

The Great Rate Debate



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The next issue of
Capitol Journal will be
available on October 6th.

Top Story

The Affordable Care Act allows states to review proposed health insurance rate hikes, but no power to just say no to excessive increases. California voters will soon weigh in on a ballot measure that would grant that authority — to one person.

SNCJ Spotlight

CA ponders health insurance rate regulation

Note: On Nov. 4, 46 states will hold legislative elections, while 36 will elect or retain a governor. Meanwhile, 41 states will also weigh in on a wide range of ballot measures addressing some of the most controversial issues of the year, including abortion, marijuana use and the minimum wage. Over the next several weeks the SNCJ staff will preview some of what voters face on Election Day, with specific looks at a few of the more



By Rich Ehsen

contentious ballot measures and races from around the country.

When President Barack Obama signed the Affordable Care Act into law in 2010, California embraced it with unbridled enthusiasm and began quickly passing legislation to implement it. This included creating the nation's first state-run health benefits exchange: an online marketplace where consumers could quickly and easily shop for health plans that best fit their needs and their pocketbooks, assured that the exchange — Covered California — had already done the hard work of thoroughly vetting plans for both quality and price.

But four years later, the debate over how to best accomplish those dual goals is still raging, now in the form of Proposition 45, a ballot measure that would require most health insurance rate hikes to be approved not by Covered California or even lawmakers, but by the office of the state Insurance Commissioner.

The brainchild of a group called Consumer Watchdog — a consumer rights advocacy group that has previously been the driving force behind similar regulation of automotive and homeowners insurance rates in the Golden State — the measure would grant the Commissioner final say over individual and small group rates, though not over those paid by large employers. To date, it has received strong support from current California Insurance Commissioner Dave Jones (D) as well as consumer groups, some unions, the state Democratic Party and both of the state's U.S. Senators, Democrats Dianne Feinstein and Barbara Boxer.

“We have rate review authority and both my office and the Department of Managed Health Care use it, but the insurers just go ahead and charge those rates anyway.”

but the insurers just go ahead and charge those rates anyway,” he says. “And there’s nothing in the ACA or our state laws that let me do anything to stop it.”

The week in session

States in Regular Session: DC, MI, NJ, PR

States in Informal Session: MA

States in Skeleton Session: OH

States in Recess: CA “b”, DE “c”, IL, NY, PA, US

States currently prefilng for 2015 Session: CO, FL, KY, MT, ND, NV, OR, VA, WY

States adjourned in 2014: AK, AL, AR, AR “a”, AZ, AZ “a”, CA, CA “a”, CO, CT, DE, DE “b”, FL, FL “a”, GA, HI, IA, ID, IL “a”, IL “b”, IN, KS, KY, LA, MD, ME, MN, MO, MS, MS “a”, MS “b”, NC, NE, NH, NJ “a”, NM, NV “a”, OK, OR, PR “a”, PR “b”, RI, SC, SD, TN, UT, VA “a”, 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 9/25/2014)
Source: State Net database

Jones, the measure's most vocal supporter, argues it would put California on par with 35 other states that already allow their insurance commissioner to reject excessive health rate hikes. He says it would also plug a critical hole in the ACA's structure that allows state health officials to review proposed rate hikes but grants them no power to reject those they deem to be out of line. Jones contends that has kept him from blocking hikes he says have climbed by as much as 185 percent on some families in recent years.

“We have rate review authority and both my office and the Department of Managed Health Care use it,

But the measure has also met fierce opposition from a plethora of opponents, including the state GOP, health insurers, numerous medical provider groups — including the California Medical Association and the California Hospitals Association — and the California Chamber of Commerce.

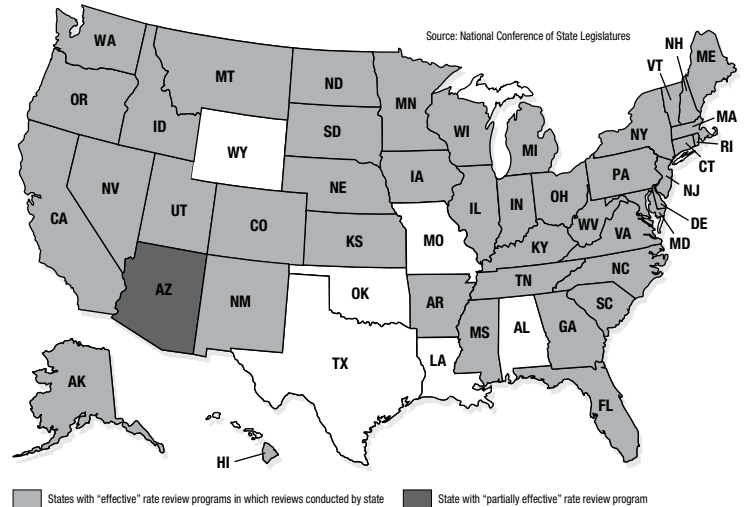
Several members of Covered California's governing board have also made clear their opposition, arguing it would undermine their ability to negotiate plan options and rates with the insurers who sell policies through the exchange. Imagine, they argue, months of negotiations to reach agreement with an insurer on a suite of plans and prices, only to have it all fall apart if Jones or an ensuing commissioner rejects it all after the fact. And as worded, they say, Prop 45 could conceivably allow Jones final say over not just rates, but things like provider networks as well.

