 percent were full-timers. Attorneys, who constituted the largest occupational category in 1976, making up 22 percent of the nation's legislatures, dropped to number two, accounting for only 15 percent of the total. There are also fewer business owners and executives serving in statehouses, but many more retirees, who now constitute the third largest occupational group.





The whole process, however, is not without skeptics, particularly where it concerns the fiscal impact of putting such measures into action. With state budgets bleeding red ink everywhere, many observers contend these measures are simply too expensive.

The most controversial issue revolves around the proposed cap-and-trade programs, which limit the emissions a company may release while also permitting the most efficient companies or governments to sell their pollution “allowances” to others for a profit. Trying to meet those standards is expected to require many industries to make significant changes, including expensive equipment upgrades. Business groups say this could have a devastating impact on already-reeling state economies, particularly by driving much-needed jobs to cheaper and much less regulated labor markets overseas.

According to one recent study from the CALIFORNIA Chamber of Commerce, “The average annual loss in gross state output from small businesses alone would be \$182.6 billion, approximately a 10 percent loss in total gross state output. This will translate into nearly 1.1 million lost jobs in CALIFORNIA.” The report’s authors say individuals will also feel the financial pinch, noting that “CALIFORNIA families will be facing increased annual costs of \$3,857

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Legislatures, disagrees, contending that many of the negative projections surrounding measures like AB 32 are based on bad information.

“There are huge assumptions being made about where energy comes from,” Anderson says. “Obviously, burning coal is very cheap, but there are other efficient energy sources; they may be more expensive in the short term, but one would use less of it, decreasing the net amount spent.”

Center for Climate Strategies President and CEO Tom Peterson also believes that the recession should not greatly affect the movement toward reducing greenhouse gas

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: 22

Number of Intros last week: 212

Number of Enacted/Adopted last week: 126

Number of Prefiles to date: 33,109

Number of Intros to date: 149,367

Number of 2009 Session Enacted/Adopted overall to date: 37,817

— Compiled By JAMES ROSS
(measures current as of 9/3/2009)
Source: State Net database

and consumers will be forced to cut discretionary spending by 26.2 percent in order to cope with the increased costs generated” by AB 32 implementation.

But Glen Anderson, an alternative energy and fuel specialist with the National Conference of State

emissions. “I don’t think we should say, ‘Gosh, we’ve got a recession, let’s think of this differently.’ The stakeholders are very focused on low-cost, high-benefit plans and have seen the rollercoaster of economic times and changes among federal administrations.”

While state governments are moving forward, Congress is attempting to implement its own clean energy measure, complete with a cap-and-trade component, authored by Reps. Henry Waxman (D-CALIFORNIA) and Edward Markey (D-MASSACHUSETTS). The measure — HR 2454, dubbed the American Clean Energy and Security Act of 2009, or “ACES” — enlists a variety of clean energy mandates designed to reduce nationwide greenhouse gases 17 percent

by 2020, 42 percent by 2030 and 83 percent by 2050. It cleared the House in June but is so far languishing in the Senate.

“I don’t think we should say, ‘Gosh, we’ve got a recession, let’s think of this differently.’”

Although the bill’s fate is unclear,

Peterson believes “it is only matter of time before congressional action takes place and the role of the states is to gear up.” The success or demise of the bill may depend on resolving or reforming President Obama’s health care proposal, which Peterson notes has occupied the bulk of lawmakers’ time and energy in recent weeks, and will likely continue to do so. But even with the health care bill dominating the scene at the moment, Peterson notes that Senate Majority Leader Harry Reid (D-NEVADA) has indicated he is ready to make sure the cap-and-trade proposal is resolved by October.

Although most state leaders are loathe to see federal laws pre-empt what are usually much stronger state standards, CARB’s Nichols says she is not overly concerned about the possibility of the Waxman-Markey bill taking precedence over AB 32. Nichols notes that while she does have “concerns about whether it’s the most efficient, most cost effective way to do what they’re trying to accomplish,” the federal statute will simply push the states toward their initial goal.

“If the Senate includes the same provisions on cap-and-trade as contained in the Waxman-Markey House version, it’s likely that there would be a moratorium on states enforcing their own programs for five years. States that already had a program would be able to turn in their allowances for federal allowances, so we would basically become part of the federal system,” Nichols says.

