

January 14, 2013

Still Uncertain



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Capitol Journal will be
available on January 21st.

Top Story

States emerged outwardly unscathed from the New Year's Day congressional fix that stopped the economy from tumbling off the fiscal cliff, but numerous questions remain.

SNCJ Spotlight

States still too close to fiscal cliff's edge

States emerged outwardly unscathed from the New Year's Day congressional fix that stopped the economy from tumbling off the fiscal cliff, but statehouse fiscal officers aren't popping the corks of any leftover champagne.

Congress averted the likelihood of a recession by passing HR 8, which held taxes level for 99 percent of

A Cannon Perspective



With Lou Cannon

Americans and extended jobless insurance for the long-time unemployed.

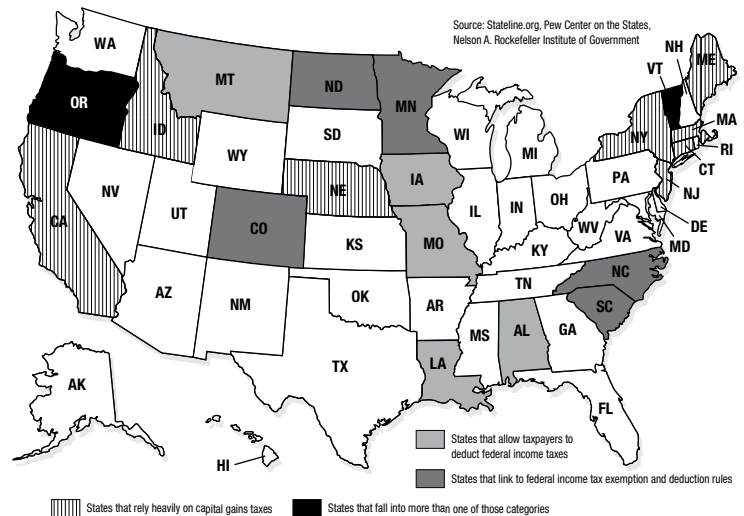
Despite the anxiety and partisanship surrounding the last-minute approval of this legislation, it was a relatively easy decision for Congress: the jobless benefits were necessary and lower taxes are popular. What isn't popular are the cuts in government services that some president and some Congress will eventually be forced to make, with the national debt at \$16 trillion and growing exponentially. Congress, however, has turned delay into an art form. HR 8 put off the hard choices by postponing for two months massive domestic and defense budget cuts — known as a “sequestration” — that were due to kick in automatically on Jan. 1.

This delay could wind up squeezing states, said Scott D. Pattison, executive director of the National Association of State Budget Officers. If Congress and President Obama go ahead with the sequestration in March, he said, states would be impacted at the very time they're preparing budgets for the next fiscal year.

Congress “left uncertainty on the table,” said Michael Bird, general affairs counsel of the National Conference of State Legislatures (NCSL). He observed that if Congress eventually makes significant budget cuts, states and local governments would be forced to accomplish in nine months what they would have had a year to do if the sequestration had gone into effect. Had Congress passed the full sequestration package, it would have cost states some \$13 billion in federal aid this year, Bird said.

It's not only states that are uncertain. Deploring the limits of the congressional fix, *The Economist* observed that Congress had failed to control the unsustainable path of health care spending and other entitlements and nothing to reform the “hideously complex and distorting tax code...and virtually nothing to close America's big structural

Bird's eye view



'Fiscal cliff' fix winners and losers

The “fiscal cliff” deal approved by Congress this month raised the federal income tax rate only on individuals making over \$400,000 a year and families earning over \$450,000 a year. That means states like Alabama and Oregon that allow taxpayers to deduct federal income taxes on their state returns will see a smaller reduction in income tax revenue than they might have been bracing for. The deal also reinstated federal rules governing limitations on personal income tax exemptions and deductions that had temporarily been suspended. Consequently, the handful of states that link to those tax rules, including Colorado and Vermont, could see higher state income tax revenues. In addition, the deal raised the capital gains tax from 15 percent to 20 percent for individuals who earn more than \$400,000 annually. So states that rely heavily on capital gains taxes, including California and New York, could see a surge in capital gains revenue in 2012 — as a result of residents rushing to sell stocks, homes and other capital assets under the lower rate — followed by a decline in such revenue this year.



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that would include tax reform and entitlement cuts. Despite Boehner's inability to win support from conservatives in his House Republican caucus for tax increases and opposition from liberal Democrats to spending cuts in Medicare or Social Security, talk of a "mini-bargain" remains alive.

Such a bargain would inevitably include changes in the tax law to reduce or eliminate various deductions or loopholes. States want to preserve the present deductions for state and local taxes that taxpayers are allowed to take on their federal returns.

Beyond the tax laws, states are wary of any attempt to reduce the federal share of programs in which costs are shared with the states. Medicaid, the federal-state program that provides health care for the poor, is a particular concern. The sequester exempted Medicaid from cuts, but Congress could revisit the issue.

