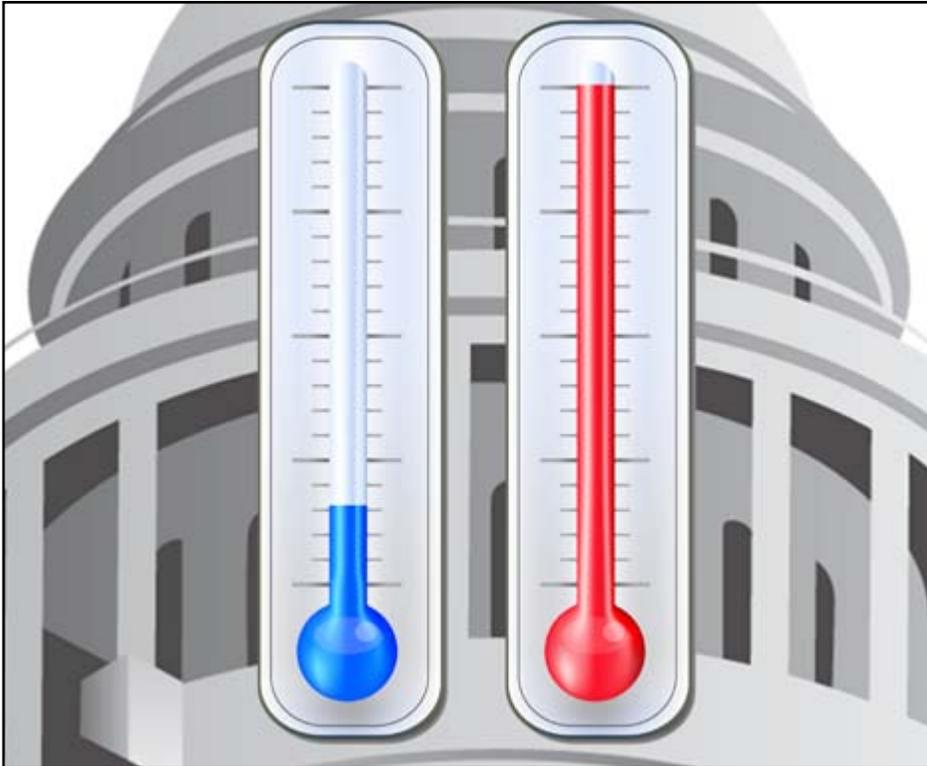


Heat Check



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July 14, 2014

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● The next issue of Capitol Journal will be available on July 21st.

Top Story

This year has seen a heavy focus on technology-driven issues like the fast-developing sharing economy and the advent of digital currencies. But longstanding issues like pension reform and transportation are still as hot as ever.

SNCJ Spotlight

Issues old and new catch fire in states

Last week, we took a mid-year look at several of the issues we predicted last December would see a lot of action in statehouses this year. Here are a few more of those issues, as well as a couple of others that have heated up as the year has progressed.



By Korey Clark

DIGITAL REVOLUTION/SHARING ECONOMY — State and local officials are struggling

to get a handle on the digital technology-driven businesses like Uber, Lyft, Airbnb and Bitcoin that are disrupting the industries in which they operate. A week hasn't gone by recently without a news headline reporting regulatory action on one of these business or another. In late May, for instance, the vacation rental provider Airbnb agreed to hand over its user records to New York state Attorney General Eric Schneiderman in connection with an investigation into the company's operations in New York City. The same month, New Mexico's Public Regulation Commission ordered the ride-sharing service Lyft to stop operating in the state until regulators can determine whether the service is operating legally. And in early June, Virginia's Department of Motor Vehicles issued a similar cease-and-desist order to both Lyft and competing service Uber.

The governmental actions have now reached the legislative level. Last month Colorado Gov. John Hickenlooper (D) signed SB 125, officially authorizing and regulating ride-sharing services in the state. And at the end of June, California Gov. Jerry Brown (D) signed AB 129, repealing a prohibition against the use of anything other than official U.S. currency for commerce in that state and opening the way for digital currencies like bitcoins, which have been growing in popularity. With the amount of money at stake — nearly \$888 billion was spent on business and leisure travel alone in 2013, according to the U.S. Travel Association — other states are likely to follow Colorado and California's lead.