Susan Kennedy, a Democrat who once served as chief of staff to Gov. Arnold Schwarzenegger (R), has been the most vocal, arguing during a recent board meeting that Prop. 45 would “end up hurting Californians, hurting consumers, increasing costs, and it will damage healthcare reform, perhaps permanently, perhaps fatally, in California and I think perhaps nationally.”

Others on the board, including Chairwoman Diana Dooley, the state's current Secretary of Health and Human Services, have expressed their own, though somewhat less fatalistic, complaints about the measure. Even so, on Sept. 18 the board voted against taking an official stance on the measure, opting to stay out of the political scrum.

Opponents have other serious concerns as well. Some contend it would grant far too much power to one person; while others point to a facet of the proposition that would allow third party “intervenor” to get involved in rate cases that are under review by the Department of Insurance, a lucrative proposition that allows them to charge the state as much as \$675 per hour. Consumer Watchdog has in fact been

Bird's eye view



Most states have “effective” health insurance rate review programs

As of May 2013, 43 states had programs for reviewing health insurance rate increases above a certain threshold (10 percent from September 2011 to August 2012) in both the individual and small group markets. The rate reviews under these programs, designated as “effective” by the U.S. Department of Health & Human Services, were conducted by the state. Six states had no effective rate review programs, because they either lacked the resources or the authority to conduct the required rate reviews so the HHS handled them instead. Arizona, meanwhile, had a “partially effective” program, in which the state and federal government shared responsibility for conducting reviews.



a regular intervenor on other insurance issues for more than two decades, and has collected more than \$14 million in fees from the state since 1990.

Micah Weinberg, a consultant with the Bay Area Council, a business group that opposes Prop 45, also refutes the claim that the measure would only bring California on par with the 35 other states that allow the insurance commissioner to reject health insurance rate hikes.

“In reality, this is a case where 35 equals 0,” he says. “No other state has what Prop 45 would set up. None.”

Weinberg says none of the states has a provision like the one in Prop 45 that would allow private entities like Consumer Watchdog to sue the commissioner if they disagree with his or her rulings on rates. In other states, the commissioner is also the final say on rate hikes; under Prop 45 it is unclear whether the California Department of Managed Health Care would continue to be involved in rate reviews. If so, that would mean yet another layer of bureaucracy involved in the process, which no other state has. Most other states also do not have “active purchasing” exchanges, i.e. their exchanges do not negotiate rates and product offerings the way California does.

“Those are huge differences,” he says.

Those arguments appear to be gaining traction with potential voters. After a fast start that saw it polling at 69 percent approval, a California Field Poll released on Sept. 11 showed support dropping to just 41 percent.

The road is likely to be even tougher going forward. Opponents, led by a group called Californians Against Higher Health Care Costs — in reality a coalition of health insurers like Kaiser Permanente, Anthem Blue Cross, Blue Shield and others — has collected almost \$38 million to fight the measure, roughly eight times what its supporters have gathered.

— *By RICH EHISEN*

Budget & taxes

STATES TAXING TOURISTS: State and local governments across the country are increasingly looking at charging seasonal residents higher property taxes than year-round residents for the privilege of enjoying their

locales’ scenic beauty and mild winter weather.

**“Hit the snowbirds
and the tourists.
They don’t vote.”**

“Hit the snowbirds and the tourists,” said David Brunori, deputy publisher of Tax Analysts, a leading global provider of tax news and analysis. “One of the great ways of exporting

the tax base is to tax people from out of state who rent property, own property or work in the state. It’s a political nirvana. They don’t vote.”

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Last year Minnesota Gov. Mark Dayton (D) pushed — unsuccessfully — for a \$500 property tax rebate for permanent residents and a \$30 million income tax increase for “snowbirds,” residents who flee to warmer climates in the winter.