"States are nervous about Medicaid," Bird said. He said the timing would not be right for changes in the existing formula, as states wrestle with implementing the federal health care law. The centerpiece of Obamacare, as even the president now calls it, is the creation of accessible marketplaces known as exchanges in which individuals and families will be able to shop on-line for affordable health care policies. Only 18 states have signed up to create the exchanges, which are supposed to be established by October with the first policies offered on Jan. 1, 2014.

But even if Congress leaves well enough alone on Medicaid, states are inevitably going to be faced with reductions in federal aid. Federal aid on "discretionary spending" — programs that include education and community services, among other things — was reduced by more than 4 percent in 2011 and by 2.7 percent in 2012.

The cuts are coming. States just don't know where or when.

— *By Lou Cannon*

Budget & taxes

HEALTH REFORM LAW DOESN'T HALT MAJOR RATE HIKES: One of the main objectives of the Affordable Care Act was to stem the rising cost of health insurance for American consumers. But that hasn't stopped health insurance companies from seeking and obtaining big premium increases across the country.

In Florida and Ohio, insurers have secured rate increases of at least 20 percent for some policy holders, which can add several hundred dollars a month to their bills. And in California, Aetna, Anthem Blue Cross and Blue Shield have proposed increases this year ranging from 20 to 26 percent for some customers.

The double-digit increases are coming just two years after the 39 percent rate hike Anthem Blue Cross sought in 2010 that helped spur the ACA. They're also coming

despite evidence that the overall cost of health care has slowed to single-digit growth in recent years as the weak economy has forced consumers to put off treatment. PricewaterhouseCoopers, for instance, projects that health care costs will increase only 7.5 percent next year.

But insurers say medical costs for some of their policy holders are rising considerably faster than the average.

“We need these rates to even come reasonably close to covering the expenses of this population,” said Tom Epstein, a spokesman for Blue Shield of California.

Some state insurance regulators also say the rate hikes are justified. Susan E. Voss, insurance commissioner of Iowa, for instance, said there may be no reason to deny Wellmark Blue Cross Blue Shield the 12 to 13 percent rate increase it has requested for some customers, on top of a 9 percent increase granted to the nonprofit insurer last year, because hospital mergers in the state have allowed providers to negotiate higher prices.

“There’s a four-letter word called math,” she said.

Federal officials say consumer health care costs would be even higher without the health reform law, which requires review of rate increase requests of 10 percent or more and requires insurers to spend at least 80 cents out of every dollar they collect in premiums on actual care and refund any excess to customers.

“Insurers have already paid \$1.1 billion in rebates, and rate review programs have helped save consumers an additional \$1 billion in lower premiums,” said Brian Cook, a spokesman for Medicare, which is helping oversee implementation of the ACA.

According to a federal report issued in September, insurance rates were reduced by almost three percentage points on average.

But some say the rate review process reveals the wide disparity in rates between states where regulators have the authority to deny rates deemed to be excessive and those where regulators lack that power. Regulators in New York, for example, recently invoked their authority to hold rate increases in the individual and small group markets under 10 percent this year. California regulators, meanwhile, won’t be able to do much more than check the double-digit rate requests there for technical errors.

“This is business as usual,” said the state’s insurance commissioner, Dave Jones, who is pushing for state legislative action to give him the authority to deny excessive rate hikes. “It’s a huge loophole in the Affordable Care Act.” (NEW YORK TIMES)

CONGRESS APPROVES SCALED DOWN SANDY RELIEF: The first legislative action of the 113th Congress was the approval of \$9.7 billion in aid for the victims of Superstorm Sandy. The package was a fraction of the \$60.4 billion package tabled by the 112th Congress days earlier over House Republicans’ concerns that the proposal was a “slush fund” for questionable infrastructure projects and unrelated programs.

New Jersey Gov. Chris Christie (R) blasted his GOP colleagues for that decision, saying, “There is only one group to blame for the continued suffering of these innocent victims: the House majority and their Speaker, John Boehner.”

Boehner has promised a vote on \$51 billion in additional Sandy aid on January 15. But that proposal is likely to draw far more scrutiny than the \$9.7 billion measure, which garnered unanimous approval in the Senate and a 354-67 vote in the House.

The victims of Sandy may be able to count on at least one of those 67 Republican “No” votes going the other way on the larger aid package, however, that of U.S. Rep. Steven Palazzo (R-Mississippi). The second-term Congressman, who represents parts of his state’s Gulf Coast ravaged by Hurricane Katrina, was excoriated in an editorial in the *Biloxi Sun-Herald* for his vote.

“Seldom has a single vote in Congress appeared as cold-blooded and hard-headed as one cast by Rep. Steven Palazzo, R-Miss., last week,” the editorial began. It went on to say that seven years ago, while serving as “the chief financial officer for the Biloxi Public Housing Authority when Hurricane Katrina hit, Palazzo called for immediate federal relief. ‘Send us money,’ he said in 2005, ‘so we can put our families back together and do our part to rebuild our community’ That Palazzo would rather make a political or philosophical point than help put ‘families back together’ and rebuild communities, as he once put it, is both shameful and offensive.”

After touring parts of New York and New Jersey affected by Sandy last week, Palazzo issued a statement pledging his support for the residents of the region.

