

March 18, 2013

## Against the Grain



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The next issue of Capitol Journal will be available on April 1st.

### Top Story

*Although politicians who challenge party orthodoxy are often putting their careers at risk, several Republican and Democratic governors are doing just that on health care and pension issues.*

## SNCJ Spotlight

**Governors stray from party lines on health care and pension reform**

Although politicians who challenge party orthodoxy are often putting their careers at risk, several Republican and Democratic governors are doing just that on health care and pension issues.

During the protracted battle waged by Republicans against President Obama's health care law, the

## A Cannon Perspective



With Lou Cannon

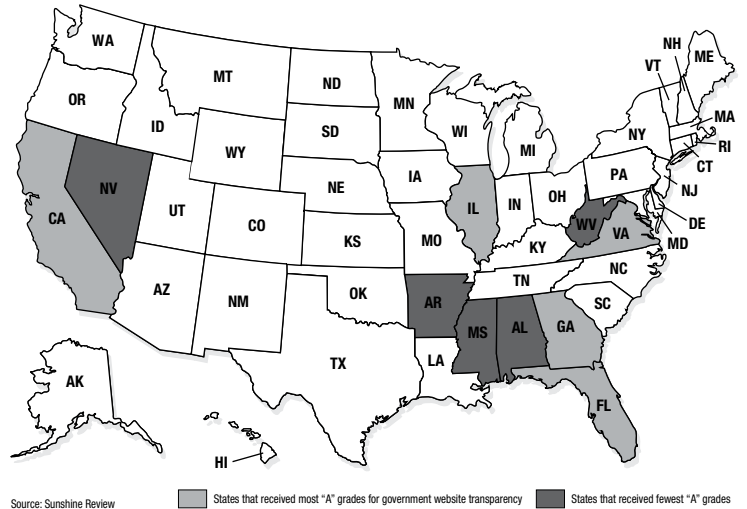
Affordable Care Act (ACA), Michigan Gov. Rick Snyder broke ranks and accepted the legislation as the law of the land even before the Supreme Court upheld its constitutionality. His realism earned Snyder the label of “RINO” — Republican In Name Only — among GOP true believers, while his conservative positions on other issues still alienate Democrats. Snyder is presently running an uphill campaign for re-election in 2014 with an approval rating of only 37 percent.

Now, it is Gov. Rick Scott of Florida, an even stauncher conservative, who is under fire from hard-core GOP partisans for reversing course and accepting a key feature of the ACA: expansion of Medicaid, the federal-state program that provides health care for the poor and disabled, to cover persons up to 138 percent above the poverty line (See *Governors* in the issue). Other Republican governors including Jan Brewer of Arizona, Chris Christie of New Jersey and John Kasich of Ohio also agreed to do this, but Scott’s decision was the first crack in a solid Southern bloc of GOP governors opposed to expansion.

The Florida governor points out that he would receive something in return from the Obama administration: a federal waiver allowing Florida to use a managed-care approach to Medicaid long advocated by Scott, a former health care executive. But this hasn’t quieted Scott’s critics or pacified the Republican-controlled state legislature, which has rejected Medicaid expansion in committees of both chambers. Opposition to Obamacare, as Republicans uniformly call the law, has been a touchstone of GOP orthodoxy since the law was approved in 2010 on party lines.

Democrats are as dogmatic in their support of public employee unions as Republicans are in opposing federally mandated health insurance. Unions are big Democratic contributors, and Democratic legislators have shown their appreciation by resisting right-to-work laws—passed over their opposition in Michigan and Indiana — and dragging their feet on public pension reform.

## Bird’s eye view



### Florida nation’s sunshiniest state

Florida leads the nation in government transparency, according to the nonprofit Sunshine Review's fourth annual Sunny Awards, which honor the most transparent government websites. For the fourth time in a row, the Sunshine State's counties, cities and school districts received more “A” grades than those of any other state (25 of the 247 total given this year). Other big winners were Illinois (19), California (12) and Georgia (12). Nevada, Arkansas, Mississippi, Alabama and West Virginia received the fewest sunny awards.



But state and municipal governments can no longer ignore their pension-related obligations. Unfunded pension liabilities, meaning the gap between promised retirement benefits for public employees and funding for these benefits, amount to \$1.4 trillion, according to a 2012 report by the Pew Center on the States. Some estimates are considerably higher.

Illinois and California are often considered the poster children for unfunded pension liabilities, although at least a dozen other states are also in serious trouble. Both California and Illinois have Democratic governors who have favored pension reform, and both have legislatures with Democratic super-majorities that have resisted meaningful changes.

In California last year Gov. Jerry Brown (D) offered a far-reaching proposal for pension reform that pleased Republican legislators but was greeted coolly by the Democratic majority. But Brown persevered, as he often does, and eventually obtained

a modest version of his proposal. Emulating past California governors — his father, Pat Brown, and Ronald Reagan come to mind — he then celebrated a half-a-loaf victory as if it were an entire bakery.

## **“It’s time for you to legislate. What are you waiting for?”**

In Illinois, Gov. Pat Quinn (D) has little to celebrate. Five state pension funds are in the red by \$97 billion — \$21,000 for each household in the state, which now spends nearly 20 percent of its general funds to make the annual pension payments. But apart from a recent minor reform that will save at most \$1 billion a year, the Legislature has buried its head in the sand on pension issues and rebuffed Quinn’s pleas for major changes.