The tiny seaside community of Provincetown, Massachusetts, which swells from about 3,000 in the winter to over 30,000 during the summer, is currently weighing a homestead exemption that would deduct up to \$700 from the annual property tax bills of year-round residents and add up to \$700 to the bills of seasonal residents.

Tom Donegan, chairman of the Provincetown Board of Selectmen, suggested the measure was needed to cover the cost of providing services suitable for the summer population. For example, the town had to spend \$900,000 for an adequate ambulance corps.

At the same time, Donegan intimated there’s a risk in shifting too much financial burden on summer residents, acknowledging that the economic boost during the summer season is “what keeps the town going.” (STATELINE.ORG)

BUDGET DEAL BUT NO MEDICAID EXPANSION IN VA: A spirit of bipartisanship descended over Richmond this month when both chambers of the Virginia General Assembly, convened in special session, voted overwhelmingly to support a plan to bring the state budget in line with a projected revenue shortfall, blamed on federal defense cuts, by tapping the state’s rainy-day fund and cutting spending at most government agencies and public universities. But that spirit quickly lifted when lawmakers took up the primary business of the session: Gov. Terry McAuliffe’s (D) proposed expansion of Medicaid to 400,000 uninsured residents. After extended debate on an expansion bill introduced in the House, Republicans, who control both legislative chambers, used a procedural move to prevent the bill from going to a final vote. The measure died after a 64-to-33 vote against “engrossing” it. (WASHINGTON POST)

OH GOV ADVISES APPROVAL OF PROPOSED SEVERANCE TAX

HIKE: Ohio Gov. John Kasich (R) warned state lawmakers this month that if they don’t approve the severance tax increase he’s proposed, a measure seeking to raise

“There’s an old saying in life: ‘Pigs get fat and hogs get slaughtered.’”

the tax “a lot higher” would likely appear on the ballot. The governor also had some words of caution for the oil and gas CEOs who’ve told him that a higher severance tax wouldn’t keep their companies from drilling in the state but that they’d still collectively fight to put off paying it for as long as they can.

“There’s an old saying in life: ‘Pigs get fat and hogs get slaughtered,’” he said. “And I think they’re playing with fire.”

Kasich said he wants to increase the tax to 4 or 4 1/2 percent, which would still be the lowest rate in the nation, but considerably higher than the state’s current

rate: 10 cents per barrel of oil and 2.5 cents per 1,000 cubic feet of natural gas produced in the state. (CINCINNATI.COM, STATE NET)

BUDGETS IN BRIEF: PENNSYLVANIA'S

General Assembly passed and Gov. Tom Corbett (R) signed a bill (HB 1177) allowing Philadelphia to impose a \$2-per-pack tax on cigarettes to help fill an \$81-million gap in the city's school district budget (BLOOMBERG, STATE NET). • Atlantic City is planning to reduce its public workforce by 300 personnel through layoffs and attrition. The city's mayor, Don Guardian, said that news should come as no surprise after the recent closures of four casinos there (NJ.COM). • CALIFORNIA Gov. Jerry Brown (D) has signed a measure (AB 1839) more than tripling the size of the state's Film and TV Tax Credit Program from \$100 million a year to \$330 million (DEADLINE, STATE NET). • The cost of fighting wildfires in CALIFORNIA has exceeded \$1 billion every year since 2000, cutting into the state's resources for programs to prevent such fires (CHRISTIAN SCIENCE MONITOR). • NEVADA enacted AB 3, eliminating a tax benefit for insurance companies based in the state, to help offset the \$1.3 billion in tax incentives approved for Tesla (AB 1), in exchange for building a massive battery manufacturing plant in the state (LAS VEGAS SUN, STATE NET). • NEVADA has recouped a \$50-million bond investment it made in 2007 with the now-bankrupt financial firm Lehman Brothers (LAS VEGAS SUN). • August sales tax revenues in TENNESSEE were up \$31 million over the same period a year ago (TENNESSEAN [NASHVILLE]).

— 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 2014 Prefiles last week: 0

Number of 2015 Prefiles last week: 217

Number of Intros last week: 336

Number of Enacted/Adopted last week: 217

Number of 2014 Prefiles to date: 21,427

Number of 2015 Prefiles to date: 4,698

Number of 2014 Intros to date: 83,267

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

Number of 2014 Session Enacted/Adopted overall to date: 27,085

Number of bills currently in State Net Database: 172,570

— Compiled By DENA BLODGETT
(measures current as of 9/25/2014)
Source: State Net database

Politics & leadership

STATE COURTS BECOMING MORE POLITICIZED: In recent years, state judicial elections have increasingly become big-money contests. Over \$3.1 million has already been spent this year on TV ads in judicial elections in four states, including a May primary bid to unseat a Supreme Court justice in North

Carolina, according to Justice at Stake and the Brennan Center for Justice at New York University's School of Law. Meanwhile, lawmakers in several states, including Kansas, are debating whether to change the way their state Supreme Court justices are selected.