“Now is the time for the federal government to provide immediate relief to those affected by the storm. I am fully committed to providing the relief they so desperately need,” he said. (CNN POLITICS, THE HILL, STATE NET, CHRISTIAN SCIENCE MONITOR, USA TODAY, BILOXI SUN-HERALD)

CA’S BUDGET DEFICIT GONE! For the first time since the start of the recession, California doesn’t face a budget deficit. That was the rather astonishing news Gov. Jerry Brown (D) declared last week.

“This is new. This is a breakthrough,” he said.

But the governor acknowledged the state’s fiscal health isn’t assured, especially given the uncertainty of the federal government’s fiscal affairs and the yet-to-be-determined cost of federal health reform. His scenario also doesn’t line up with the state Legislative Analyst’s Office, which suggested in November that the state will face a \$1.9 billion shortfall. Brown suggested a projected surge in personal income

Upcoming elections

(1/11/2013 - 2/1/2013)

01/15/2013

Mississippi Special Election

Senate District 16

01/22/2013

Iowa Special Election

House District 52

01/26/2013

Texas Special Election

Senate District 6

01/29/2013

Alabama Special Primary

Senate District 35

tax will eliminate that deficit. Even so, Brown said the state still must be cautious moving forward.

“It is best to maintain a very solid budget and a good reserve...or we’ll go back to the boom and bust, borrow and spend,” he said.

He added that he wasn’t ready to restore funding for social service programs that had been cut during the recession.

“That kind of yo-yo political economy is not good,” he said. “I want to advance the progressive agenda, but consistent with the amount of money the people made available,” referring to the new income tax rates on high earners and temporary hike in the sales tax approved by voters in November.

“I always appreciate it when the governor’s the adult in the room.”

In keeping with those remarks, Brown released a \$97.7 billion spending plan for the fiscal year that begins July 1 calling for small increases to education funding but holding the line on pretty much everything else.

The governor’s approach drew praise from some Republican lawmakers, whose party now encompasses less than a third of California’s Legislature.

“I always appreciate it when the governor’s the adult in the room,” said Assembly Republican Leader Connie Conway (R). “We certainly agree with his theme of fiscal responsibility. It’s a good one, something that’s been important to Republicans, always.”

The response of Assembly Speaker John A. Pérez (D) was somewhat more measured.

“This is a good starting point,” he said. “But it is that, it’s a starting point.”
(SACRAMENTO BEE, CALIFORNIA LEGISLATIVE ANALYST’S OFFICE, LOS ANGELES TIMES, STATE NET)

STATE-LOCAL JOBS REVERSAL: After five years of slashing their workforces, state and local governments will add workers in 2013, according to Mark Zandi, chief economist for Moody’s Analytics Inc. By the fourth quarter, they will have replaced about 220,000 of the half million employees they’ve shed since 2007, he projects.

“The bloodletting on the state- and local-government level has finally passed through,” said Jim Diffley, chief U.S. regional economist for IHS Global Insight. “They’re no longer subtracting from growth.”

State and local government payrolls may not get much of a boost in the nation’s most populous state, however. California Gov. Jerry Brown’s (D) 2013-14 budget envisions a public workforce remaining relatively flat, increasing by only about 6,300 positions, mainly in higher education. (BLOOMBERG NEWS, SACRAMENTO BEE)

BUDGETS IN BRIEF: The administration of **LOUISIANA** Gov. Bobby Jindal (R) announced \$165.5 million in cuts and other fiscal changes last month aimed at

closing a budget deficit caused in part by higher-than-projected education costs. The biggest cuts will be to the Department of Children and Family Services and Department of Health and Hospitals (NOLA.COM). • **VIRGINIA** Gov. Robert F.

McDonnell (R) has proposed replacing the state's gas tax with an increase in the sales tax. The term-limited chief executive, who ran for office on a pledge not to raise taxes, is hoping to solve a problem his recent predecessors couldn't: convincing the state's tax-averse population to pick up more of the tab for their congested transportation system — before it runs out of money in 2017 (WASHINGTON POST). • Six months into the fiscal year, **NEW JERSEY's** state budget is \$705 million short of revenue projections. Analysts are still trying to determine how much Superstorm Sandy contributed to the shortfall (NORTHJERSEY.COM). • **OREGON** Gov. John Kitzhaber (D) signed legislation last month agreeing to keep the state's so-called "single sales factor"

corporate tax benefit in place for Nike Inc. in exchange for the company's promise to invest \$150 million in the state. The deal, HB 4200, was the sole aim of a special session convened on Dec. 14 (OREGONLIVE.COM, STATE NET). The federal government has agreed to allow **MAINE** to make cuts to its Medicaid program, but not by as much as Gov. Paul LePage (R) was seeking. The state will only be able to make about a quarter of the \$20 million in cuts it had requested (BANGOR DAILY NEWS, STATE NET). • **PENNSYLVANIA** looks to have taken in more gambling revenue than every other state but **NEVADA** for the second year in a row. The state's casinos reported \$2.47 billion in slot machine revenue for 2012, according to statistics released by the Pennsylvania Gaming Control Board (PITTSBURGH POST-GAZETTE). • A tentative agreement on the so-called "container royalty payments" shipping companies share with dockworkers on each ton of cargo they handle helped avert a strike at 14 ports along the East and Gulf Coasts last month. The shipping companies and the International Longshoremen's Association now face a new deadline to finalize the deal: Feb. 6, when the contract they extended for the ongoing negotiations expires (NEW YORK TIMES).