“It’s time for you to legislate,” Quinn said in a budget message to the Legislature earlier this month in which he pointed out that Illinois would soon be spending as much for pension liabilities as it does for education. “What are you waiting for?”

The Legislature, backed by the unions, was unmoved, knowing that Quinn lacks political clout. In part that reflects a generally low opinion of Illinois voters for the office of governor. Although Quinn’s administration has been scandal-free, four of seven previous governors were convicted of various crimes.

Quinn has an approval rating of only 25 percent and faces a steep uphill battle for re-election next year. But Quinn is right about his state’s pension plight. On Monday (March 11), the federal Securities and Exchange Commission accused the state of fraud for falsely claiming that it had been properly funding public employee retirement funds. The SEC pointed in particular to the period from 2005 to 2009, before Quinn was governor.

Politically speaking, it’s a different situation in California, where the 74-year-old Brown, who served two terms as governor in the 1970s, has a 57 percent approval rating and is a solid favorite to be re-elected if he runs in 2014. But neither Brown’s popularity nor the modest pension fix he extracted from the Legislature, have led California out of the pension-liability woods. In fact, the Golden State has the highest

teacher pension liabilities in the nation, according to a report issued in February that was funded by the Bill Gates Foundation and the Joyce Foundation. This report, “No One Benefits: How Teacher Pension Benefits are Failing Both Teachers and Taxpayers,” puts California’s unfunded teacher pension liabilities at \$57 billion, with Illinois second at \$43 billion and Ohio third at \$40.7 billion.

Nor is it just teacher pensions that are out of balance in California. Moody’s Investors Services has proposed new evaluation standards, beginning in 2014, for pension liabilities that would in a stroke raise California’s unfunded liabilities for state and local pensions from \$128.3 billion to \$328.6 billion. At the higher level, pension liability per household in California would be \$8,600.

The huge discrepancy between the two standards demonstrates how difficult it is to put a precise price tag on unfunded pension liabilities. The amount of liability depends upon many factors but most of all on the rate of return a pension fund receives from its investments. The California Public Employee’s Retirement System (CalPERS), the biggest U.S. public pension fund, estimates a 7.5 percent return. The new standard proposed by Moody’s would reduce the projected return to 5.5 percent.

CalPERS reported in January that it posted a return of more than 13 percent in 2012, a year of strong investment gains. But the fund fell short of even the 5.5 percent figure during several years of the recent fiscal recession. Luke Martel, a pension expert with the non-partisan National Conference of State Legislators, said many state public pension funds project returns similar to CalPERS. A study by the Center for Retirement Research at Boston College issued March 11 said that these earning projections are overly optimistic.

No one has an unclouded crystal ball when it comes to future earnings, but *The Economist* issued a warning last week that should put most states on edge: “American pension funds should be aware that, with bond yields low and equity valuations high, future investment returns are likely to be low.” Try and tell that to the Illinois Legislature.

Meanwhile, governors who depart from the party line, with the notable exception of Jerry Brown, are struggling politically. Snyder in Michigan and Quinn in Illinois both trail potential challengers next year in trial-heat polls.

In Florida, Scott also has low approval ratings, but his apostasy on Medicaid expansion has proved a stepping-stone to more moderate positions on education and the environment, dismaying conservatives and puzzling liberals in the process. “Medicaid expansion, Obamacare, teacher bonuses — who is this guy?” State Senate Democratic leader Chris Smith asked on Twitter.

Perhaps it’s something in the water in the governor’s mansion in Tallahassee. A previous Republican governor, Charlie Crist, moved left after he was elected and was soundly defeated in the GOP primary by Marco Rubio when he ran for the U.S. Senate in 2010. Crist, now a Democrat, said recently he is thinking about running for governor again. But if Scott continues on his present centrist course, he may have to overcome a conservative challenger in the Republican primary before he faces any Democrat.

— By Lou Cannon

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# Budget & taxes

**SOME LAWMAKERS PUSH FOR ‘SIN TAX’ ON GUNS:** To some lawmakers in Congress and at least a half dozen states — particularly since the Newtown, Connecticut elementary school shooting — guns are a sin against society, like alcohol and cigarettes, and should be taxed accordingly.

“Sin taxes” date back to at least the early 1500s when Pope Leo X taxed licensed prostitutes to help support his lavish lifestyle. Today every state in the country taxes cigarettes, with the revenues being put to a variety of uses. Now as then the motivation for the tax is at least in part to discourage socially undesirable behavior, although in the latter case, more of the resources are probably going toward helping to lessen the societal impact of the “sin” at issue, through smoking cessation programs, for example.

The advocates for gun taxes are aiming to do the same thing. In Congress, U.S. Rep. Linda T. Sanchez (D) and other Democrats are pushing for a 10 percent tax on handgun sales — on top of the federal tax gun and ammunition manufacturers already pay to provide funding for wildlife conservation under a 1937 law — to fund gun buybacks and firearms safety programs. In California, Assemblyman Roger Dickinson (D) wants to impose a 5 cent tax on every bullet sold in the state to pay for mental health screenings for young children. And legislation aimed at taxing either guns or bullets has also been introduced in Maryland, Massachusetts, Nevada, New Jersey and Washington.

Massachusetts Rep. David Linsky (D), who has proposed a 25 percent tax on the purchase of both guns and ammunition to pay for mental health programs among other things, said gun owners bear some of the responsibility for funding mental healthcare just as cigarette smokers bear some of the responsibility for funding physical healthcare.

