

December 7, 2009

Looking Ahead



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

Top Story

While budgets are sure to dominate legislative agendas in 2010, there are plenty of other problems lawmakers must deal with as well. This week and next we examine several of those key issues.

SNCJ Spotlight

States face more than budget questions in 2010

With state budgets still reeling from the impact of the Great Recession, it is hard to imagine lawmakers will have time or energy to deal with anything else in 2010. But while fiscal troubles are sure to dominate legislative agendas nationwide, lawmakers will have a plethora of other issues to weigh in on as well.

BUDGETS: Budget woes will undoubtedly remain the 500 pound gorilla in most statehouses in 2010. According to data collected by the National



Conference of State Legislatures, states face a collective budget shortfall of \$160 billion for FY 2010. The culprit has primarily been steep declines in tax revenue, something NCSL predicts will continue in at least half the states next year. To help offset the decline, at least 20 states implemented tax hikes in 2009, raising a cumulative \$26 billion in new revenue. Lawmakers are expected to continue considering new taxes in 2010, though political considerations — particularly given it is an election year — will likely hinder such measures.

MORTGAGE FORECLOSURE

PROTECTIONS: The collapse of the subprime housing market was at the very center of the national economic downturn. With hundreds of thousands of mortgage holders facing possible foreclosure, numerous states have taken action in 2009 to help slow the foreclosure rate. Most tighten rules that lenders must follow in foreclosure procedures, including requiring lenders to give borrowers more time to work out a plan to avoid default. While the volume of these bills could slow down in 2010, it is likely to remain a significant issue.

BANKING REFORM: This is primarily a federal issue, but states still have a major role in regulating financial institutions where federal oversight leaves off. In that regard, expect to see a host of bills related to subjects like credit card rate changes, transaction rates charged to stores when consumers use a credit card, regulation of gift cards, fees for check overage protection, consumer opt-out techniques and the use of on-campus credit card marketing to college students.

Health care reform: Whatever health care overhaul ultimately emerges from Congress is sure to place a copious amount of responsibility on states. The current proposal endorsed by the House of Representatives would produce the greatest expansion of state-funded Medicaid in a generation. So far, the feds seem more than willing to kickstart that expansion with a pile of money, to the tune of over \$23 billion. But with the federal largesse would also come a plethora of responsibilities, including determining what benefits are offered to the poor, developing insurance pools that can be accessed by uninsured individuals and figuring out how to ensure private insurance companies have met certain standards before they can raise health premiums. There is also the reality that the money Washington is offering will probably be a one-time only event, forcing state lawmakers to develop policies that

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: 439

Number of Intros last week: 457

Number of Enacted/Adopted last week: 166

Number of Prefiles to date: 36,194

Number of Intros to date: 156,345

Number of 2009 Session Enacted/Adopted overall to date: 40,500

— Compiled By JAMES ROSS
(measures current as of 12/3/2009)
Source: State Net database

will eventually have funding mechanisms of their own.

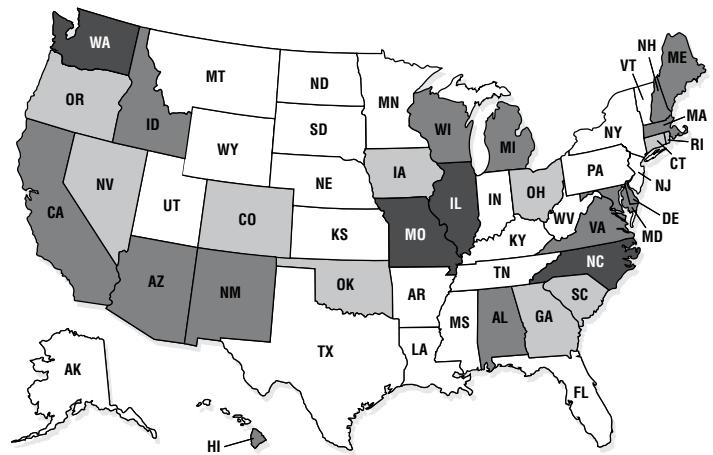
That could be a monumental task given the fiscal challenges of the times. It is also likely to spur a fair number of states to consider the opt-out option most observers expect to be in whatever final bill garners President Obama's signature. The opt-out possibility has in fact already become an issue in gubernatorial races in states like OHIO, where incumbent Ted Strickland (D) supports reform that includes a government-run "public option" plan. His presumed GOP challenger, John Kasich, has indicated he is unlikely to endorse such a plan.