States, however, are not waiting around for that to happen. Most are gearing up on their own, albeit with less money than usual, and supporters still think this is the best time to do it.

“State budgets are challenging,” Peterson says. “However, building the capacity [for a greener environment] is important and essential.”

— *By Dina Morcos*

State Net Capitol Journal Editor Rich Ehsen contributed some information for this story.



Republicans, in response, have accused Democrats of “class warfare” and predicted that the tax increases will drive top earners to tax-friendlier states. They’ve pointed to MARYLAND, which last year became the first state in the current recession to raise taxes on high-income earners and which saw its number of millionaire residents drop sharply this year. (Some analysts say the decline has more to do with the recession’s impact on earnings than with the state’s so-called “millionaire’s tax.”)

Rell was the only Republican governor to back one of the tax hikes. But she did so only reluctantly and wasn’t able to convince a single GOP lawmaker in her state’s General Assembly to support the measure. NORTH CAROLINA’s tax increase (SB202), likewise, reached Gov. Bev Perdue’s (D) desk without receiving one Republican vote. And in HAWAII, the Democrat-controlled Legislature overrode Gov. Linda Lingle’s (R) veto of HB 1747 to approve that state’s tax hike.

States across the country have increased various taxes this year as the recession has emptied their coffers, but Joe Henchman, director of state projects for the Washington, D.C.-based Tax Foundation, said “it’s certainly a record year” for income tax hikes targeted specifically at wealthier earners. Before MARYLAND approved its “millionaire’s tax” last year, he said, only three other states had done so: NEW YORK in 2003, and CALIFORNIA and NEW JERSEY the following year.

Democrats have been able to tap into populist frustration about the recession to justify higher income taxes on the wealthy. Lowell Kalapa, who has criticized HAWAII’s tax hike as president of the HAWAII Tax Foundation, said working-class Hawaiians “see millionaires and billionaires building second vacation homes here” and “that just drives them to insanity.”

Wall Street’s collapse and the subsequent government bailouts have fueled the populist sentiment.

“I think progressives in this country have not taken advantage of the public’s disdain for corporate greed,” said Chuck Sheketoff, who supported OREGON’s tax hike and serves as president of the OREGON Center for Public Policy.

But the tax hikes in HAWAII, NEW JERSEY, NEW YORK, NORTH CAROLINA and OREGON are only temporary. And for some in OREGON, that’s still not good enough; they’re gathering signatures for a January special election ballot measure to repeal their state’s millionaire’s tax. (STATELINE)

MD GOV PUTS BUDGET CUTS IN PERSPECTIVE: MARYLAND Gov. Martin O’Malley’s (D) latest round of budget cuts, approved by a state panel last month, are painful. They include public employee layoffs and furloughs, the near-elimination of road aid to counties, reduced funding for the state university system, the closure of a minimum security prison and stingier reimbursements for health care workers and

Upcoming stories

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

- **Pay to play**
- **National education standards**
- **State water wars**



“MARYLAND saying we’re not as bad off as other states is kind of like saying we have the best room on the Titanic,” said Del. Murray D. Levy (D), a member of the House Appropriations Committee.

Still, Donald F. Norris, chairman of the Department of Public Policy at the University of MARYLAND Baltimore County, said O’Malley’s rhetoric was probably a fairly effective campaign tactic.

“It’s a way of saying, without saying it, that ‘I’m doing all right by you guys,’” he said.

He added that Republicans wouldn’t have much to gain by criticizing O’Malley’s budget cuts in such a Democratic-leaning state. If that were the case, he suggested, a stronger GOP gubernatorial candidate would already have emerged. (WASHINGTON POST)