— Compiled by **KOREY CLARK**

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: 4,157

Number of Intros last week: 11,979

Number of Enacted/Adopted last week: 581

Number of 2013 Prefiles to date: 27,265

Number of 2013 Intros to date: 11,979

Number of 2013 Session Enacted/Adopted overall to date: 930

Number of bills currently in State Net Database: 106,925

— Compiled By FELICIA CARRILLO
(measures current as of 1/11/2013)
Source: State Net database

Politics & leadership

H I REPLACES US SENATE ICON: Last month, Hawaii bid aloha to U.S. Sen. Daniel K. Inouye (D) with a funeral befitting the state's first congressman, the nation's longest-serving U.S. senator and the man third in line of succession to the presidency. The ceremony was replete with the blowing of a conch shell, an honor guard, a flag-draped casket and the playing of "Aloha Oe." The 88-year-old statesman, who reportedly died of respiratory problems, had represented Hawaii in Washington since 1954, sending billions of dollars to the state.

In 2010 the *Washington Post's* Jason Horowitz said of the congressman: "More than any other statesman in the history of these volcanic islands — more than Kamehameha the Great, who united them into a kingdom in 1810, or Gov. John Burns, who led the political revolution that established Democratic Party rule here in 1954 — Inouye, 86, has ruled over Hawaii."

The impending fiscal cliff vote in Congress pressured Hawaii's Gov. Neil Abercrombie (D) to appoint a successor for Inouye — as Senate Majority Leader Harry Reid (D) put it — "with due haste," touching off an "American Idol"-like selection process, with 14 candidates, including two pilots and a handyman's apprentice, vying for the open seat.

The process ended somewhat controversially with Abercrombie's selection of Lieutenant Gov. Brian Schatz (D). It had evidently been Inouye's dying wish that his seat go to his protégé, U.S. Rep. Colleen Hanabusa (D-Hawaii).

Abercrombie's decision wasn't a surprise to some, who said he and Inouye were not allies and that their two-decade relationship was actually marked by rifts, particularly over Inouye's support of a primary challenge to Abercrombie in the 2010 governor's race. So it was only natural that Abercrombie would go his own way, they suggest.

"These splits go way back in the party, and although I'm sure the governor gave due consideration to the senator's request, I don't think there was any personal relationship there that would've weighed in," said John Hart, chairman of the department of communication at Hawaii Pacific University. "I think in the end, the governor did what he felt was best for Hawaii, the party; and is also making a statement about who's in charge of the Democratic Party here in Hawaii."

(WASHINGTON POST, CBS NEWS, NEW YORK TIMES, HONOLULU STAR-ADVERTISER, POLITICO)

CO COUNTY REJECTS STATE POT LAW: Less than two months after Colorado voters approved a ballot measure that lets some residents possess up to an ounce of marijuana, one county has opted not to go along with the new law. Officials in Douglas County have passed an ordinance prohibiting the commercial cultivation and sale of the drug.

The county's action isn't the result of a change of heart on the issue, however.

"Our county has never passed or supported anything regarding the legalization of marijuana," said Jack Hilbert, chairman of the county's board of commissioners. "We tend to be very conservative."

The Marijuana Legalization Initiative (Amendment 64), which was supported by 55 percent of Colorado voters statewide on Nov. 6, was favored by only 46 of the voters in Douglas.

Some of the supporters of marijuana legalization in Colorado, as well as in Washington, where voters also legalized recreational use of the drug, may have been encouraged by President Obama's remark during an interview last month with ABC News that recreational pot smoking in the two states wasn't a major concern for his administration.

"We've got bigger fish to fry," he said. "It would not make sense for us to see a top priority as going after recreational users in states that have determined that it's legal."

But others pointed out that previous crackdowns on marijuana dispensaries, growers and sellers were preceded by similar comments from the administration regarding medical-marijuana users. (WALL STREET JOURNAL, SEATTLE TIMES)

POLITICS IN BRIEF: The biggest issue hanging over the **CONNECTICUT** General Assembly this session, which began last Wednesday, is gun control, as a result of the shootings in Newtown that claimed the lives of 20 children and six adults at the Sandy Hook Elementary School. Senate President Pro Tem Donald Williams (D), the state's highest-ranking senator for the past eight years, said neither Gov. Dannel Malloy (D) nor legislative leaders had outlined a detailed package of gun-control legislation but that proposals had been offered by individual legislators, and a package of legislation was expected to be put together after public hearings in the next few weeks (HARTFORD COURANT, STATE NET). • Republicans, who control both chambers of **MICHIGAN's** Legislature, want to tackle K-12 education reform and the state's deteriorating roads this session. But after pushing through right-to-work legislation in December, they're not likely to get much help from Democrats, whose leverage in the House could be bolstered by a crop of 28 freshman legislators (LANSING STATE JOURNAL). • In **COLORADO**, Democrats, who've consolidated control of both chambers, are planning to revisit issues blocked by the Republicans in the past couple of years, including same-sex civil unions and tuition breaks for children of illegal immigrants. The theater shooting last year in Aurora has Gov. John Hickenlooper (D) talking about gun control measures, including ammunition limits and better ways of identifying prospective gun buyers with mental health problems. And lawmakers will also consider an excise tax on recreational marijuana use, necessitated by the constitutional amendment approved by voters in November legalizing pot and requiring state officials to regulate its commercial sale (BOULDER DAILY CAMERA). • **KENTUCKY** state Rep. Sannie Overly (D) was chosen majority caucus chairman by

her Democratic colleagues last week, making her the first woman to be elected to a leadership post in the House (LEXINGTON HERALD-LEADER).