PUBLIC EMPLOYEE "FAT TAX": This is not really a tax at all, but rather a health insurance discount given to workers who keep their weight down and don't smoke, thus in theory making

them healthier and less expensive to cover. To date, NORTH CAROLINA and ALABAMA are the only states with such a policy, but several others, including WEST VIRGINIA, CALIFORNIA, WASHINGTON and NEW YORK, have at least kicked the tires on similar proposals. It won't be easy — WEST VIRGINIA state workers almost revolted earlier this year when Gov. Joe Manchin (D) suggested it — but with health care costs continuing to rise, expect the issue to come up again and again. Along those lines, states will surely continue to look at taxing high fat, high calorie junk foods and using the additional revenue to help pay for health care.

RACE TO THE TOP: With the Obama administration now dangling a \$4 billion carrot, many states are already feverishly working to change their education policies in order to qualify for "Race to the Top" federal education grants. With the initial January 19th application deadline fast approaching, many states are rushing to meet the program's requirements, which include raising or eliminating caps on charter

Bird's eye view



Source: Stateline States that have ordered furloughs States that have planned or completed layoffs States that have done both

States downsizing their workforce

Since the start of the recession in December 2007, over half of the states have instituted public employee furloughs or layoffs. With states' fiscal troubles predicted to continue for at least another two years, more states are now looking at longer-term workforce reductions. MASSACHUSETTS Gov. Deval Patrick (D), for instance, has warned that up to 2,000 jobs could be eliminated if public employee unions don't agree to concessions, while CALIFORNIA Gov. Arnold Schwarzenegger (R) has proposed laying off 5,000 state workers, mostly in corrections and human services, on top of the 17,500 employees already laid off by the state this year.





schools, linking teacher evaluations to student performance and a willingness to take greater action on dealing with failing schools. CALIFORNIA, MICHIGAN, WISCONSIN, MASSACHUSETTS, LOUISIANA, GEORGIA, and ILLINOIS are among the states working on legislation or other changes to qualify for the awards. To date, only TEXAS and ALASKA have chosen not to pursue the federal grants. Expect states that do not make the first cut in the spring to go all out in the next round, slated for the fall.

This is Part I of our two-part look at issues we think will be hot topics in 2010.

— By RICH EHISEN

Budget & taxes

CONSTRUCTION JOB LOSSES COULD SPUR FEDERAL ACTION: Business has stalled for the nation’s highway construction industry. Having plowed through the “shovel-ready” projects funded by the federal economic stimulus package, construction companies across the country are finding their project pipelines empty.

“Having something to bid on is the lifeblood of the industry, and it’s running out,” said Tim Word, vice president of Dean Word Co., a heavy-construction company based in TEXAS. “There’s no pavement fairy that’s going to help.”

“The stimulus was a shot in the arm, but that’s all it was,” said Christian Zimmerman, chief executive of NEW HAMPSHIRE-based Pike Industries Inc.

State transportation departments don’t have the resources to develop long term roadway projects the industry relies on. Steve Simmons, deputy executive director of the TEXAS Department of Transportation said his state’s wish list is taking “a back seat because we have no funding for it.”

What’s making matters worse is the private sector isn’t picking up the slack as it would in better economic times.

“Two years ago, our phones would have been ringing off the hook with the good

weather,” said Zimmerman. “This year the phones ain’t ringing.”