BUDGETS IN BRIEF: More than \$3.1 billion in federal stimulus money for state unemployment insurance programs is sitting in a trust fund because 23 states — including **TEXAS, FLORIDA, PENNSYLVANIA, MISSOURI** and **INDIANA** — haven’t expanded their jobless benefits, according to Labor Department records. Some, such as **TEXAS** Gov. Rick Perry (R), have criticized the program, saying it would force states to raise taxes on employers once the stimulus money runs out (USA TODAY). • The **CALIFORNIA** Assembly barely passed SB 18c, a plan to cut spending on state prisons last Monday. The plan is less controversial than the one passed by the Senate last month but falls \$230 million short of the \$1.2 billion in cuts mandated as part of the July budget deal, and it wasn’t clear last week whether the Senate or Gov. Arnold Schwarzenegger (R) would go along with it (LOS ANGELES TIMES). • The recession is finally hitting cities, with overall revenues down in fiscal 2009 for the first time since 2002, according to the National League of Cities. Minimal growth in property taxes failed to offset sharp declines in sales taxes, income taxes and state aid, according to a survey of the organization’s 379 member cities (WALL STREET JOURNAL). • **FLORIDA** Gov. Charlie Crist (R) and the Seminole Tribe signed an agreement last week that will keep slot machines and blackjack games operating at the tribe’s casinos. In return, the tribe will pay the state a minimum of \$12.5 million a month for 30 months — or \$375 million — after which it will pay the state \$150 million annually or between 12 and 25 percent of the tribe’s profits, up to \$4 billion (ST. PETERSBURG TIMES).

— *Compiled by KOREY CLARK*

In case you missed it

States have been wallowing in budget purgatory for the last two years. Although there are now some signs of economic recovery, SNCJ’s Lou Cannon notes in our August 21st issue that experts fear it still won’t be nearly enough to stop states from descending into fiscal Hell by 2011.

In case you missed it, the article can be found on our Web site at http://www.statenet.com/capitol_journal/09-07-2009/html

Politics & leadership

FUTURE OF KENNEDY SENATE SEAT STILL UNCERTAIN:

F MASSACHUSETTS Gov. Deval Patrick (D) announced last Monday that the state will hold a special election to fill the late U.S. Sen. Edward M. Kennedy's seat on Jan. 19. The governor also reiterated his support for legislation authorizing him to appoint someone to fill that seat until the election, as Kennedy had requested shortly before his death.

"The senator's interest and my interest are the interests of the people of the commonwealth, and the commonwealth needs two voices in the Senate," he said.

Democrats who control the Bay State Legislature have scheduled a hearing for Sept. 9 on a bill to allow for the interim appointment.

"Now is the appropriate time to have a discussion and dialogue on whether this is a good idea or a bad idea," said Rep. Michael J. Moran (D), co-chairman of the state Assembly's Joint Committee on Election Laws. But he added that it was "not clear" if the proposal was "going to go forward."

The sticking point appears to be concern about the prospect of the interim appointee running for the seat in the special election.

"A lot of the colleagues that I've talked to feel that if it's a handoff in any way, that it's a lot tougher for them to support it," Moran said.

Patrick conceded that drafting the law in such a way that it barred an appointee from seeking election to the seat was problematic, stating, "lawyers have advised us that it's probably unconstitutional to legislate that."

But Moran said his committee was "looking at two or three ways" of making it work, such as delaying the appointment until after the primary filing date on Dec 8.

Republicans, who hold only 16 seats in the 160-member House and five seats in the 40-member Senate, have vowed to fight the change, although their legislative options are limited.

"We do have some [options for] parliamentary maneuvering that we will likely take advantage of," said Sen. Michael R. Knapik (R). "However at the end of the day, because we're so outnumbered, there is a limit to how much we can obstruct the process."

Patrick, meanwhile, seemed inclined "to get a personal assurance from the appointee not to run." He declined, however, to speculate on who that potential appointee might be, although he said he'd spoken about the position with Kennedy's widow, Victoria Reggie Kennedy, who told him she wasn't interested. He also ruled out the possibility of appointing himself.

As for the Jan. 19 race, potential Democratic contenders include state Reps. Edward J. Markey, Stephen F. Lynch, John F. Tierney and Michael E. Capuano, while



state Attorney General Martha Coakley has already announced she will seek the seat. But the field would probably thin out quite a bit if one of the late senator's relatives, such as his nephew, former state Rep. Joseph P. Kennedy II, decided to run.