FILM TAX CREDITS — Tax incentives for film and television production have been a subject of debate in many statehouses in recent years, spurred by conflicting research about their effectiveness. But the profile of the issue has been raised considerably this year by the media attention drawn by the aggressive efforts of the production company behind the Netflix series "House of Cards" to obtain millions of dollars more in tax breaks from the state of Maryland, where the show is filmed. There have also been a number of national and local news stories about the migration of film and TV production out of California to states like Georgia and Louisiana. The combination of those developments has not only likely put the issue on more legislators' radar screens but also given more of them reason to believe their states' could grab their own piece of Hollywood.

TRANSPORTATION/INFRASTRUCTURE FUNDING — With the federal Highway Trust Fund currently running on fumes and looking to hit empty before the end of August, Congress is expected to take some form of remedial action before its summer recess next month. But that fix is likely to be only a temporary one, so states will still be left to come up with their own funding sources to meet their mounting infrastructure needs, as Pennsylvania did last year by enacting HB 1060, gradually increasing the state's gas taxes and motorist fees over five years to provide at least \$2.3 billion annually for transportation projects. Missouri is one state that is hoping to take

similar action this year through an August ballot measure seeking voter approval for a .75 percent increase in the state's 4.225 percent sales tax. Meanwhile, states have been busy making plans to postpone or scrap critical infrastructure projects in the event Congress fails to act (see **FEDERAL HIGHWAY FUNDING BOTTLENECK FORCES STATES TO HIT BRAKES ON ROAD PROJECTS** in Budget & taxes).

INTERNET SALES TAX —

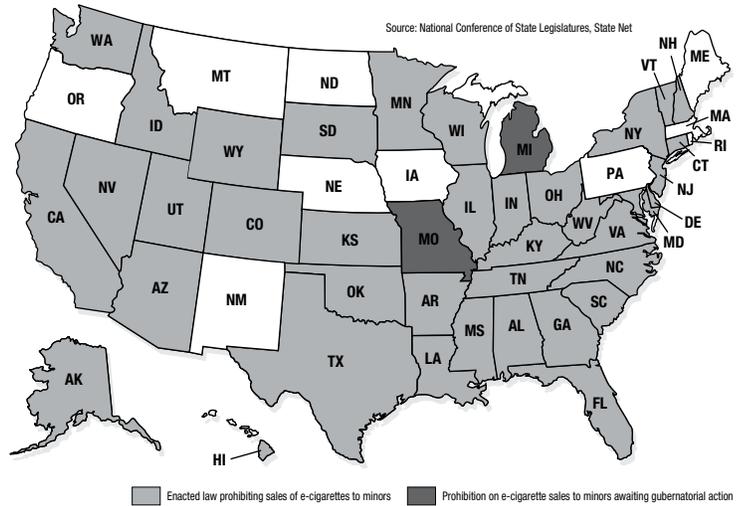
Last year, the U.S. Supreme Court refused to review a New York appeals court decision requiring online retailers like Amazon.com to collect sales taxes in states where they have affiliates that promote their products. With states standing to lose \$23 billion a year in uncollected taxes on online,

phone and catalog purchases, according to an estimate by the National Conference of State Legislatures, we predicted the 37 states that didn't already have "affiliate nexus tax" laws — commonly referred to as "Amazon taxes" — might try to enact them this year. But only one state, Colorado, has enacted such a law (HB 1269), according to the LexisNexis State Net Hot Issues database. Nine states tried, but failed to pass, Internet sales tax bills, while at least six states are still weighing such measures.

Congress could resolve the issue by passing the Marketplace Fairness Act, which would allow each state to impose sales and use taxes on online retailers with at least \$1 million in sales within their borders, regardless of whether or not the retailers have a physical presence there. But although a version of that measure has already been passed by the Democrat-controlled Senate, it is hung up in the Republican-led House.