A federal transportation bill that could provide \$450 billion for highway and infrastructure projects over the next six years has been bumped by other priorities, particularly President Obama’s health care overhaul. But the nation’s 10.2 percent unemployment rate may push the transportation bill back to the top of the administration’s agenda.

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The construction industry’s unemployment rate rose to 19.1 percent in October, up from 10.7 percent a year before. And a recent survey by the Transportation Construction Coalition found that 44 percent of contractors were expecting to lay off workers next year.

The White House was planning to hold a “jobs summit” last week, at which the idea of providing more funding for transportation projects was expected to be discussed. And a spokesman for Rep. James Oberstar (D-MINNESOTA), chairman of the House Transportation and Infrastructure Committee, said the White House was “warming” to the idea of considering a transportation bill sooner than it had been planning. (WALL STREET JOURNAL)

Upcoming elections

12/2/2009 - 12/23/2009

12/08/2009

Arkansas Special Election

Senate District 4

Kentucky Special Election

House District 96

Senate District 14

Massachusetts Special Primary

US Senate (Edward Kennedy)

New Hampshire Special Primary

House Rockingham County District 8

and Sullivan County District 2

STATES CLAMPING DOWN ON ‘DOUBLE DIPPING’: The recession and major job losses are spurring states to curb the practice of “double dipping” — collecting a pension and a paycheck at the same time — by government employees.

States that have taken a hard look at the issue have found it isn’t trivial. UTAH identified more than 4,300 public employees who were also collecting public pensions. FLORIDA found more than 9,000, including the former chief judge of the state’s highest court.

UTAH lawmakers are planning to consider an overhaul when they convene next month.

“It will happen, because it’s something we have to do,” said UTAH Sen. Daniel Liljenquist (R), chairman of a committee that oversees the state’s pension system. “We have to fix the mess we’ve made.”

Other states are also taking up the issue. NEW MEXICO Gov. Bill Richardson (D) proposed measures last month that would bar new government retirees from double dipping, and state lawmakers back an even broader plan that would also apply to current retirees. FLORIDA Gov. Charlie Crist (R) signed a law this past summer prohibiting new retirees from returning to work within six months. And ARKANSAS lawmakers are considering barring elected officials who quit from returning to work.

“They don’t even empty out their desk,” said ARKANSAS Rep. Allen Kerr (R). (USA TODAY)

BUDGETS IN BRIEF: Despite only a modest increase in the number of people incarcerated in MASSACHUSETTS over the past decade, corrections spending now accounts for more of the Bay State budget than higher education, social services and public health, according to a new study by the Boston Foundation (BOSTON GLOBE). • ARIZONA Gov. Jan Brewer (R) is calling a special session — the fifth

But Lazenby believes KENTUCKY needs to expand gambling to support racing.

“I’m very concerned that my Republican friends in KENTUCKY don’t understand this.... I like the Republicans, but they’re very wrong on this issue....”

Williams said the issue is more than just gambling. He suspects the Democrats are using expanded gambling as “a ploy for one-party rule of this state.” The Democrats already control the House and governor’s office, and a Haydon victory would narrow the Republicans’ majority over the Democrats in the Senate to 19-18, with one independent.

For his part, Rep. Higdon said several Democrats have donated to his campaign, but that doesn’t make him just like his opponent.

“I don’t get a lot of money from one special interest group, just people that want to support Jimmy Higdon,” he said. (LEXINGTON HERALD-LEADER, COURIER-JOURNAL [LOUISVILLE])

INSURERS NEAR ANOTHER REGULATORY SUCCESS: A key committee of the National Association of Insurance Commissioners gave its blessing last week to a proposal that would plump insurers’ capital cushions by at least \$11 billion by allowing them to count more of their “deferred tax assets” when making those calculations.

Insurers say the accounting change would provide a more accurate picture of their financial condition.