Republicans who might venture a run include former Lieutenant Gov. Kerry Healey, state Sen. Scott Brown, former U.S. Attorney Michael Sullivan, and Boston businessman Chris Egan. (CONGRESSIONAL QUARTERLY)

POLITICS IN BRIEF: The **WASHINGTON** Secretary of State's Office announced last week that a referendum to repeal the state's so-called "everything but marriage" law has garnered enough signatures to qualify for the Nov. 3 ballot (SEATTLE TIMES). • **FLORIDA** Gov. Charlie Crist (R) has appointed his former chief of staff, George LeMieux, to stand in as U.S. senator until Crist can seek the seat himself in 2010. U.S. Sen. Mel Martinez (R-**FLORIDA**) announced last month that he was stepping down (MIAMI HERALD). • The **UTAH** Senate unanimously confirmed state Sen. Greg Bell (R) to be the state's lieutenant governor. The post has been vacant since last month, when former Lieutenant Gov. Gary Herbert (R) moved into the state's No. 1 slot, after former Gov. Jon Huntsman Jr. (R) accepted the job of U.S. ambassador to China (SALT LAKE TRIBUNE). • **NEW JERSEY** Assembly Speaker Joseph J. Roberts Jr. (D) revealed last week that he will not seek reelection in the fall, possibly to make a run for the state Senate (PHILADELPHIA INQUIRER).

— Compiled by **KOREY CLARK**

Upcoming elections	
9/03/2009 - 9/24/2009	
09/08/2009	Oklahoma Special Primary House District 55
09/12/2009	Delaware Special Election House District 37
09/15/2009	Alabama Special Primary House District 65
	Florida Special Primary Senate District 8
	New York Special Election Assembly District 38
	South Carolina Special Primary House District 48
09/22/2009	Florida Special Election House District 84

Governors

GOVNS URGE SWINE FLU CAUTION: Governors from CALIFORNIA, MARYLAND, VIRGINIA and NEW JERSEY were among several state and federal leaders who urged citizens to take precautions against a potential new outbreak of the swine flu, also known as the H1N1 virus.

The first reported U.S. cases of the H1N1 virus — dubbed the "swine flu" because its genetic makeup was first thought to be similar to that of a virus found



in pigs — came in April. By June, the World Health Organization declared it to be a global pandemic. According to a report released in early August by the federal Centers for Disease Control in Atlanta, the virus has been confirmed to have caused at least 475 deaths in the U.S., with around 40 of those being children. Over a million people nationwide have fallen ill with the disease, with almost 9,000 requiring hospitalization.

The possibility that the onset of the new school year will send those figures soaring clearly has public health officials and state and federal leaders very concerned. Another more recent study from the American College Health Association showed why last week, as 55 percent of 165 institutions surveyed — representing approximately 2 million students — counted a total of 1,640 H1N1 cases during the first week of classes. Only one student, however, required hospitalization and no deaths were reported.

In CALIFORNIA, where the virus has claimed 125 lives, Gov. Arnold Schwarzenegger (R) used a tour of the state’s public health laboratory as a backdrop to call on residents to take the threat seriously, saying it could “take thousands and thousands of lives.”

Although there is no approved H1N1 vaccine yet, the federal government expects to have one by October. When that happens, Schwarzenegger said, the state will “do everything we can to distribute it as quickly as possible.”

But MARYLAND Gov. Martin O’Malley (D) said it is critical that people not put off getting a seasonal flu shot while they are waiting for the H1N1 vaccine, saying getting the regular shot now will make it easier for health officials to determine if outbreaks later are related to H1N1. Not doing so could ultimately stress the resources needed to care for swine flu victims since there will be little way to determine if someone who fails to get a vaccination now and then gets sick later has been infected by a regular flu or the H1N1. In MARYLAND, only patients needing hospitalization can be tested for the H1N1 virus, prompting O’Malley to deem the seasonal flu shots residents’ “patriotic duty.”

O’Malley, VIRGINIA Gov. Tim Kaine (D) and Washington D.C. officials met with Homeland Security director Janet Napolitano last week to coordinate local, state and federal response plans for their areas. NEW JERSEY Gov. Jon Corzine (D) also announced that the Garden State will provide H1N1 vaccinations to the state’s 1.3 million uninsured residents when the vaccine becomes available.