ONLINE GAMBLING — Last year Delaware, Nevada and New Jersey became the first states in the nation to legalize Internet gambling within their respective borders. But no state has enacted a law legalizing online gambling this year, while Internet gaming measures have failed in nine states and are still pending in California (AB 2291 and SB 1366) and Pennsylvania (SB 1386).

Bird's eye view



State dependence on federal transportation funding varies

Every state will face transportation funding challenges if Congress fails to agree on even a short-term fix for the dwindling federal Highway Trust Fund, the main source of federal funding for state highway and transit projects. But some states are more reliant on federal transportation funding than others. According to analysis of Census Bureau data from the 2011 fiscal year by the Pew Charitable Trusts, federal funding represents only 14.9 of New York's total transportation budget but makes up 58.9 percent of the total in Montana.





The pending legislation may gain some impetus from reports in a few states, including Pennsylvania, of flattening revenues from conventional gambling sources like casinos due to market saturation. However, online gambling revenues in Delaware, Nevada and New Jersey have been falling far short of projections, although state officials blame that lackluster performance on technology glitches, payment processing issues and startup costs, as well as the learning curve associated with the transition of Internet gambling to legal status.

Internet gaming legislation is also pending in Congress, including HR 3491, which would legalize all online gambling except poker, and HR 2666, which would allow both the states and the federal government to tax such gambling. But neither of those bills has budged since being referred to committee last year.

PENSION REFORM — With states collectively facing trillions of dollars in unfunded pension liabilities, pension reform has been a white hot issue in the states in recent years. This year hasn't been much different, with State Net's Hot Issues database showing legislative enactments pertaining to state pensions in 35 states, including the somewhat unexpected passage of California AB 1469, increasing the amount teachers have to contribute to their pensions.

But the most substantive action on the issue has actually been taking place outside the statehouses. This month the Illinois Supreme Court ruled that state's constitution prohibited any "diminishment" of health care benefits for public retirees. The decision, consistent with the widely held belief that benefits for current retirees cannot be touched, dealt a major blow to the historic pension overhaul enacted by the state last year, which had presumably given other states with pension holes smaller than Illinois' \$100-billion chasm hope of shoring up their own retirement systems.

This week, however, Detroit retirees are being asked to approve a bankruptcy deal cutting their own pension benefits 4.5 percent and lowering or eliminating their cost-of-living allowances, depending on whether or not they wore a police officer's or fireman's uniform during their working lives. That decision, which became a possibility after a federal bankruptcy judge ruled in December that the city's public employee pensions were not untouchable in a Chapter 9 bankruptcy, even though they are expressly protected under Michigan's Constitution, could set a precedent with far-reaching effects.

VOTER ID/ELECTION REFORM — Election reform is another issue in which most of the action has taken place in the courts, with challenges to tough new

The week in session

States in Regular Session: DC, MA, NC, NJ, OH, US

States in Special Session: CA "b", DE "c", VA "a"

States currently prefilng for 2015 Session: KY, MT, WY

States adjourned in 2014: AK, AL, AR, AR "a", AZ, AZ "a", CA "a", CO, CT, DE, DE "b", FL, GA, HI, IA, ID, IL, IL "a", IL "b", IN, KS, KY, LA, MD, ME, MN, MO, MS, MS "a", MS "b", NE, NH, NM, OK, OR, PR "a", PR "b", RI, SC, SD, TN, UT, VA, VT, WA, WA "a", WA "b", WA "c", WI, WI "c", WV, WV "a", WV "b", WY

Letters indicate special/extraordinary sessions

— Compiled By DENA BLODGETT
(session information current as of 7/9/2014)
Source: State Net database



voting laws, imposing strict photo ID requirements and restricting early voting and same-day registration, passed mostly by Republican-dominated legislatures since 2011 coming in numerous states. The rulings have gone both ways. Laws have been upheld in Arizona, Kansas and Tennessee, for example. But courts have rejected the new voting restrictions in Arkansas, Pennsylvania, Wisconsin and Ohio. Laws are still awaiting legal action in seven states, including North Carolina and Texas, and some of the courts in those cases have indicated they may issue rulings before Election Day, when the entire U.S. House and a majority of the nation’s legislative seats will be up for grabs.