“We know that cigarette smoking has a significant public health impact,” he said. “Similarly, the use of firearms has a significant public health and public safety impact.”

Maryland Delegate Jon S. Cardin (D), sponsor of a bill that would impose a 50 percent tax on most ammunition and a \$25 annual gun registration fee, said his bill “goes directly to the heart of the NRA argument that says we need to focus on mental health and not banning guns,” although he said he also supports tougher gun restrictions.

But gun rights advocates say there’s a hole in the argument that guns are like cigarettes.

“The vast, vast majority of Americans who own firearms do so with great care and a sense of serious responsibility,” said Mike Bazinet, director of public affairs for the National Shooting Sports Foundation. “It is unfair to ask them to pay additional taxes to fund programs to address societal problems that stem from multiple causes.

And so goes the debate. (LOS ANGELES TIMES, TIME)

## **NV HOPING TO BECOME SILICON VALLEY OF INTERNET GAMING:**

In pushing for the bill passed last month allowing Nevada to enter into interstate online poker compacts (AB 114), Gov. Brian Sandoval (R) said it could make the state the Silicon Valley of Internet gaming.

“The potential is extraordinary,” he said.

But there are significant hurdles to realizing that potential, the biggest being the liquidity issue.

“I don’t think anyone would argue that there are not enough players in Nevada to provide the liquidity to really make it a profit center,” said Frank Fahrenkopf, president and CEO of the American Gaming Association.

What that means is Nevada will have to secure agreements with other states to create a large enough pool of players to be profitable. That could be a challenge. California, the nation’s most populous state, would be an obvious choice for an interstate gaming partnership, for example. But the state is considering an online gaming law of its own that doesn’t provide for pacts with other states.

“What if no states want to sign a compact with Nevada?” asked Robert Uithoven, a political consultant for the Las Vegas Sands Corp. “You are going to have states looking into online gaming measures with populations much larger than our own. They are not going to incentivize their players to play on Nevada-based online casinos. They will set up their own [online gaming] system so they can capture that revenue, rather than sending it to Nevada.”

Pete Ernaut, a consultant for the Nevada Resort Association, however, is more optimistic about Nevada’s prospects for finding gaming partners, with its reputation as the “gold standard” in gaming regulation.

“We have without a doubt the most mature regulatory infrastructure,” he said. “We are also going to be a very competitive state in terms of taxes and fees. We are hopeful that the combination of those two things gives Nevada a competitive leg up in making agreements with states that may have a much greater population but may have little knowledge of the regulatory infrastructure or gaming operations.” (RENO GAZETTE-JOURNAL, STATE NET)

**SEC ACCUSES IL OF SECURITIES FRAUD:** Illinois’ pension woes put the state in the national spotlight again last week when it became the second state in history to be accused of securities fraud by federal regulators. The Securities and Exchange Commission claims the state misled investors about the condition of its public pension system from 2005 to 2009, in effect, overcharging investors for bonds of lesser value than they were purported to have. However, the SEC did not didn’t impose any fines or penalties, and the state agreed to a cease-and-desist order without admitting to or denying the accusations. (NEW YORK TIMES)



**ID HOUSE PANEL APPROVES GIRL SCOUT COOKIE TAX BREAK:** An Idaho House panel voted unanimously last week to lift the state's sales tax on Girl Scout cookies, evidently won over by the testimony of Scouts aged 9 to adult.

Connie Miller, board president of the Silver Sage Girl Scouts and president and CEO of a credit union in Boise, told the panel all six of her siblings never finished high school.

"But it was my senior Girl Scout leader who told me, 'You are going to finish high school, you are going to go to college.' It was such a tremendous impact on me."

Rep. Robert Anderst (R) said, "This is not a good organization — you guys are a great organization.... I'm fully in support of everything you guys do."

If the tax break (HB 250) is approved by the full House and Senate and signed by the governor, Hawaii would be the only remaining state to tax the Girl Scouts' annual cookie sale. (SPOKESMAN-REVIEW [BOISE], STATE NET)

**BUDGETS IN BRIEF:** The Christie administration has released a detailed plan for how **NEW JERSEY** intends to spend the \$1.8 billion it will receive in federal Sandy aid. The so-called action plan, which must be approved by federal officials, includes, among many other things, money for repairing storm-damaged homes and incentives for individuals who choose not to abandon their flooded-out properties (NORTHJERSEY.COM). • **WISCONSIN** Gov. Scott Walker (R) signs B 14, a bill that commits \$15 million in state funds for job training grants over the next two years. Public and private organizations may be required to provide matching funds for the grants, which could be used to train both new and current employees (LACROSSE TRIBUNE, WISCONSIN GOVERNOR'S OFFICE). • Saying it is time for them to "lead by example," **IOWA** Gov. Terry Branstad (R) urged Hawkeye State lawmakers to start paying 20 percent of their health care premiums. The governor said it is only a matter of time before state workers are required to start paying a portion of their health care premiums, so lawmakers should be willing to do so as well. House Speaker Kraig Paulsen (R) said lawmakers will discuss the issue after the session ends (DES MOINES REGISTER).