Meanwhile, governors from nine major pork-producing states — COLORADO, ILLINOIS, IOWA, KENTUCKY, MICHIGAN, NEBRASKA, NORTH CAROLINA, OKLAHOMA and WISCONSIN — have called on the Obama administration to help ease the financial ills they say have been caused by the public’s fear of catching the H1N1 virus from pigs or pork products. In a letter to President Obama, the governors asked for a \$50 million increase in federal spending on pork products for community programs and greater pressure on China to end a moratorium on imports of U.S. pork.

MINNESOTA Gov. Tim Pawlenty (R) declined an offer to join in signing the letter, preferring instead to send his own note supporting efforts to negotiate better international trade deals for the pork industry. (WASHINGTON POST, BALTIMORE SUN, SAN JOSE MERCURY NEWS, PHILADELPHIA INQUIRER, HASTINGS STAR-GAZETTE, NATIONAL HOG FARMER [MINNEAPOLIS])

RICHARDSON WON'T FACE CHARGES: A U.S. attorney said no charges will be brought against Gov. Bill Richardson (D) and his former top aides over an alleged pay-to-play scheme that prompted him to withdraw his nomination as U.S. commerce secretary. But U.S. Attorney Greg Fouratt said the decision not to bring charges didn't mean Richardson was innocent. In a letter to Richardson's lawyers, Fouratt said not pressing charges "is not to be interpreted as an exoneration of any party's conduct," adding that the yearlong federal investigation "revealed that pressure from the governor's office resulted in the corruption of the procurement process" so that state bond deal work went to a Richardson political donor in 2004. Richardson declined to comment, but spokesman Gilbert Gallegos called the letter "wrong on the facts" and "nothing more than sour grapes." (SANTA FE NEW MEXICAN)

PRESSURE INTENSIFIES ON SANFORD: SOUTH CAROLINA Republicans stepped up pressure on embattled Gov. Mark Sanford (R) to resign, though the party declined to issue an official position until after a State Ethics Commission investigation is complete. Sanford has come under intense scrutiny over an admitted extra-marital affair and lingering questions over the legality of his travel on commercial, state and private planes. A lengthy House Republican Caucus meeting to discuss Sanford's status last week focused primarily on whether he should resign - which he has steadfastly refused to do -- or be impeached. None of the 54 members in attendance spoke on his behalf. The Ethics Commission query began August 10th and is expected to conclude this month. (POST & COURIER [CHARLESTON], STATE [COLUMBIA], ASSOCIATED PRESS)

The week in session

States in Regular Session: CA, MI, OH, PR, US

States in Recess: DC, NJ, NY, PA, WI

States in Special Session: CA "c", CA "e"

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

Upcoming Special Sessions: CA "f", FL "b", NM "a", OK "a"

States in Informal Session: MA

States Currently Prefiling or Drafting for 2010: AL, FL, KY, OK

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, NC, ND, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WA, WV, WY

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

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 9/4/2009)
Source: State Net database



GOVERNORS IN BRIEF: In a surprise announcement, **VERMONT** Gov. Jim Douglas (R) said he will not run for a fifth term in 2010. Douglas was widely expected to seek another term, but said it was “time to turn over the reins.” He said he would not seek higher office, joking that his wife “has a divorce lawyer on speed-dial” should he decide to do so. He becomes the fourth governor this year to decline to seek re-election, joining **WISCONSIN** Gov. Jim Doyle (D), **MINNESOTA** Gov. Tim Pawlenty (R) and **FLORIDA** Gov. Charlie Crist (R). A fifth governor, **ALASKA**

“Where do you stop? That’s the problem going down that slippery road. Pretty soon we’re going to have a special law for blue-eyed blonde.”

Gov. Sarah Palin (R), resigned her post in July (RUTLAND HERALD). • **UTAH** Gov. Gary Herbert (R) said he is against discrimination, but he doesn’t believe people should receive the same protection from discrimination based on sexual orientation as they do for race, religion or gender. “We don’t have to have a rule for everybody to do the right thing. We ought to do the right thing because it’s

the right thing to do,” Herbert said. “Where do you stop? That’s the problem going down that slippery road. Pretty soon we’re going to have a special law for blue-eyed blondes” (SALT LAKE TRIBUNE). • **KANSAS** Gov. Mark Parkinson (D) said he will push for a statewide ban on smoking in public places when the Sunflower State Legislature convenes in January. Parkinson said he is also considering a proposal to raise the cigarette tax (LAWRENCE JOURNAL-WORLD & NEWS).