— *By KOREY CLARK*

Budget & taxes

FEDERAL HIGHWAY FUNDING BOTTLENECK FORCES STATES TO HIT BRAKES ON ROAD PROJECTS: With the specter of an empty federal Highway Trust Fund looming, states — which count on that fund for 15 to nearly 60 percent of their transportation budgets (see Bird’s eye view) — have been putting off or canceling critical road, bridge and transit projects.

Arkansas, which derived 45 percent of its transportation budget from the federal government in fiscal 2011, has had to postpone 10 transportation projects, including two bridge replacements.

“We’ve probably got up to \$120 million in projects in Arkansas that we could have gone to bid with that we can’t go to bid with now because there’s no guarantee that we’ll be reimbursed,” said state Rep. Jonathan Barnett (R), who chairs the House transportation committee.

Missouri, which received 47 percent of its transportation funding from the federal government in 2011, opted back in January not to add any projects to its five-year

transportation improvement program this year in anticipation of the Highway Trust Fund’s insolvency. The state is now considering adding 25 projects. But ordinarily, it adds between 300 and 500 projects a year.

“It’s serious because typically transportation projects take a long time to develop, to be designed and constructed,” said Bob Brendel, a spokesman for the state’s Department of Transportation. “Instead of being

able to make strategic decisions, sometimes we’re forced to make reactive decisions and that’s not the best way to build infrastructure that lasts for decades.”

“Instead of being able to make strategic decisions, sometimes we’re forced to make reactive decisions.”



Rhode Island, which receives about \$200 million a year in federal transportation funds, has temporarily stopped virtually all new highway construction in the state to make sure there's enough funding for projects already in progress, including the Providence Viaduct taking I-95 through the capital city. With roughly 60 percent of its roads rated fair or worse and 20 percent of its bridges in poor condition, the state could be in real trouble in the long term if a fix for the Highway Fund falls through.

"It cannot be overstated that [Highway Trust Fund] insolvency would be crippling for Rhode Island," Michael P. Lewis, director of Rhode Island's Department of Transportation wrote to the U.S. Senate Committee on Environment and Public Works in March. (STATELINE.ORG, FISCAL TIMES)

LIQUOR PRIVATIZATION IMPROVES SOME THINGS IN WA: Many in Washington thought Initiative 1183, the ballot measure approved by voters in 2011 forcing the state to release its Prohibition-era grip on liquor sales, would make spirits cheaper and more readily available. They were half right.

With the expansion of liquor sales from 329 stores owned or contracted by the state to more than 1,400 privately-owned outlets, including warehouse clubs, grocery stores and pharmacies, spirits are certainly easier to find. But the average price per liter, after tax, is about 11 percent higher than it was before privatization, as a result of fees — including a 10 percent charge on distributors and a 17 percent levy on retailers — created by I-1183 to compensate the state for the loss of its monopoly.

"It's a disappointment. Prices have gone up for all spirits," said George Alberts, a 64-year-old Washington retiree who voted in favor of I-1183.

But there have been pros from privatization in addition to increased availability. For one thing, a nearly \$1 billion business has been transferred to private hands. And the state received a short-term revenue windfall. According to the state's Office of Financial Management, revenue from liquor sales reached \$521 million in the fiscal year that ended in June 2013, which is about \$73 million more than the same period two years ago, although that figure includes a one-time \$105 million fee that was paid by distributors.

And Alberts, for one, doesn't regret voting in favor of I-1183.

"I'd do it again," he said. (SEATTLE TIMES)

STATES STEPPING INTO CITY FINANCIAL CRISES: Nineteen states have laws on their books that permit them to intervene in a municipality's fiscal crisis, according to the Pew Charitable Trusts. But as a result of recent highly-publicized bankruptcies like Detroit's, more states are looking to monitor municipalities' fiscal health more closely so they can take action before problems become serious.

California Gov. Jerry Brown (D) signed legislation late last year expanding the state comptroller's oversight of city finances. Controller John Chiang (D) praised that action.



“Recent audits produced by my office demonstrate how weak internal controls can set-up local governments for failure, in such forms as bankruptcy, default, and corruption,” he said.