— *Compiled by KOREY CLARK*

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## Politics & leadership

**STUDY SUPPORTS OPPONENTS OF VOTER ID:** This month, as at least 10 states were either considering or had already taken up voter ID proposals, a study was released supporting the argument that such measures make it harder for minorities and young people to vote. According to the study, co-authored

by Cathy J. Cohen of the University of Chicago and Jon C. Rogowski of Washington University in St. Louis, significantly more minority youths between the ages of 18 and 29 were asked to show identification than white youths (72.9 percent of black youths and 60.8 percent of Latino youths versus 50.8 percent of white youths). And 17.3 percent of black youths and 8.1 percent of Latino youths, compared to just 4.7 percent of white youths, said they didn't go to the polls last year because they lacked the proper ID:

The research also comes as the U.S. Supreme Court is weighing the constitutionality of the Voting Rights Act's Section 5, requiring parts or all of 16 states with a history of discrimination to obtain preclearance from the Department of Justice for any proposed voting law changes.

Rogowski said the study highlights the importance of keeping Section 5 in effect.

"It's important that we still have the ability to keep a watchful eye on these kinds of states," he said. (POLITICO)

**VA SAYS IT WILL DEFY NY GUN CONTROL LAW:** The U.S. Department of Veterans Affairs said last week that it will not comply with the provision of New York's new gun control law requiring mental health providers to report patients they deem "likely" to seriously injure themselves or others so they can be checked against a new state database of licensed gun owners.

Mark Ballesteros, a spokesman for the Department of Veterans Affairs, said "federal laws safeguarding the confidentiality of veterans' treatment records do not authorize VA mental health professionals to comply with this NY State law."

And Connie Przepasniak, a member of the board of directors of the Western New York Veterans Housing Coalition and the Veterans One-Stop Center of Western New York who previously worked as a counselor for the U.S. Department of Veterans Affairs, said "a lot of veterans that I've worked with have some kind of a weapon on them, just in terms of self-protection" and the new gun law is "going to prevent them from seeking mental health treatment."

When asked about the VA's statement, Gov. Andrew Cuomo (D) said the law "leaves it totally up to the mental health provider if they want to come forward or not — totally up to them," although the law clearly states that mental health providers "shall" report patients who are potentially dangerous. (TIMES UNION [ALBANY])

**SMALL STATES HAVE BIG CLOUT IN US SENATE:** Residents of states with small populations have always enjoyed a representational advantage under

## The week in session

**States in Regular Session:** AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NJ, NH, NM, NV, OH, OK, OR, PR, RI, TN, TX, US, UT, VT, WA, WV, WY

**States in Recess:** KY, SD, WI

**States in Special Session:** CA "a"

**States Currently Prefiling or Drafting for 2013:** LA

**States Adjourned in 2013:** VA

Letters indicate special/extraordinary sessions

— Compiled By FELICA CARILLO  
(session information current as of 3/6/2013)  
Source: State Net database



the U.S. Constitution, but the size and importance of that advantage has grown to a degree the framers probably didn't anticipate.

Now Vermont's 625,000 residents have the same number of U.S. senators as New York's 19 million, meaning Vermonters have 30 times the voting power in the Senate as New Yorkers. The disparity between California and Wyoming is more than double that.

Consequently, some have begun to push for change. In December, four members of the U.S. House and the advocacy group Common Cause filed an appeal in a lawsuit challenging the Senate's filibuster rule, which research has shown small-state senators invoke more frequently than their big-state counterparts. And eight states and the District of Columbia are backing a proposal to reduce the likelihood that the advantage small states have in the Electoral College — which echoes the one they have in the Senate — will allow a candidate who loses the popular vote to win the presidency. (NEW YORK TIMES)

**POLITICS IN BRIEF: FLORIDA** Lieutenant Governor Jennifer Carroll (R) abruptly resigned last week after an Internet cafe company that was a former consulting client of hers was linked to an alleged illegal gambling racket. Carroll had been the highest-ranking woman in the state's government and the first black official to be elected statewide (REUTERS). • Boosted by bitter recall campaigns and the U.S. Supreme Court's *Citizens United* decision lifting the ban on corporate political spending, spending in state and federal elections in **WISCONSIN** more than tripled between the 2006 and 2008 election cycles and the 2010 and 2012 election cycles, according to a report from the Wisconsin Democracy Campaign. The group found that \$392 million was spent in the 2010 and 2012 election cycles, compared to \$124 million in the previous four-year election cycle (MILWAUKEE JOURNAL SENTINEL)

— Compiled by KOREY CLARK

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# Governors

**GOP GOVS MEET MORE RESISTANCE FROM WITHIN ON MEDICAID:** A Florida Senate committee last week rejected Gov. Rick Scott's (R) call to expand Medicaid, a key component of the Affordable Care Act. The move came barely a week after a House committee had also rejected the expansion, and on the same day the Utah House endorsed a proposal (HB 391S2) to bar the Beehive State from accepting any additional federal Medicaid dollars under the ACA. Scott and Utah Gov. Gary Herbert are two of several Republican governors who find themselves locked in duels with their own party of late (See *SNCJ Spotlight* in this issue).

Gov. Scott had proposed a three-year trial run, the time in which the federal government has promised to fund the expansion at 100 percent. But the proposal was in trouble almost from the start. Scott had been among the most vocal critics of the ACA, now generally known as Obamacare, and his sudden reversal had taken his staunchly conservative supporters — both in the Legislature and out — by surprise. That reaction emphatically played out in the House on March 4, where the Select Committee on the Affordable Care Act rejected the proposal. Their Senate colleagues followed suit, but Sen. David Simmons (R) said they would begin working on a plan of their own that would pass federal muster.