But some consumer groups and regulators say such tax assets wouldn’t help insurers pay claims if they ran into financial trouble.

Kermitt Brooks, NEW YORK’s first deputy insurance superintendent, however, said “safeguards” added by regulators, among other things, requiring insurers to meet certain financial standards, would protect consumers.

If the proposal passes when it comes up for a final NAIC vote this month, it will mark another victory this year for insurers. They will have secured about \$16 billion of the roughly \$28 billion in capital relief they sought from regulators last year, when they were posting losses and capital-raising opportunities were almost nonexistent. (WALL STREET JOURNAL)

The week in session

States in Regular Session: DC, MI, NJ, OH, PA, US

States in Recess: NY, WI

States in Special Session: CA “e”, CA “f”, FL “b”, NY “v”

Special Sessions in Recess: DE “a”

Upcoming Special Sessions: TBA: AZ “e”, MS “d”, OK “a”, WI “b”

States in Informal Session: MA

States Currently Prefiling or Drafting for 2010: AL, AZ, FL, GA, IA, IN, KS, KY, ME, MO, MT, ND, NH, OK, SC, VA, WY

States in Special Session Projected to Adjourn: FL “b”

States Adjourned in 2009: AK, AL, AR, AZ, CA, 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”, AZ “d”, CA “a”, CA “b”, CA “c”, CA “d”, CA “g”, CT “a”, CT “b”, CT “c”, CT “d”, FL “a”, HI “a”, HI “b”, HI “c”, IL “a”, IL “b”, IN “a”, KY “a”, MS “a”, MS “b”, MS “c”, NE “a”, NM “a”, NV “a”, NY “a-u”, TX “a”, UT “a”, VA “c”, VT “a”, WI “a”, WV “a”, WV “b”, WV “c”, WV “d”

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS
(session information current as of 12/4/2009)
Source: State Net database



POLITICS IN BRIEF: Eighteen members of the **TENNESSEE** Republican Party Executive Committee are urging their colleagues on the 63-member panel to reject any attempt to restore the GOP credentials of House Speaker Kent Williams. In January, Rep. Williams voted with all 49 of the chamber’s Democrats to elect himself speaker over Republican Leader Jason Mumpower. But Williams has been seeking reinstatement to the Party ever since then-Tennessee Republican Party Chairman Robin Smith barred him from seeking re-election to the House as a Republican (CHATTANOOGA TIMES FREE PRESS). • **MINNESOTA** is facing a \$1.2 billion budget deficit that could mushroom to \$5.4 billion over the next three years, according to a state budget forecast released last week (MINNEAPOLIS STAR-TRIBUNE). • Two key Philadelphia-area Democrats in the **PENNSYLVANIA** House announced last week they will not be running for re-election next fall. The impending retirements of Reps. Kathy Manderino and Barbara McIlvaine Smith threaten Democrats’ 104-99 seat majority in the chamber (PHILADELPHIA INQUIRER).

— *Compiled by KOREY CLARK*

Governors

PATERSON LOSES NY GAY MARRIAGE FIGHT: The **NEW YORK** Senate dealt Gov. David Paterson (D) a stunning defeat last Wednesday, rejecting legislation (AB 40003) he championed that would have legalized same-sex marriage in the Empire State. Paterson, who had fiercely supported the measure, called it “as sad a day as I’ve had since I joined public service.”

The Assembly approved the measure, then AB 7732, last May, prompting Paterson and fellow supporter New York City mayor Michael Bloomberg to urge the Senate to follow suit. But the bill ran into resistance right from the beginning, idling for months while Paterson and Senate Democratic leaders worked behind the scenes to gather the 32 votes necessary to clear that chamber. Paterson decided to push the issue last week by calling for the up-down vote on the Senate floor. Supporters expected the vote to be close, but felt confident the bill would be approved.