Some in Illinois are pushing for the creation of a program to assist cities in financial trouble there. Jim Spiotto of the Pension Committee of the non-partisan Civic Federation suggested participation in the program could be made mandatory if a city failed to hit certain targets.

Alan Mallach, senior fellow at the liberal-leaning Center for Community Progress, said that “it’s in states’ interests to have strong healthy cities.”

“States gave cities lots of [fiscal] room — some used it wisely and some not. But the states can’t simply point the finger and say to cities ‘You misbehaved, it’s your problem.’ It is the state’s problem.” (STATELINE.ORG)

BUDGETS IN BRIEF: Before adjourning for the year, **DELAWARE** lawmakers passed a measure allocating \$9.9 million to bail out the state’s struggling casinos (DELAWAREONLINE.COM). • **LOUISIANA** will provide at least \$6.2 million in government subsidies to the A&E show “Duck Dynasty” (NOLA.COM). • **MASSACHUSETTS** approved a \$36.5 billion state budget that relies on about \$75 million in revenue from three new casinos and a slot parlor that may not exist after a November referendum on the law authorizing them. A recent UMass-Dartmouth poll showed voters split 46-41 in favor of keeping the law but with a 4.9 percent margin of error (BOSTON GLOBE). • **ALASKA** tapped \$3 billion from its rainy day fund to reduce its \$12 billion pension deficit (BLOOMBERG).

— *Compiled by KOREY CLARK*

Politics & leadership

S TATES LOBBYING FOR THEMSELVES IN DC: In the fall of 2013, state lawmakers, transportation officials, and business leaders from Florida traveled en masse to Congress to advocate for a measure providing \$12.3 billion for U.S. ports and waterways, including \$2 billion for The Sunshine State. They did the same thing again this past spring. The water bill ended up being passed, and President Obama signed it into law on June 10.

“It was the first time everybody had joined together for this kind of effort,” said Jennifer Davis, vice president of public affairs for the Florida Ports Council. “Each port has its own projects and priorities. This bill was a great example of everyone working together.”



“That is absolutely the challenge,” said Leslie Scott of the National Association of State Personnel Executives. “At some point, there’s going to have to be a change in compensation — and not just pay, but benefits.”

C. Neal Alexander, North Carolina’s human resources director, has urged his state to “pursue creative ways” to attract the next generation of highly-skilled public employees such as by offering competency- and performance-based rewards, greater flexibility in setting salary and benefits, and a better work-life balance. Kelly Samson-Rickert, director of workforce development in Maine, has been working with nearby colleges to recruit students and graduates to the state Office of Information Technology, which provides computer services to all of the state’s departments and agencies. The new recruits work as paid interns for 20-40 hours a week for three to six months under the mentorship of other employees, which offers benefits for both sets of workers.

“It’s offered a wealth of experience for [the interns],” she said. “We’ve brought about 80 percent of them on board [full-time]. And it’s also developing the supervisory skills of the mentors, she added.

Holding on to the employees states manage to attract, however, is another problem states will have to contend with.

“We can’t pay enough in the marketplace,” Samson-Rickert said. “That’s where we lose people.” (STATELINE.ORG)

POLITICS IN BRIEF: Former New Orleans Mayor Ray Nagin was sentenced last week to 10 years in prison for public corruption (NOLA.COM). • Cleveland has been selected to host the 2016 Republican National Convention (CLEVELAND.COM). • **ILLINOIS** Gov. Pat Quinn (D) signed a measure into law last week allowing same-day voter registration this fall (CHICAGO TRIBUNE). • **NEW YORK** state Sen. Thomas W. Libous (R) was indicted on charges of lying to federal agents (NEW YORK TIMES).

— *Compiled by KOREY CLARK*

In case you missed it

It has been a very busy year in state-houses across the nation, with some very big states still in session. .

In case you missed it, the story can be found on our Web site at

http://www.statenet.com/capitol_journal/07-07-2014/html#snclj_spotlight.

Governors

CUOMO EMBRACES CONTROVERSIAL AIDS TREATMENT: New York Gov. Andrew (D) announced a plan to reduce new HIV infections in the Empire State to no more than 750 annually by 2020. That would mark a significant decline from the 3,000 new cases it expects to record this year and the 14,000 it logged at the peak of the epidemic in 1993.