“I do not see the solution as doing nothing,” Simmons told the *Palm Beach Post*. “But I do not see the solution being Medicaid expansion in its traditional form.”

Scott followed through on a vow not to lobby lawmakers to endorse his proposal. In a statement after the Senate vote, he expressed confidence they will figure out how to leverage the federal dollars available under the ACA.

“I am confident that the Legislature will do the right thing and find a way to protect taxpayers and the uninsured in our state while the new health care law provides 100 percent funding,” he said.

Utah Gov. Gary Herbert (R), meanwhile, had urged his state’s lawmakers to give the issue “thoughtful, methodical study” before acting. Herbert has also been a devout opponent of the ACA, but indicated he would be open to an alternative plan for covering the estimated 131,000 Utahans who would newly qualify for Medicaid under the ACA’s criteria. The governor pointed to a recent proposal for a partial expansion in Wisconsin by Gov. Scott Walker (R) as an example of something innovative he would consider.

## **“I do not see the solution as doing nothing.”**

The House basically ignored his request, but Herbert had better luck with the Senate. Majority Leader Ralph Okerlund (R) said there was not support in that body for the House-approved measure. The Senate did approve the bill, but only after stripping out the prohibition on Herbert going along with the expansion.

Arizona Gov. Jan Brewer (R) will likely face a similar fight. She unveiled her Medicaid expansion plan last Tuesday, a proposal that would add about 300,000 new enrollees to the Arizona Health Care Cost Containment System, the state’s Medicaid program. But House Speaker Andy Tobin (R) said he wants the governor to include more cost-control measures, specifically a guarantee that if Grand Canyon State hospitals have less “uncompensated care” they will lower costs for the private sector. He also opposes the levy Brewer’s plan would place on hospitals to pay for the expansion’s estimated \$240 million price tag. Tobin said he would not allow the bill to come to the floor without support from a majority of the House GOP Caucus.

At a statehouse rally last Tuesday, Brewer said she will immediately start to “work as hard as I know how” to do just that — build support for the proposal one lawmaker at a time. She promised to use personal persuasion and, if that fails, to encourage

constituents to pressure resistant lawmakers. She noted that the expansion will generate over \$8 billion in federal funds over the next four years, allowing the state to spend its own resources in other critical areas. But Brewer also framed it as a moral issue.

“I’ve always been proud to be a member of a pro-life party. With this legislation, we’re talking about people’s lives,” she said. “I refuse to stand by and let this many people needlessly suffer, especially when we have a solution.” (NEW YORK TIMES, BLOOMBERG BUSINESSWEEK, PALM BEACH POST, SALT LAKE TRIBUNE, ARIZONA DAILY STAR [PHOENIX], ARIZONA REPUBLIC [PHOENIX], WALL STREET JOURNAL, MIAMI HERALD)

## Upcoming stories

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

- **Gun control**
- **Fracking**
- **Health care reform**

### **MD LAWMAKERS ENDORSE O’MALLEY JOBS, WIND BILLS:**

Maryland Gov. Martin O’Malley (D) scored a pair of victories last week as lawmakers in Annapolis endorsed two bills he sponsored: SB 278, the Employment Advancement Right Now act, or EARN, a plan to create a \$2.5 million annual grant program for workforce training programs that offer “industry-valued skills,” and HB 226, the Maryland Offshore Wind Energy Act of 2013, which gives state regulators a framework for approving the development of a 200-megawatt wind farm in the waters off of Ocean City. The jobs bill heads to O’Malley, while the wind farm measure returned to the House for concurrence of technical amendments made in the Senate. (STATE NET, BALTIMORE SUN, WASHINGTON POST, GAITHERSBURG GAZETTE)

**PENCE FIGHTS EXPANDED IN GAMBLING:** Indiana Gov. Mike Pence (R) asked lawmakers to reject proposals that would allow live table games at the two Hoosier State racinos and permit riverboat casinos to move onto land. The proposal’s supporters say they need the changes to help them compete with other gambling operations in Ohio and Illinois. But Pence is not convinced. He told reporters last week that while he is open to allowing gambling interests to “be more competitive financially,” he opposes an expansion of gambling. The governor indicated, however, that he is willing to consider other requests the industry has made, including changing the state’s casino admission tax. (INDIANAPOLIS STAR, LEXINGTON COURIER-JOURNAL)

**BRYANT PONDERES ‘ANTI-BLOOMBERG’ BILL:** Mississippi lawmakers have sent Gov. Phil Bryant (R) SB 2687, so-called “anti-Bloomberg” legislation that would make it illegal for local governments to ban foods based on their serving size or nutritional value. The measure’s author, Sen. Tony Smith, a Republican and a restaurant owner, said he crafted the bill in response to a ban on selling super-sized drinks in New York City championed by mayor Michael Bloomberg. New

York Supreme Court Judge Milton Tingling issued a permanent injunction against the ban last Monday, one day before it was to go into effect.

The Magnolia State measure passed with ease in both chambers, 50-1 in the Senate, 92-26 in the House. But Rep. Omeria Scott (D) was one of several lawmakers who questioned whether it was right to tie local leaders' hands.

"Given that Mississippi is the fattest and most unhealthy state in the USA, I don't think we should take a tool away from them if they should choose to use it," she told the Associated Press.