The final tally, however, was not close at all, failing on a 38-24 vote. All 30 Senate surprised Paterson, who said many lawmakers were simply afraid of the political fallout of endorsing the proposal.

“I think that there were political forces that in some respects intimidated some of those who voted,” said Paterson. “I think if there’d actually been a conscience vote, we’d be celebrating marriage equality right now.”

Many of those who voted against the measure are expected to face tough re-election bids next year. Most observers speculated the memory of the state’s recent



Barbour has proposed combining Mississippi Valley State and Alcorn State universities into the larger Jackson State University system. He has also proposed merging two predominantly white schools, Mississippi University for Women into Mississippi State University. Critics pointed to a 1992 U.S. Supreme Court decision that ruled the Magnolia State was guilty of discriminating against the traditionally black schools by underfunding them. The state Legislature later agreed to provide the schools with \$503 million in funds over a 17-year period. U.S. Rep. Bennie Thompson (D-MISSISSIPPI), a plaintiff in that suit, said last week that he and other plaintiffs involved in the suit would have to agree to the merger before it could go forth. Barbour, however, says the merger would not negatively impact the yearly allocations. (USA TODAY)

Upcoming stories

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

- **In depth with: CA Senate Pro Tem Darrell Steinberg**
- **Budget updates**
- **Health care reform**

GOVERNORS IN BRIEF: The Democratic Governors Association has elected **DELAWARE** Gov. Jack Markell (D) as its new chairman. Markell replaces **MONTANA** Gov. Brian Schweitzer (D). **MARYLAND** Gov. Martin O’Malley (D) remains as vice-chair (STATELINE.ORG). • The Internal Revenue Service has filed a \$79,064 tax lien against **CALIFORNIA** Gov. Arnold Schwarzenegger (R). A gubernatorial spokesperson blamed the situation on “a minor paperwork tracking discrepancy” and said the issue was being dealt with promptly (SACRAMENTO BEE). • The **FLORIDA** Supreme Court has approved Gov. Charlie Crist’s (R) revised request for a statewide grand jury to investigate public corruption and recommend changes in state ethics laws. The court denied Crist’s initial request for being too vague. The new grand jury would look at a lengthy list of crimes — including burglary, drug offenses, RICO crimes and fraud. The statewide grand jury could return indictments on crimes as long as they were committed in two or more of the Sunshine State’s 20 judicial circuits (ST. PETERSBURG TIMES). • Outgoing **VIRGINIA** Gov. Tim Kaine (D) is drafting regulations that would extend health benefits to Old Dominion residents who share a home with an insured state worker. This would include domestic partners — heterosexual or homosexual — who live with a state employee. Final approval will rest with Gov.-elect Bob McDonnell (R) (VIRGINIAN-PILOT [NORFOLK]). • **ILLINOIS** Gov. Pat Quinn (D) approved 133 clemency petitions last month. Quinn’s approval was part of his administration’s attempt to deal with nearly 2,500 cases that piled up under impeached ex-Gov. Rod Blagojevich (D) (CHICAGO TRIBUNE).

— *Compiled by RICH EHISEN*

Hot issues

B **BUSINESS:** A **TENNESSEE** court blocks a Volunteer State law that allowed residents with concealed-carry permits to bring handguns into bars and restaurants. The judge said the law was “fraught with ambiguity.” Supporters of the measure are considering an appeal (REUTERS). • **WISCONSIN** Gov. Jim Doyle (D) signs SB 349, which allows nonprofit organizations to employ minors without a permit to work in and around the home of an elderly person or person with a disability. Workers must be at least 12 years old (WISCONSIN GOVERNOR’S OFFICE). • Still in **WISCONSIN**, Doyle signs AB 250, legislation that requires Badger State dog breeders who sell three litters or 25 or more dogs a year to be licensed by the state Department of Agriculture, Trade and Consumer Protection. The statute also requires that dogs get adequate food, water and exercise and are provided safe enclosures. Violators face loss of license and fines (MILWAUKEE JOURNAL-SENTINEL). • Also in **WISCONSIN**, Doyle signs AB 266, which requires support services information to be given to employees who are affected by a business closing or mass layoff and provides a penalty to employers who do not comply (WISCONSIN GOVERNOR’S OFFICE).