“Thirty years ago, New York was the epicenter of the AIDS crisis,” Cuomo told reporters in announcing the plan last month. “Today I am proud to announce that we are in a position to be the first state in the nation committed to ending this epidemic.”

The multifaceted plan includes increasing access to Truvada, a fairly new and controversial drug that is currently given to those already considered to be at high risk for acquiring the disease. Known as “pre-exposure” prophylaxis (PrEP), Truvada has created concern in some health circles and the gay community over fears that it may give users a false sense of security that encourages them to stop practicing safe sex. That in turn could lead to them acquiring and spreading the disease if they are not diligent about taking the drug as prescribed. But health officials noted that while the state has made great strides in reducing HIV overall, the greatest reductions have been among women and intravenous drug users. HIV reduction among gay men, meanwhile, has been much more incremental. Observers say that has predominantly been because many reject using condoms, the most widely accepted prevention method for transmitting the infection. Given that, officials say there is little risk in using every option to stem the disease.

Other components of Cuomo’s plan include making it easier for people to get tested, getting those who have already tested positive into treatment and more closely tracking HIV cases to ensure those patients are staying on their treatment programs. Medical data shows that in people with HIV who take antiviral medication consistently the virus can diminish in their blood until it is virtually undetectable. It also makes it almost impossible for them to transmit the virus to others.

Cuomo didn’t offer a specific cost figure for implementing the plan, but in a statement he claimed the plan will save the state \$317 million annually. (NEW YORK TIMES, ASSOCIATED PRESS, NEW YORK DAILY NEWS)

PENCE SAYS IN WON’T RECOGNIZE GAY MARRIAGES: The lead legal counsel for Indiana Gov. Mike Pence (R) announced last week that the Hoosier State will not recognize hundreds of same-sex marriages performed in June before a court ruling allowing those unions to go forth was struck down. In a memo sent to all executive branch agencies, chief counsel Mark G. Ahearn said the state’s ban on same-sex marriages “is in full force and effect and executive branch agencies are to execute their functions as though the U.S. District Court order of June 25 had not been issued.”

The policy Ahearn laid out applies only to state agencies under the governor’s control and affects state services controlled by those agencies. Pence later issued his own statement, saying: “In consultation with our legal counsel, we believe a proper reading of the Court of Appeals decision stays the impact of the initial federal court decision. As governor, I have an obligation to uphold the laws of the state of Indiana.”

Upcoming stories

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

- **Renewable energy mandates**
- **Voter ID**
- **Student loan debt**

Hundreds of couples exchanged vows in the three days between the federal court's June 25th ruling and its subsequent stay issued on June 27th. Indiana is appealing the ruling. (USA TODAY, ABC NEWS.COM, ASSOCIATED PRESS)

PATRICK REJECTED AGAIN ON ZOHYDRO

BAN: For the second time in the last three months, a federal judge has blocked Massachusetts Gov. Deval Patrick's (D) attempt to restrict the sale of the painkilling drug Zohydro in the Bay State. Last week, U.S. District Court Judge Rya W. Zobel again ruled the state does not have legal power to ban the drug. Zobel called the state's restrictions "too vague" and said they would essentially ban the sale of Zohydro, which was approved by the U.S. Food and Drug Administration in 2013. Patrick and other officials say the painkiller could worsen the state's battle against prescription opiate abuse. Zobel's ruling, however, allows the state to rewrite the regulations one more time in an effort to adhere to the law. (BOSTON GLOBE, BOSTON BUSINESS JOURNAL)

GOVERNORS IN BRIEF: ILLINOIS Gov.