— *Compiled by KOREY CLARK*

Governors

BROWN SAYS CA READY TO RESUME PRISON CONTROL: Saying “the prison crisis in California is over,” Gov. Jerry Brown (D) last week formally requested an end to federal oversight of inmate health care in the Golden State prison system. Brown also asked to end a mandate to reduce the overall prison population to around 110,000. The system currently holds about 133,000 prisoners. Speaking at a Capitol press conference, Brown acknowledged that federal oversight has led to many improvements in the system, but said California is now ready to handle the job itself.

“We can run our own prisons, and by God let those judges give us our prisons back,” he said. “We’ll run them right.”

Acting on the 2009 order of a three-judge federal panel, California has reduced the prison population by almost 42,000 inmates over the last three years. That order — upheld in 2011 by the U.S. Supreme Court — came as a result of a class action suit claiming the state’s chronic overcrowding had overwhelmed the prison health care system, making it impossible for prisoners to receive constitutionally-guaranteed medical care. The reductions were achieved primarily by overhauling the state’s parole system and by shifting thousands of non-violent offenders to county lock-ups.

But even with fewer inmates, the prison system is still at around 150 percent of its capacity. The federal government has given the state until June to get down to around 137 percent of capacity, something Brown said is not likely to happen. He also called the figure “an arbitrary number” and said it was meaningless in light of the improvements made in recent years to the prison health care system. He also contends that further reductions can only be made by releasing murderers and other violent felons.

In that regard, state prison officials last week filed what Brown called a “protest” plan to meet the court’s mandate, a plan that would allow higher-risk inmates to be shifted into fire camps, grant prisoners greater latitude to trim their sentences with good behavior and increase the use of private prisons. Brown said the plan was filed to meet a federal deadline but that he would legally oppose any effort by the federal government to force the state to adopt it. (LOS ANGELES TIMES, SACRAMENTO BEE, SAN JOSE MERCURY NEWS)

CORBETT SUES TO BLOCK NCAA

SANCTIONS: Pennsylvania Gov. Tom Corbett (R) has launched a federal anti-trust lawsuit against the National Collegiate Athletic Association (NCAA), challenging its authority in imposing harsh sanctions against Penn State University in the wake of the Jerry Sandusky child sex abuse scandal. The governor contends that the organization's actions were unlawful, an overreach of its powers and in violation of its own procedures. In response, the NCAA said it was disappointed in Corbett's action and argued that the complaint filed in federal district court is without merit. Following the conviction of Sandusky, former Penn State defensive coordinator, the NCAA banned the university football program from post-season competition for four years, stripped it of 40 scholarships, vacated 11 years of team victories and fined it \$60 million to be distributed to child abuse protection programs. Corbett says the sanctions damage not only the university, but Pennsylvania businesses which profit from public activities surrounding the football program. The university stressed in its reaction to the lawsuit that it is not a participant in it and continues its efforts to fully comply with the NCAA's dictates. (STATE NET)

In case you missed it

After this year's election, when Democrats regained legislative control in a handful of states, it was widely speculated that they would be equally partisan when legislatures reconvene in 2013. So far, however, Democratic legislative leaders have been surprisingly conciliatory.

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

http://www.statenet.com/capitol_journal/12-17-2012/html#sncj_spotlight

PATRICK PITCHES PHARMACY, BIZ REGULATION OVERHAULS:

Massachusetts Gov. Deval Patrick (D) has proposed strict new regulations on Bay State compounding pharmacies, which provide customized medications to fit patients' specific needs. Patrick's proposal came in response to a deadly meningitis outbreak last year linked to a Boston compounding pharmacy. That outbreak has sickened over 600 people and killed at least 39 across 19 states.

The legislation Patrick has proposed would enact strict licensing standards for compounding pharmacies; give the state power to fine pharmacies that break those rules; offer pharmacy workers whistleblower protection; mandate licenses for out-of-state pharmacies that do business in Massachusetts; and reorganize the 11-person state pharmacy board to include more members who are independent of the industry.

The governor followed that up a few days later with a proposal to streamline or do away with 286 state regulations that directly impact small businesses. Many of those can be made administratively, but Patrick said he would also introduce legislation to abolish or change 31 state licensing boards. Patrick said the changes would remove "unnecessary barriers for starting a small business, make state government more efficient, and better align our practices with widely accepted national models."