Gov. Bryant's office did not indicate if he would sign the measure, saying only that it is under review. (FOXNEWS.COM, CNN.COM, UPI.COM, ASSOCIATED PRESS)

#### **EXECUTIVE ORDERS: MASSACHUSETTS**

Gov. Deval Patrick (D) issued EO 546 (SN MA 3 3013), which creates the Service Disabled Veteran Enterprise Program, designed to "oversee the inclusion of business enterprises owned and controlled by service-disabled veterans in all areas of state procurement contracting, including contracts for construction, design and professional services, and commodities and services" (STATE NET). • **NEW YORK** Gov. Andrew Cuomo (D) issued EO 95, which creates a new open data Web site that contains data focusing on, among several things, economic development, health, recreation and public services. In a statement, Gov. Cuomo said the new site "will dramatically increase public access to one of our most valuable assets – data" (STATE NET, NEW YORK GOVERNOR'S OFFICE).

**GOVERNORS IN BRIEF:** The **ALABAMA** House refused to override Gov. Robert Bentley's (R) veto of HB 116, a bill that would have let some Franklin County school employees carry weapons as reserve officers. The bill's author, Rep. Johnny Mack Morrow (D), said he will re-file an amended version of the bill at a later date (STATE NET, BIRMINGHAM NEWS). • **MONTANA** Gov. Steve Bullock (D) unveiled his plan to expand Medicaid to comply with the Affordable Care Act. The measure — HB 590, sponsored by House Minority Leader Chuck Hunter (D) — would add 70,000 low-income residents to the Treasure State's Medicaid rolls (THE MISSOULIAN). • **OKLAHOMA** Gov. Mary Fallin (R) signed two compacts with the Kaw Nation last week: one that sets the terms of taxation on the sale of tobacco

## **Upcoming elections**

(3/14/2013 - 4/5/2013)

03/19/2013

**New Hampshire Special Election**  
House Hillsborough District 9  
(Manchester Ward 2)

**South Carolina Special Primary**  
US Senate (CD 1)

03/26/2013

**Alabama Special Primary Runoff**  
House District 11

04/02/2013

**Massachusetts Special Election**  
House 12th Essex and 28th Middlesex  
Districts

**Mississippi Special Runoff**  
House District 36

**Missouri Special Election**  
House Districts 76 and 157

**Wisconsin General Election**  
Superintendent of Public Instruction

**Wisconsin Special Election**  
Assembly District 98

● products on tribal land and another that establishes an intergovernmental agreement  
● on the issuance and execution of burn bans between the Kaw Nation and the state  
● (OKLAHOMA GOVERNOR’S OFFICE). • **NEW JERSEY** Gov. Chris Christie  
● (R) proposed requiring Garden State residents drawing unemployment checks to  
search for job openings each week on an online, state-run jobs board. Current rules  
require only that they check in with state officials by phone, mail, in person or online  
(NEWARK STAR-LEDGER).

— Compiled by *RICH EHISEN*

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## Hot issues

**B** **USINESS:** The **MISSOURI** Senate unanimously approves SB 164, which would bar employers from forcing workers or job applicants to turn over their social media access information as a condition of employment. It moves to the House (ST. LOUIS POST-DISPATCH). • Also in **MISSOURI**, the Senate endorses SB 41, which would prohibit neighbors from filing nuisance lawsuits against farms or businesses that abide by the terms of government permits. It is now in the House (ST. LOUIS POST-DISPATCH). • The **ARKANSAS** House rejects HB 1404, which would have repealed the Razorback State’s law against scalping tickets to music entertainment events (ARKANSAS NEWS [LITTLE ROCK]). • The **WASHINGTON** Senate approves SB 5158, which would free Evergreen State employers from facing penalties for erroneously interpreting state minimum wage laws if the error was made “in good faith”. The bill moves to the House (PORTLAND OREGONIAN). • The full **UTAH** Senate fails to take up SB 262, a committee-approved measure that would have banned housing and employment discrimination based on sexual orientation and gender identity, by the legislative deadline. The measure is now dead for the year (SALT LAKE TRIBUNE). • **NEW MEXICO** Gov. Susana Martinez (R) vetoes SB 395, legislation that would have prohibited a state agency from disclosing the names of people bringing complaints about wage law violations by contractors on public works projects (NEW MEXICO GOVERNOR’S OFFICE). • The **IOWA** House approves HF 359, which would give Hawkeye State cities and counties the power to regulate strip clubs. It moves to the Senate (DES MOINES REGISTER).

**CRIME & PUNISHMENT:** The **ARKANSAS** Senate approves SB 654, which would end mandatory HIV testing for inmates released from Razorback State prisons. It is now in the House (ARKANSAS NEWS [LITTLE ROCK]). • The **WASHINGTON** House approves HB 1108, which would remove the spousal exemption from both rape in the third degree — in which no physical force is

used — and from taking indecent liberties. It moves to the Senate (TACOMA NEWS TRIBUNE). • Also in **WASHINGTON**, the House approves HB 1114, which would require inpatient treatment for violent felons released due to mental incompetency, and would require that law enforcement officials be notified when such persons are released. It moves to the Senate

(PORTLAND OREGONIAN). • The **UTAH** House approves HB 163, which would make it a first-degree felony to traffic a child for forced labor or sexual exploitation. The bill, which would also make it a second degree felony to patronize a prostitute who has been a victim of human trafficking and a first degree felony if it involves a child, moves to the Senate (SALT LAKE TRIBUNE). • Still in **UTAH**, the House unanimously passes HB 152, legislation that allows a convicted rapist to have parental rights only if the rape victim consents to it and a court determines it's in the best interest of the child or the two parents live together and establish a relationship to raise the child. The bill moves to the Senate (SALT LAKE TRIBUNE). • Staying in **UTAH**, the Senate approves SB 196, a bill that would allow state and local governments to keep for only nine months data collected by license plate readers used by the police and the State Tax Commission. It moves to the House (SALT LAKE TRIBUNE). • The **OREGON** Senate unanimously approves SB 124, which would require Beaver State courts to consider veterans' military backgrounds during criminal sentencing hearings. It moves to the House (PORTLAND OREGONIAN).