Pat Quinn (D) signed HB 5755 last week, a bill that will allow voters to weigh in on whether prescription insurance programs should be required to include birth control. The question will now appear on the November 4th General Election ballot (INSURANCENEWS.NET). • **NEW JERSEY** Gov. Chris Christie (R) conditionally vetoed a measure (AB 2006) that would have limited ammunition magazines to no more than 10 rounds, suggesting myriad changes to the Garden State mental health system instead. The veto predictably drew praise from gun advocates and scorn from gun-control supporters (STAR-LEDGER [NEWARK]). • **NEVADA** Gov. Brian Sandoval (R) and **COLORADO** Gov. John Hickenlooper (D) sent a letter to U.S. Department of Agriculture Secretary Tom Vilsack (D) last week expressing concerns about a proposed USDA directive that could affect western states' authority over their water resources. The directive in question, they said, would make surface water and groundwater "hydraulically interconnected" and allow the agency to object to state-regulated projects on "adjacent" land that might harm groundwater supplies (LAS VEGAS REVIEW-JOURNAL).

— *Compiled by RICH EHISEN*

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 2014 Prefiles last week: 0

Number of 2015 Prefiles last week: 91

Number of Intros last week: 202

Number of Enacted/Adopted last week: 672

Number of 2014 Prefiles to date: 21,427

Number of 2015 Prefiles to date: 1246

Number of 2014 Intros to date: 79,744

Number of 2013 Session Enacted/Adopted overall to date: 40,747

Number of 2014 Session Enacted/Adopted overall to date: 24,201

Number of bills currently in State Net Database: 168,961

— Compiled By DENA BLODGETT
(measures current as of 7/9/2014)
Source: State Net database

Hot issues

B **BUSINESS:** The **PENNSYLVANIA** House and Senate pass legislation that allows electric carmaker Tesla to have up to five retail showrooms in the Keystone State. It moves to Gov. Tom Corbett (R) for review (**BLOOMBERG BUSINESSWEEK**). • **CALIFORNIA** Gov. Jerry Brown (D) signs AB 2488, which allows winegrowers who bottle their own products to conduct tastings at farmers markets. The bill goes into effect immediately (**STATE NET**). • **RHODE ISLAND** Gov. Lincoln Chafee (D) signs SB 2249, a bill that raises the Ocean State minimum wage to \$9 an hour on Jan. 1, 2015 (**STATE NET**). • **MISSOURI** Gov. Jay Nixon (D) signs SB 706, which bars “bad faith” lawsuits in which patent holders threaten businesses with legal action for allegedly infringing on a patent (**MISSOURIAN [JEFFERSON CITY]**). • Still in **MISSOURI**, Gov. Nixon signs HB 1217, which bars public employees from signing over their future pension benefits in favor of an upfront cash payment (**MISSOURI GOVERNOR’S OFFICE, STATE NET**).

CRIME & PUNISHMENT: The **MASSACHUSETTS** House approves HB 4278, legislation that would require the Bay State to join a national database for criminal and mental health background checks, mandate that schools develop plans to address students’ mental health needs, and give police discretion to deny a permit for a rifle or shotgun if an applicant is deemed unsuitable. It moves to the Senate (**BOSTON GLOBE**). • **DELAWARE** Gov. Jack Markell (D) signs a trio of criminal justice bills, including HB 312, which makes the First State the last to allow judges the leeway to decide whether to impose concurrent or consecutive sentences. Gov. Markell also signs SB 217, which removes the automatic loss of a driver’s license for drug offences that do not involve a vehicle, allowing more ex-offenders to be able to hold down a job (**NEWSWORKS [PHILADELPHIA]**). • **RHODE ISLAND** Gov. Lincoln Chafee (D) signs HB 7939, legislation that requires the Ocean State to submit to a federal criminal background check database the identity of anyone who has been deemed a danger to others or themselves after a mental health civil-commitment hearing (**PROVIDENCE JOURNAL, STATE NET**).

EDUCATION: **MISSOURI** Gov. Jay Nixon (D) signs SB 701, which creates a “farm-to-school” program within the Department of Agriculture to provide Show Me State schools with locally grown agricultural products (**MISSOURI GOVERNOR’S OFFICE**).

ENVIRONMENT: **MISSOURI** Gov. Jay Nixon (D) vetoes HB 1326 and SB 506, which together would have redefined the term “livestock” to include captive



deer in order to eliminate the Show Me State's role in regulating its white-tailed deer population (MISSOURI GOVERNOR'S OFFICE). • Staying in **MISSOURI**, Gov. Nixon signs HB 1631, legislation that will allow state officials to develop carbon dioxide pollution standards that are less rigid than those mandated by federal guidelines (MISSOURI GOVERNOR'S OFFICE).