Patrick said his office had reviewed approximately 25 percent of the estimated 2,000 sets of regulations on the state's books. He called it a long process but said he expects the review to be completed by the time his term is complete in January, 2015. (BOSTON HERALD, BOSTON GLOBE, MASSLIVE.COM)

MCDONNELL REVEALS PHASE II OF ED PLAN: Virginia Gov. Robert McDonnell (R) proposed opening the Old Dominion to the Teach for America program, a national non-profit that places recent college graduates into low-performing schools to teach for two years. The governor also proposed grading schools' performance on a simple A-F scale, making it easier to open charter schools, giving schools more staff flexibility, and giving more specialized instruction to students struggling with reading and algebra. In December, McDonnell called for a \$59 million budget amendment to help fund teachers' raises, which he tied to his proposal to change the teacher-evaluation process. Lawmakers will consider the governor's proposals this session. (VIRGINIAN-PILOT [NORFOLK], WASHINGTON POST)

CUOMO CALLS FOR GUN LAW OVERHAUL: New York Gov. Andrew Cuomo (D) called for "the toughest assault weapon ban in the nation" last week as part of a seven-part plan for reforming the Empire State's gun laws. Cuomo's plan includes a complete ban on all ammunition magazines which carry more than 10 rounds, requiring a background check for all private sales of guns, enhanced penalties for possessing illegal guns and a requirement that mental-health professionals inform officials about the risk of their patients owning a gun. The governor did not offer specifics for what would constitute an illegal gun. Legislative leaders of both parties said they believe the proposals will pass this year, with Assembly Speaker Sheldon Silver (D) telling the *New York Times* they are "95 percent" of the way toward an agreement. Gun rights advocates, however, vowed to oppose the proposal. Chris W. Cox, the chief lobbyist for the National Rifle Association, told the *Times*, "We fully expect that New York state's gun owners will be completely engaged in this debate and N.R.A. will be there to lead them." (NEW YORK TIMES, DEMOCRAT AND CHRONICLE [ROCHESTER], BLOOMBERG NEWS)

QUINN SAYS NEW LAWMAKERS WILL FIX IL PENSIONS: Illinois Gov. Pat Quinn (D) said he believes a new crop of lawmakers will do what the recent lame duck legislative session failed to do: devise a fix for the state's \$96 billion public pension shortfall. Although they debated numerous possibilities — and in spite of virtually constant lobbying from Quinn — lawmakers adjourned last Tuesday without an agreement, or for that matter even a vote on any specific proposal. Those included one from Quinn to create an independent commission to make pension changes that

The week in session

States in Regular Session: CA, CO, CT, DC, DE, ID, IL, IN, KY, MA, MD, ME, MI, MN, MO, MS, MT, ND, NE, NH, NJ, NY, OH, RI, SC, SD, TX, VA, VT, WI, WY

States in Recess: FL, NC, OK, PA, US, WV

Upcoming Regular Sessions: AK, AR, AZ, HI, KS, GA, IA, NM, PA, WA

States Currently Prefiling or Drafting for 2013: AK, AL, AR, AZ, GA, IA, KS, NM, NV, OR, UT, WA

State Special Sessions Adjourned in 2013: CT "c", DC, DE, DE "a", DE "b", DE "c", DE "a", IL, IL "a", MA, MI, NJ "a", NY, NY "a", OH, OR "a", PA, PR, PR "b", PR "c", PR "d", PR "e", RI, US, VA "a", WI "b"

Letters indicate special/extraordinary sessions

— Compiled By DENA BLODGETT
(session information current as of 11/11/2013)
Source: State Net database

his critics dubbed a “Hail Mary.” But Quinn noted that the General Assembly sworn in on Wednesday contained dozens of new members, many of whom ran on a platform of pension reform. (CHICAGO TRIBUNE, QUAD-CITY TIMES [DAVENPORT])

LEPAGE INTRODUCES WELFARE REFORM PACKAGE: Maine Gov. Paul LePage (R) is preparing a trio of bills to reform the state’s welfare system. One proposed measure, LD 525, would bar convicted felons from being eligible for benefits. Another, LD 528, would direct state Department of Health and Human Services officials to apply for a federal waiver that would allow them to ban the use of food stamps to buy soft drinks, while a third would grant the DHHS commissioner greater subpoena power. (KENNEBEC JOURNAL, BANGOR DAILY NEWS)

EXECUTIVE ORDERS: Colorado Gov. John Hickenlooper (D) issues EO 2012-001, which places two voter-approved measures from last November’s election — Amendments S and 65 — into the Centennial State constitution. Amendment S allows the state to revamp its personnel system and Amendment 65 urges state and federal lawmakers to support a U.S. Constitutional amendment to limit campaign contributions and spending. (STATE NET, DENVER POST)