— *Compiled by RICH EHISEN*

Hot issues

B **USINESS:** Calling it a violation of workers’ right to privacy, **CALIFORNIA** Gov. Arnold Schwarzenegger (R) vetoes SB 789, a so-called “card check” measure that would have allowed Golden State agricultural workers the right to join a union if a majority signed representation cards, thus bypassing the current process of secret-ballot elections (CAPITOL WEEKLY [SACRAMENTO], SACRAMENTO BEE). • **NORTH CAROLINA** Gov. Bev Perdue (D) signs HB 1305, which requires homeowners to pay a surcharge to cover storm damage that exceeds the financial capacity of the state’s insurer of last resort. The bill caps the levy at no more than 10 percent of their annual premiums (NEWS & OBSERVER [RALEIGH]). • Still in **NORTH CAROLINA**, Perdue signs SB 943, which raises the tax credit the state allows movie production companies that shoot film projects in the Tar Heel State from 15 percent of qualifying expenses to

25 percent. Film companies must spend at least \$250,000 to be eligible for the tax credit (NEWS-RECORD [GREENSBORO]). • **NEW YORK**-based pharmaceutical company Pfizer, the world’s largest drug maker, agrees to pay a record \$2.3 billion to states and the federal government to settle allegations it violated federal law in marketing more than a dozen of its medications. The settlement includes \$1 billion to resolve civil claims brought by every state except **SOUTH CAROLINA**, which did not join in the litigation. The company also agreed to enter a “corporate integrity agreement” with the federal Department of Health and Human Services that will monitor future marketing activities (ATLANTA JOURNAL CONSTITUTION, BUSINESS WEEK).

CRIME & PUNISHMENT: The **CALIFORNIA** Senate approves AB 1017, which would require law enforcement agencies to report to the state annually how many rape kits they collect, process and destroy each year. The bill returns to the Assembly (LOS ANGELES TIMES). • Still in **CALIFORNIA**, the Assembly endorses SB 557, which would allow Golden State courts to seize houses and cars used in human trafficking. It would also add civil penalties of up to \$25,000 for those convicted of trafficking. The bill returns to the Senate (LOS ANGELES TIMES). • **NORTH CAROLINA** Gov. Bev Perdue (D) signs SB 167, legislation that makes it a crime to possess tobacco products or cell phones outside of a locked vehicle anywhere on prison grounds. The measure also makes it a crime to provide inmates with either of those products (WINSTON-SALEM JOURNAL).

EDUCATION: A **NEW JERSEY** appeals court rules that the Garden State education commissioner has the authority to adopt regulations that limit payments made to school administrators for unused sick time and vacation leave. The appeals panel also upheld a requirement for local school districts to adopt anti-nepotism policies as a condition for receiving state aid (RECORD OF BERGEN COUNTY).

HEALTH & SCIENCE: Responding to concerns that a statewide vaccination program would place providers at risk for civil suits, **MAINE** Gov. John Baldacci (D) issues an emergency proclamation that protects schools and health care workers against tort liability claims related to their participation in school-based vaccine clinics this fall for both the seasonal flu and the H1N1 flu. State officials are encouraging public schools to offer on-site immunization clinics for all Pine Tree State children (BANGOR DAILY NEWS). • **PENNSYLVANIA** officials distribute free anti-radiation pills to anyone who works or lives within 10 miles of the Keystone State’s five nuclear power plants (PATRIOT NEWS [HARRISBURG]). • **MISSOURI** becomes the 46th state to adopt a standardized “Out of Hospital Do Not Resuscitate Order” form for people who do not want emergency medical personnel to use CPR to prolong their life. Lawmakers passed legislation allowing



the do-not-resuscitate order in 2007, but did not adopt the universal form until last week (NEWS TRIBUNE [JEFFERSON CITY]). • The **CALIFORNIA** Assembly and Senate approve AB 1422, which would impose a temporary 2.35 percent tax on health insurers to pay for keeping almost 700,000 children on the state’s health insurance program for the poor. The tax is in effect until January 2011. Insurers will be reimbursed after the state has used the revenue stream to qualify for matching federal funds. It moves to Gov. Arnold Schwarzenegger (R), who has promised to sign it (SACRAMENTO BEE).