HEALTH & SCIENCE: MISSOURI Gov. Jay Nixon (D) vetoes SB 508, which would have required criminal background checks for people who work or volunteer as "navigators" to help people enroll in the new health insurance exchanges. Nixon cited a technical error in the bill and noted its intent is covered under other bills he has already signed (MISSOURI GOVERNOR'S OFFICE, KANSAS CITY STAR). • Staying in **MISSOURI**, Gov. Nixon signs HB 2040, which authorizes first responders to obtain, carry and administer the anti-heroin overdose drug naloxone (MISSOURIAN [JEFFERSON CITY]). • **NORTH**

CAROLINA Gov. Pat McCrory (R) signs HB 1220, which allows the use of cannabis oil in the treatment of certain diseases that cause seizures in children (ASSOCIATED PRESS). • **NEW YORK** Gov. Andrew Cuomo (D) signs a bill that allows for the limited use of marijuana to treat certain serious illnesses. Under the law, it can only be administered through vaporizing, oils and edibles. The Empire State becomes the 23rd to allow some form of medicinal marijuana use. The law takes effect immediately and sunsets in seven years (YAHOO NEWS, NEW YORK GOVERNOR'S OFFICE).

• **ARIZONA** health officials announce the Grand Canyon State will allow the use of medical marijuana to treat post-traumatic stress disorder, PTSD, with a doctor's prescription. The rule goes into effect on Jan. 1 (ARIZONA REPUBLIC [PHOENIX]).

IMMIGRATION: A three-judge panel of the 9th U.S. Circuit Court of Appeals strikes down a 2012 executive order issued by **ARIZONA** Gov. Jan Brewer (R) that blocks young unauthorized immigrants from obtaining a driver's license. The order came in response to an Obama administration program that defers taking action for two years against immigrants under age 30 who were brought to America as children (ARIZONA REPUBLIC [PHOENIX]).

SOCIAL POLICY: CALIFORNIA Gov. Jerry Brown signs SB 1306, which removes the words "husband" and "wife" from the state's marriage law, replacing

Upcoming elections

(7/11/2014 - 8/1/2014)

07/15/2014

Alabama Primary Runoff

House Districts 12, 43, 46 and 72

Senate Districts 1, 17 and 22

Constitutional Officers: Secretary of State, Auditor

US House (CD 6)

North Carolina Democratic Primary Runoff

House District 23

US House (CD 5 and CD 6)

07/22/2014

Connecticut Special Election

House District 122

Georgia Primary Runoff

House Districts 1, 22, 54, 112 and 153

Senate Districts 8, 9, 16, 22 and 27

Constitutional Officers: Superintendent of Education

US House (CD 1, CD 10 and CD 11)

US Senate (Class 2)



he didn't want to "get into the debate about climate change" because, in spite of the fact there are no coal mines or factories on the Red Planet, "we all agree that the temperature on Mars is exactly as it is here. Nobody will dispute that." Huh? According to NASA, the earth's average temperature is 57 degrees Fahrenheit. Mars, meanwhile, comes in at a balmy 81 degrees below zero. Maybe things are just different in the Bluegrass State, but nowhere else does 57 equal negative 81.

WHAT LAW DID YOU MEAN? Model legislation is hardly a new thing. But you would think the folks pushing one would be sure they have their model set up correctly. But as the *Kansas City Star* reports -- and Missouri lawmakers learned the hard way last week -- that isn't always the case. The bill in question would have forced so-called "navigators" that help people get signed up for health insurance through a health benefits exchange to undergo a criminal background check. Model legislation from the American Legislative Exchange Council, it specifically referenced a federal statute, Public law 92-554. Oops! That law has nothing to do with health insurance. The correct one is Public Law 92-544. Alas, it was all Gov. Jay Nixon needed to veto the measure, which he gleefully did last week, calling out lawmakers for failing to fix it beforehand in the process. Ouch.

— By *RICH EHISEN*



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