GOVERNORS IN BRIEF: Saying, “You cannot tell me that a kid sitting in a basement for hours, playing ‘Call of Duty’ and killing people over and over again does not desensitize that child from the real life effects of violence,” **NEW JERSEY** Gov. Chris Christie (R) said he has banned his four kids from playing violent video games (POLITICO). • **VERMONT** Gov. Pete Shumlin (D) has proposed legislation that would allow the state to seize pensions of state and local government employees involved in embezzlement, fraud and other crimes that affect taxpayers. The bill, which is still being drafted, does not yet have an author. **CALIFORNIA** Attorney General Kamala Harris (D) has appealed a court injunction that blocked enforcement of a new Golden State law that prohibits providing gay minors with therapy aimed at converting them to being heterosexual. Harris filed the appeal to the 9th U.S. District Court of Appeals on behalf of Gov. Jerry Brown (D) and the state Medical Board (LOS ANGELES TIMES). • **NEW YORK** Gov. Andrew Cuomo (D) announced that Empire State hospitals will now be required to adopt a procedure for identifying and treating sepsis in patients, including a countdown clock to providing treatment within an hour of spotting it (NEW YORK TIMES). • **SOUTH CAROLINA** Gov. Nikki Haley (R) said she wants Palmetto State lawmakers to pass legislation giving her “reduction veto” authority that would allow her to reduce the amount of money lawmakers appropriate to certain state programs. Haley says current law allows her only to endorse or veto those expenditures. Lawmakers have so far expressed no interest in the proposal (THE STATE [COLUMBIA]).

— Compiled by RICH EHISEN

Hot issues

BUSINESS: **MICHIGAN** Lt. Gov. Brian Calley (R) signs SB 467, which requires insurers to take a one-time training course and to apply suitability standards before providing consumers with recommendations for purchasing annuities (MICHIGAN GOVERNOR'S OFFICE). • Still in **MICHIGAN**, Lt. Gov. Calley signs SBs 1291 and 1292, which together require providers of internet protocol-enabled premises security, monitoring and control systems to be registered with the state (MICHIGAN GOVERNOR'S OFFICE). • Staying in **MICHIGAN**, Lt. Gov. Calley signs SB 1296, which requires any malpractice lawsuit against a lawyer, law firm or entity providing legal services to be filed within six years of the alleged fault (MICHIGAN GOVERNOR'S OFFICE).

CRIME & PUNISHMENT: **MASSACHUSETTS** Gov. Deval Patrick (D) signs SB 2402 (2011), legislation that allows domestic violence and sexual assault victims to vacate their lease or rental agreements without financial penalties if that renter's safety is in jeopardy. Under the law, tenants would be required to give landlords written notification of their situation, while landlords may request independent verification of their status as victims (STATE NET, BOSTON HERALD). •

MICHIGAN Lt. Gov. Brian Calley (R) signs SB 231, which makes it a misdemeanor to fail to report the discovery of a corpse to the police, with violators facing a year in jail and a \$1,000 fine. Lt. Gov. Calley also signs SB 380, which makes the failure to make such a report a felony if the intent is to hide the death from authorities. That measure carries a penalty of up to five years in jail and a fine of up to \$5,000 (MICHIGAN GOVERNOR'S OFFICE). • Also in **MICHIGAN**, Lt. Gov. Calley signs SB 1211, which requires that crime victims be notified within 24 hours if a suspect who is being detained for the crime has escaped custody (MICHIGAN GOVERNOR'S OFFICE, DETROIT FREE PRESS).

EDUCATION: **MICHIGAN** Gov. Rick Snyder (R) vetoes SB 59, which would have allowed concealed weapons permit holders who completed additional training to carry a concealed pistol in schools and other places that currently are off-limits. Gov. Snyder said the measure did not allow schools and other entities the latitude to opt out (MICHIGAN GOVERNOR'S OFFICE, BLOOMBERG NEWS).

ENVIRONMENT: U.S. District Court Judge Phyllis Hamilton rejects a request to issue a preliminary injunction blocking a **CALIFORNIA** law barring the sale or possession of shark fins. Two Chinese-American groups have sued to block enforcement of the law, saying it violates their civil rights. The groups said they

would not appeal, instead waiting for the case to go to trial (SAN FRANCISCO CHRONICLE). • **MICHIGAN** Lt. Gov. Brian Calley (R) signs SB 1206, which allows qualifying sewage treatment residue to be sold or given away for landscaping purposes if the generator of the material is compliant with state environmental regulations (MICHIGAN GOVERNOR’S OFFICE). • **COLORADO** oil and natural gas regulators adopt new rules requiring energy companies to test water wells both prior to drilling new oil or gas wells and twice afterwards to ensure the hydraulic fracturing process, or “fracking,” has not led to a contamination of groundwater. The rules require the sampling of up to four water wells within a half mile of a new oil and gas well before drilling, between six and 12 months after drilling, and between five and six years after drilling (ASSOCIATED PRESS, DENVER POST). • The **CALIFORNIA** Department of Conservation releases proposed new rules for regulating fracking in the Golden State that would require energy companies to test wells before drilling, to provide the state with 10 days advance notice beforehand and to monitor sites where hydraulic fracturing is employed. Drillers would also have to disclose the chemicals they use, though exemptions could be had to protect trade secrets. Formal discussion of the proposal rules will begin in the next few weeks (SAN JOSE MERCURY NEWS).

HEALTH & SCIENCE: The U.S Department of Health and Human Services grants approval to health benefits exchanges being created in seven states: **CALIFORNIA, IDAHO, UTAH, NEVADA, NEW MEXICO, HAWAII** and **VERMONT**. To date, the Obama administration has approved exchanges in 17 states and the District of Columbia (WASHINGTON POST).