SOCIAL POLICY: A **KENTUCKY** court rules that a Bluegrass State law requiring the state’s homeland security director to include a statement asserting the state’s reliance on God in training materials and on a plaque at the state’s Emergency Operations Center is unconstitutional. State officials are considering an appeal (COURIER-JOURNAL [LOUISVILLE]). • **MAINE** election officials announce that opponents to the state’s new law allowing gay marriage have gathered the 555,087 signatures needed to trigger a statewide vote on the issue this November. The certification of the signatures also suspends implementation of the statute, which was slated to go into effect on September 12th (BANGOR DAILY NEWS).

POTPOURRI: **MAINE** Gov. John Baldacci (D) signs HB 751, legislation that legalizes professional mixed martial arts in the Pine Tree State. The measure also creates a state oversight board to regulate and promote the sport (BANGOR DAILY NEWS).

— *Compiled by RICH EHISEN*

Once around the statehouse lightly

LET’S GET READY TO RUMMMMMBLE! In the fight game, champions never hesitate to lay the leather on a wounded opponent. But champs also know that down isn’t out. Just ask CALIFORNIA Assemblyman Jose Solorio, who has come out swinging in response to a recent ad campaign by the NEVADA Development Authority urging Golden State businesses to relocate to the Silver State’s much more tax-friendly environs. Such come-ons are nothing new, but Solorio got his hackles up after the campaign compared CALIFORNIA lawmakers to monkeys and the state budget to flying pigs. As the *Los Angeles Times* reports, the “outraged” Solorio launched a barrage of counter punches, funding ads and a Web site that depict CALIFORNIA as a business paradise and infer its eastern neighbor is an arid wasteland

where no sane business leader would want to be. The NEVADA campaign manager has taken the response in stride, saying “We must have struck a nerve.”

GOV BECOMES FAIR GAME: Speaking of a rumble, one of the soldiers in CALIFORNIA’s perpetual water wars has found a unique way to protest Gov. Arnold Schwarzenegger’s ongoing support of a new canal to send the precious liquid from the water-rich north to drier southern and central areas of the state. As the *Sacramento Bee* reports, this year’s San Joaquin County exhibit at the CALIFORNIA State Fair eschews the usual collection of ag products and other local items in favor of one that depicts Schwarzenegger’s “Terminator” movie character as a monster trying to steal the county’s water. The exhibit also contains placards warning of the devastation such a canal would bring to the mostly rural, agriculture-dependent county. Bruce Blodgett, the exhibit’s creator, said he wanted to make a statement, and “not just that we’re the top pumpkin-growing county in the state.” The governor declined to comment.

A REAL HOUSE OF CARDS: Anyone who has ever sat through a legislative floor speech knows they can be long, drawn out affairs. But two CONNECTICUT lawmakers will likely pay more attention to their fellow speakers in the near future. As the *Hartford Courant* reports, statehouse Reps. Barbara Lambert and Jack Hennessy were recently photographed playing computer solitaire during a lengthy floor debate over the state’s budget. Another laptop in the background showed its owner was watching a baseball game. Naturally, the photo drew howls of protest and condemnation from just about everyone, including Gov. M. Jodi Rell. Rep. Chris Perone said he even got an e-mail from his father, who lives in Malaysia, wondering if he was in the photo. Perone, who assured both pops and the press that he wasn’t, called the image “embarrassing.”

DING-DONG DITCHING DANGER: Things got a little exciting around the MINNESOTA governor’s mansion last week. As the *St. Paul Pioneer Press* reports, a state trooper took a tumble while seeking to nab three teenagers who, the police report says, “ding-dong ditched” the governor’s residence. The injured officer spent a few hours getting checked out at the hospital before being sent on his way with a clean bill of health. His colleagues did manage to get one of the trio of pranksters, who was released to his parents. There was no word on how that went over, but odds are good he heard the following phrase: “Oh sure, it’s all fun and games until someone gets hurt!”

— By RICH EHISEN

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