CRIME & PUNISHMENT: The **KENTUCKY** Supreme Court suspends capital punishment in the Bluegrass State, ruling that officials did not follow state law in adopting its procedures for executing condemned prisoners. The ruling did not address the constitutionality of the three-drug cocktail used in the procedure, only noting that the state must follow specific administrative procedures as part of the protocol for lethal injection, including publication of the details of the procedure and public hearings on the matter (NEW YORK TIMES). • The **NEW JERSEY** attorney general approves for the first time the limited use of electronic stun guns by Garden State police. Officers may use the guns only when a suspect has a weapon, poses a serious threat to others, and refuses to be taken into custody (PHILADELPHIA INQUIRER). • The **LOUISIANA** Supreme Court upholds a Pelican State law denying jury trials to juvenile defendants. A lower court had ruled that the law was unconstitutional (NEW ORLEANS TIMES-PICAYUNE).

EDUCATION: The **NEW JERSEY** Assembly Environment and Solid Waste Committee unanimously endorses AB 1072, a bill that would require Garden State school officials to notify parents whenever pesticide pollution is detected on school grounds. It moves to the full Assembly (RECORD OF BERGEN COUNTY).

ENVIRONMENT: The **CALIFORNIA** Air Resources Board releases draft rules for the nation’s first cap-and-trade program, an effort to curtail global warming.



The plan would cap the amount of greenhouse gasses industry could produce, but would also allow companies to buy and sell emission allowances among themselves to reach an overall goal of cutting pollutants 15 percent below today's levels by 2020 (LOS ANGELES TIMES). • A coalition of federal officials and state agencies from **ILLINOIS** and **WISCONSIN** poisons a section of the Chicago Sanitary and Ship Canal in an effort to stop invasive Asian carp from infiltrating the Great Lakes. Officials fear that the voracious carp, which can grow up to four feet long and weigh up to 100 pounds, will decimate the Lakes' native fish population and endanger the region's \$7 billion sport fishing industry. **MICHIGAN** Gov. Jennifer Granholm (D), meanwhile, asks the Wolverine State attorney general to explore legal action to close the canal (USA TODAY, DETROIT FREE PRESS).

In case you missed it

In the Nov. 23rd issue of SNCJ, Lou Cannon reported that a largely unnoticed provision in the massive health care reform bill endorsed by the U.S. House of Representatives could give states an urgently needed second stimulus boost.

In case you missed it, the article can be found on our Web site at http://www.statenet.com/capitol_journal/11-23-2009/html

HEALTH & SCIENCE: WISCONSIN Gov. Jim Doyle (D) signs AB 112, which changes the eligibility requirement for the state-funded Health Insurance Risk-Sharing Plan (HIRSP) to individuals who have been denied coverage by one or more insurers, rather than two or more. The HIRSP provides coverage for people who either cannot find health insurance due to pre-existing illnesses or who have lost their employer-sponsored coverage (WISCONSIN GOVERNOR'S OFFICE). • Still in **WISCONSIN**, Doyle also signs AB 111, which sets the lifetime limit at \$1 million for an individual's major medical coverage under HIRSP. The measure also allows the agency to raise that limit in the future (WISCONSIN GOVERNOR'S OFFICE) • Also in **WISCONSIN**, Doyle signs SB 80, which requires the state to provide or pay for legal representation and any damages or fees awarded against a volunteer health care provider, regardless of whether an insurance carrier covers those costs (WISCONSIN GOVERNOR'S OFFICE).