IMMIGRATION: The **ILLINOIS** House approves SB 957, which would allow undocumented immigrants to obtain a temporary Prairie State driver’s license, which would be valid for three years. Applicants would have to show proof of insurance and at least one year of state residency to be eligible. The bill moves to Gov. Pat Quinn (D), who has indicated he will sign it (ST. LOUIS POST-DISPATCH). • **MICHIGAN** Gov. Brian Snyder (R) signs SB 810, which requires Wolverine State voters to sign a statement indicating they are U.S. citizens before they can receive a ballot. The measure also calls for people registering to vote to show a photo ID or, if they do not have one, to sign an affidavit attesting to their citizenship before being allowed to register (MLIVE.COM).

SOCIAL POLICY: The U.S. District Court of Appeals for the First Circuit upholds a **MASSACHUSETTS** law that creates a 35-foot fixed buffer zone around the driveways and entrances of Bay State abortion clinics. Justices said the law protects the rights of patients while still allowing abortion foes to express their opinions. Plaintiffs in the case said they will appeal the ruling to the U.S. Supreme Court (BOSTON

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GLOBE). • **VIRGINIA** Gov. Robert McDonnell (R) signs off on health regulations that impose strict hospital construction standards on Old Dominion abortion clinics. His action precipitated a 60-day public comment period, after which the rules must be voted on again by the state Board of Health (RICHMOND TIMES-DISPATCH).

POTPOURRI: The U.S. House of Representatives gives final endorsement to HR 4212, the Drywall Safety Act of 2012, which establishes chemical standards for domestic and imported drywall. The measure, which also establishes guidelines for its disposal, moves to President Barack Obama (D) for review (ADVOCATE [BATON ROUGE]). • **MICHIGAN** Gov. Rick Snyder (R) signs SB 756, which makes it a civil infraction for new drivers on their probationary licenses to talk on a phone behind the wheel. The measure takes effect in March (MLIVE.COM).

— Compiled by RICH EHISEN

Once around the statehouse lightly

A **WHOLE NEW LBJ:** The Lyndon Baines Johnson presidential library has long been a must-do for tourists visiting Austin, Texas. Among the most popular attractions is an eerily life-like animatronic Johnson avatar, duded up in a checked shirt, boots and cowboy hat, leaning on a fence and spinning the folksy yarns he was known for. Alas, the library recently underwent a \$10 million renovation that brought many changes, including, As the *Wall Street Journal* reports, dressing the former president's mechanical likeness in a natty suit and tie and standing him behind a podium. That has been met with mixed reviews, with many critics preferring the old LBJ figure. Presidential historian Michael Beschloss says it's understandable that folks related to the more-folksy LBJ. "He had a Texas love of storytelling. When people asked a question, it was never yes or no," he said. "My guess is that an animatronic Nixon would not have the same effect."

SOUNDS OF SILENCE: Reporters looking for a quote on the fractious goings-on in the Michigan Legislature should not waste their time trying to chat up Rep. John Olumba. For that matter, neither should staff, colleagues or Gov. Rick Snyder. As the *Lansing State Journal* reports, Rep. Olumba, a Democrat, has not spoken to anyone at the Capitol since Dec. 8. His vow of silence, which he laid out in a three-page letter to his colleagues a few days later, was intended to call attention to what he says is "corruption, back door dealing, and graft" in the state's dealings with his

financially troubled hometown of Detroit. While Olumba lays plenty of blame upon Republicans, he also finds fault with state treasurer Andy Dillon and Detroit Mayor Dave Bing, both Dems. The rumor mill, meanwhile, says Olumba has resumed speaking to some staffers. Of course, nobody actually heard that from him.

BIG APPLE ED: With New York City Mayor Michael Bloomberg approaching the end of his third and final term, speculation is rampant over who might succeed him. One name being bandied about is Manhattan native and former Pennsylvania Gov. Ed Rendell, a close confidante of Bloomberg's and himself a former mayor of Philadelphia. But while Rendell's outsized personality and national profile seem to make him a great fit for the job, there is one little problem: he doesn't want it. As *The Morning Call* reports, Rendell says he has no interest in living in the Big Apple any more, which would appear to be the one bedrock requirement for being mayor. But Philly-based Democratic consultant Larry Ceisler says there is an even better reason Rendell could never be the mayor of New York. "The problem for Ed is that it will be really hard to root for the Eagles," he said.

ON THE THUMB: Hitching a ride has any number of hassles and dangers for both hitchhikers and motorists, not the least of which is meeting up with a crazed serial killer. As such, Wyoming years ago made "riding the thumb" illegal. But as the *Casper Star-Tribune* reports, that may not be the case much longer. State Sen. Leland Christensen has introduced legislation to make hitchhiking legal again in the Equality State. Christensen says the law is rarely enforced and, according to his constituents, unevenly applied. He speaks from vast experience. As a young man, he says he hitchhiked all the time. During his 20 years as a sheriff's deputy, he also never once issued a hitchhiking citation. Presumably, this means he also never ran into the aforementioned crazed serial killer.

— By RICH EHISEN

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State Net ISSN: 1521-8449

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