**EDUCATION:** The **WASHINGTON** House approves HB 1283, which would move the mandatory age for starting school from 8 years to 6 years old. It moves to the Senate (STATE NET, PORTLAND OREGONIAN). • **SOUTH DAKOTA** Gov. Dennis Daugaard (R) signs HB 1087, which makes the Coyote State the first in the nation to allow school districts the option of arming teachers, staff or other volunteers to defend against shooters and other attacks (RAPID CITY JOURNAL). • Also in **SOUTH DAKOTA**, Gov. Daugaard signs SB 119, which bars schools from signing exclusive contracts for covering or broadcasting student sports or other activities (STATE NET, SIOUX FALLS ARGUS LEADER). • The **KENTUCKY** House and Senate give final approval to SB 97, which would raise the legal school dropout age from 16 to 18 years. It moves to Gov. Steve Beshear (D) for review (LEXINGTON COURIER-JOURNAL). • The **IDAHO** Senate approves SB 1078, legislation that would bar the Gem State's public universities from denying official recognition and other benefits to religious student groups. It moves to the House (STATE NET, IDAHO STATE JOURNAL [POCATELLO]).

**ENVIRONMENT:** The **MICHIGAN** Senate gives final approval to SB 48, which would allow facilities that care for animals to let people handle bear cubs up

## In case you missed it

States have long been after online retailers to collect sales taxes on their customers' purchases. But new data shows that online taxes are not all they've been made out to be.

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

[http://www.statenet.com/capitol\\_journal/03-11-2013/html#sncl\\_spotlight](http://www.statenet.com/capitol_journal/03-11-2013/html#sncl_spotlight).

to nine months old or weighing up to 90 pounds. It moves to Gov. Rick Snyder (R) for review (STATE NET, LANSING STATE JOURNAL). • **WISCONSIN** Gov. Scott Walker (R) signs SB 1, which overhauls the Badger State's iron mining laws and streamlines the state's iron mining permit process (MILWAUKEE JOURNAL SENTINEL). • The **UTAH** Senate approves SB 275, which would allow local governments to jointly borrow money to buy new natural gas vehicles or convert their current fleets and build more natural gas fueling stations and maintenance facilities. It moves to the House (SALT LAKE TRIBUNE).

**HEALTH & SCIENCE:** The **MINNESOTA** House and Senate approve versions of HB 5, legislation that would create a Gopher State health benefits exchange. The measure is now in a conference committee (STATE NET, MINNEAPOLIS STAR-TRIBUNE). • The U.S. Dept. of Health and Human Services gives **IOWA** conditional approval of its plan to participate in a joint state-federal health benefits exchange. HHS Secretary Kathleen Sebelius said the approval is contingent on the Hawkeye State's ability to carry out the activities in the plan (CEDAR RAPIDS GAZETTE). • The **NEW MEXICO** Senate approves SB 589, legislation to create a state-run health benefits exchange. It moves to the House (STATE NET, SANTA FE NEW MEXICAN). • **SOUTH DAKOTA** Gov. Dennis Daugaard (R) signs SB 168, which requires that newborns be screened for congenital heart defects (STATE NET, SOUTH DAKOTA GOVERNOR'S OFFICE). • Also in **SOUTH DAKOTA**, Gov. Daugaard signs SB 139, which among several things requires that commissions paid by a health insurance carrier for the sale of health plans through a health benefits exchange be the same as those paid by the same health insurance carrier outside the exchange (STATE NET). • The **MISSOURI** House approves HB 457, which would allow health care workers to refuse to participate in procedures or research that violates their religious, moral or ethical principles. It moves to the Senate (ST. LOUIS POST-DISPATCH). • The **OREGON** House approves SB 483, which would allow patients, doctors and health care facilities to enter into confidential mediation in order to avoid malpractice litigation. It goes to Gov. John Kitzhaber (D), who is expected to sign it (PORTLAND OREGONIAN).

**IMMIGRATION:** The **COLORADO** House gives final approval to SB 33, a bill that would allow undocumented Centennial State college students who graduated from in-state high schools to pay in-state tuition. It moves to Gov. John Hickenlooper (D), who has said he will sign it into law (DURANGO HERALD).