IMMIGRATION: The **ARIZONA** Supreme Court declines to block enactment of a new Grand Canyon State law that requires public employees to report illegal immigrants. The court said the plaintiffs, the League of Arizona Cities and Towns, had not shown the complaint merited being taken directly to the state's high court (EAST VALLEY TRIBUNE [PHOENIX]). • Still in **ARIZONA**, a federal court bars federal prosecutors from accepting group pleas from immigrants charged with entering the country illegally. The court said the policy violates federal laws requiring judges to be certain that each defendant understands his or her individual legal rights (EAST VALLEY TRIBUNE [PHOENIX]).

SOCIAL POLICY: The District of Columbia Council endorses a proposal to legalize same-sex marriage in the District. The measure faces another vote on Dec.



15th. If approved again at that time, it is subject to a 30-day Congressional review (WASHINGTON POST). • The **NEW YORK** Senate decisively rejects AB 40003, a bill that would have made the Empire State the sixth to legalize same-sex marriage. The defeat most likely prevents the issue from coming up again until the 2011 Legislative session (WASHINGTON POST).

— Compiled by RICH EHISEN

Once around the statehouse lightly

THE REAL PARTY FOUL: As you may have heard, a recent White House dinner honoring Indian Prime Minister Manmohan Singh featured a serious breach of protocol. But while media outlets have focused on the goofball couple that crashed the party, the interlopers were hardly the only controversy of the night, or for that matter even the original one. As the *Detroit News* reports, that honor belongs to MICHIGAN Gov. Jennifer Granholm, who set fashionista tongues wagging with her cream-gold Nehru jacket worn over golden silk slacks. Pants, it says here, are considered inappropriate for ladies at a state dinner. Granholm’s people countered that gold is a favorite color in India and that her attire was meant to honor the guests. Supporters also noted that, given her state’s highest-in-the-nation unemployment rate, an expensive designer evening gown would have been an even bigger political faux pas.

YOU TOW IT, YOU KEEP IT: A local or state government wanting to make a big splash — a really big splash — now has its chance. As the *Philadelphia Inquirer* reports, the U.S. Navy is looking to offload the U.S.S. John F. Kennedy, a decommissioned 1960s-era aircraft carrier currently docked at the Philly shipyards. Alas, while the boat would be a freebie, it comes with some rules: It can go only to a state or local governmental or a nonprofit, which must then turn it into a memorial or museum. The lucky recipient must also pay to tow it to its new home. Given the sorry condition of most state and local budgets, the ship affectionately known as “Big John” may be docked in the City of Brotherly Love for quite a while.

LEMONS TO LEMONADE: You might say that Jenny Sanford, wife of embattled SOUTH CAROLINA Gov. Mark Sanford, has embraced the old adage that says when life hands you lemons, make lemonade. As the *New York Times* reports, Ms. Sanford is not sitting around these days wallowing in self pity over her estranged



husband's very public extramarital dalliance or his crumbling political career. Rather, She is charging full speed ahead with her own agenda, including setting up her own Web site and applying to trademark her name. She has also endorsed a candidate to replace her husband when his term ends. Perhaps worse for the governor, she is also writing a book about her experiences dealing with his infidelity. All of this has spurred speculation that she may eventually run for office herself, whispers she has neither confirmed nor denied.

MISSED BY THAT MUCH: You might call the effort to remove CALIFORNIA Sen. Bob Huff from office a total failure. Angered by his alleged support of a tax hike measure during last spring's annual budget battle, a group of anti-tax crusaders launched a recall campaign to drag his sorry, turncoat RINO (Republican in Name Only) behind right out into the street. But as the *Sacramento Bee* reports, recall advocates turned in their signature petitions last week just a few autographs shy of the 65,535 they needed to get the matter onto a special election ballot. Actually, they were more than a little short — their final tally was zero. Zip. Nada. Nothing. Bupkiss. As it turns out, Huff didn't actually even vote for the offending measure, which clearly made it a little tough to convince people he should be recalled.

— *By RICH EHISEN*

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