**SOCIAL POLICY:** The **WASHINGTON** House approves HB 1000, legislation that gives legal and civil immunity to health care providers who follow valid forms that summarize a person's end-of-life wishes. It moves to the Senate (STATE NET, PORTLAND OREGONIAN). • **SOUTH DAKOTA** Gov. Dennis Daugaard (R) signs

HB 1237, a measure that excludes weekends and holidays from the state's 72-hour waiting period for abortions (REUTERS). • The **COLORADO** House gives final approval to SB 11, a bill that would legalize civil unions for same-sex couples in the Centennial State. It is now with Gov. John Hickenlooper (D), who is expected to sign it into law (STATE NET, NEW YORK TIMES). • The **UTAH** House approves SB 60, which would require the Beehive State to collect data on the race or ethnicity of women obtaining an abortion, the state of the pregnancy at the time of the procedure and the reason for terminating the pregnancy. It moves to Gov. Gary Herbert (R) for review (SALT LAKE TRIBUNE).

**POTPOURRI:** The **GEORGIA** House approves HB 512, which would allow Peach State residents to carry firearms into most public buildings. It is now in the Senate (ATLANTA JOURNAL-CONSTITUTION). • The **COLORADO** Senate approves HB 1228, which would require would-be gun buyers to pay for their own criminal background checks. The measure moves to Gov. John Hickenlooper (D) for review (DENVER POST). • Still in **COLORADO**, the Senate approves HB 1229, which would require background checks for all gun sales, including between private parties; HB 1228, which would require gun buyers to pay for those checks; and HB 1224, which limits ammunition magazines to no more than 15 rounds. HB 1229 is in the House for concurrence while HB 1224 and HB 1228 move to Gov. John Hickenlooper (D), who has said he will sign them (DENVER POST). • Still in **COLORADO**, the Senate endorses SB 195, which eliminates total online certification for those seeking a concealed carry gun permit, and SB 197, which would bar anyone subject to a domestic violence protection order or convicted of domestic violence from having guns. They are now in the House (DENVER POST). • The **TENNESSEE** House approves HB 9, which would bar individuals and media organizations from identifying any Volunteer State resident with a state-issued license to carry guns in public. It moves to the Senate (MOBILE COMMERCIAL APPEAL). • The **OREGON** Senate approves SB 238, which would overturn a Beaver State law that bars children under the age of 7 from riding off-road motorcycles on public land. It moves to the House (PORTLAND OREGONIAN). • The **UTAH** Senate rejects HB 103, a House-approved bill that would have banned motorists younger than 18 from using cell phones while driving (SALT LAKE TRIBUNE).

## 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:** 496

**Number of Intros last week:** 7,608

**Number of Enacted/Adopted last week:** 1,346

**Number of 2013 Prefiles to date:** 21,428

**Number of 2013 Intros to date:** 95,094

**Number of 2013 Session Enacted/Adopted overall to date:** 7,829

**Number of bills currently in State Net Database:** 141,028

— Compiled By FELICIA CARILLO  
(measures current as of 3/13/2013)  
Source: State Net database



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# Once around the statehouse lightly

**R**EALITY TV? The Netflix series “House of Cards,” a highly dramatized, grittily realistic look at hardball politics in Washington D.C., is all the rage among political junkies. Sometimes, it even hits a little close to home. Speaking to the Sacramento Press Club recently, House Majority Whip Kevin McCarthy said he initially balked at being an adviser for the show, figuring a show revolving around the Machiavellian machinations of fictional House Whip Frank Underwood would “not turn out well for me.” But McCarthy, a California Republican, changed his mind when he learned that the Underwood character was a Democrat... proving that even in fiction, everything about D.C. politics these days is hyper-partisan.

**NOT THE PRESENT SHE WAS LOOKING FOR:** One storyline you probably won’t see on “House of Cards” next season recently played itself out in Idaho, where Sen. Sheryl Nuxoll was pushing a bill to give volunteer emergency medical service providers their own specialty license plate. Nuxoll said such recognition would help recruit new volunteers. But as the *Idaho State Journal* reports, her colleagues were not convinced and they rejected the measure. But just minutes after snuffing the bill out, Senate leaders noted that it was a special day for Nuxoll — they urged everyone to wish her a happy birthday.

**PRODUCE WARS:** Las Vegas Chamber of Commerce lobbyist Brian McAnallen was on the receiving end of a good old fashioned bum-chewing last week, courtesy of Nevada Assemblywoman Peggy Pierce. As the *Las Vegas Sun* reports, Pierce became angry with McAnallen during his testimony at a hearing on a business tax issue, launching into a heated — and lengthy — rebuke that accused the Chamber of opposing all taxes without offering any viable solutions to the state’s revenue needs. The chastising rang familiar to McAnallen, who interrupted Pierce at one point to remind her she had already made her feelings known to him...during a recent visit to a grocery store where the two bumped into one another in the produce aisle. While that was clearly plenty for him, it was not for Pierce, who continued making her point for several more minutes.

**EVEN HIS GIFTS ARE CHEAP, UH MODEST:** Things have sure changed a lot around the California governor’s office since Arnold Schwarzenegger left town in 2010. The differences between “The Governator” and current Gov. Jerry Brown are too numerous to count. Even the gifts the two men received as governor are

at polar extremes. As the *San Jose Mercury News* reports, in a government filing Brown, well known for his personal frugality, recently listed approximately \$2,500 in gifts from last year. Among the more pricey items were a \$250 ticket to the White House Correspondents Dinner and a \$185 bottle of tequila. It was a stark contrast from Schwarzenegger's filings, which averaged about \$15,000 a year and regularly included items like a Giorgio Armani bathrobe — given by the designer himself — Tommy Hilfiger boots and a talking "Terminator" skull. Brown, however, did have one undisclosed goodie for "first dog" Sutter.

— By *RICH EHISEN*

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