"Courts are under threat," said Alicia Bannon of the Brennan Center. "What they [special interests] are trying to do is shape who's sitting on our courts and shape decisions."

It's little wonder state judicial races are drawing so much attention. State courts review the constitutionality of state laws, and a 2008 analysis by the Court Statistics Project, a joint venture of the Conference of State Court Administrators, the Bureau of Justice Statistics, and the National Center for State Courts, found that 95 percent of all legal cases are filed in state courts.

Some politicians, such as state Senate Majority Leader Terry Bruce (R) in Kansas, where the state Supreme Court shocked many in July when it set aside the death sentences of two brothers, Reginald and Jonathan Carr, convicted of a brutal robbery, rape and murder spree before Christmas in 2000, argue that the courts should be more aligned with public opinion.

"The Kansas Supreme Court has demonstrated over and over again its reluctance to carry out the death sentence," said Bruce. "The Carr brothers' case is just another example of this. Not only is this view out of step with public sentiment, my greatest concern is that it erodes the rule of law."

Bruce and lawmakers in other states are pushing for a federal-style system of choosing justices, in which governors would appoint them and lawmakers, as the elected representatives of the public, would confirm them. In Kansas, currently, the governor simply chooses one of three names provided to him by a nominating committee.

"The public has become firmly convinced that justice is for sale."

But some Kansas Democrats say the Republicans who dominate the state's government are using the Carr case as an excuse to pack the court with justices who share their ideology.

"They're trying to use the emotional case of the Carr brothers to say the court is too liberal and needs to be changed," said state Rep. Jim Ward (D) a member of the House Judiciary Committee. "This [Carr decision] had nothing to do with conservative or liberal. Legal questions were involved."

And justice groups argue that the politicization of the judicial selection process is threatening the ability of justices to make decisions free of political pressure. Bert Brandenburg, executive director of Justice at Stake, suggested considerable damage had already been done.

"The public has become firmly convinced that justice is for sale," he said.
(STATELINE.ORG)

● ● ● ● ● **REPUBLICAN GOVS ASSOCIATION'S DONOR LIST DISCLOSED:**

A programming error by the Republican Governors Association (RGA) led to the disclosure this month of documents showing how much many of America's biggest companies, including Aetna and Walmart, have contributed to the campaigns of Republican governors over the past several years and even revealing the 17 corporate members of the association's 501(c)(4), the Republican Governors Public Policy Committee, which is allowed under current law to keep its donors secret from the public.

"This is a classic example of how corporations are trying to use secret money, hidden from the American people, to buy influence, and how the governors association is selling it," said Fred Wertheimer, president of the nonpartisan watchdog group Democracy 21.

The documents were discovered by Citizens for Responsibility and Ethics in Washington (CREW), which has maintained for years that it is nonpartisan but which was taken over last month by David Brock, a former conservative who runs a network of Democrat-aligned groups. Gail Gitcho, spokeswoman for the governors association, blamed the breach on CREW, which she denounced as a group of partisan hypocrites, noting the group refused to divulge its own donors while revealing those of the governor's association.

"CREW accessed those documents from behind a password-protected website," she said. "CREW hides behind the facade of an educational group when their only real purpose is to act as a liberal front group for Democrats."

In retaliation, the RGA revealed documents listing the names of the corporate supporters of its liberal counterpart, the Democratic Governors Association (DGA), but not detailing contribution amounts or the corporate members of DGA's own 501(c)(4), the Center for Innovative Policy. (NEW YORK TIMES)

BUDGETS IN BRIEF: A federal judge struck down a 19-year-old **OHIO** law prohibiting lying in political campaigns. U.S. District Court Judge Timothy Black said it was up to voters to decide whether a campaign was telling the truth or not (CINCANNITI.COM). • **OHIO** Secretary of State Jon Husted (R) set new early, in-person voting hours for all 88 of the state's counties in compliance with a federal court judge's order, which he is continuing to appeal (CLEVELAND.COM). • Eric Holder Jr., the nation's first black U.S. attorney general, announced his resignation last week after six years in that post. But Holder intends to stay on until his successor is confirmed, which may not happen until next year (NATIONAL PUBLIC RADIO). • Candidates for statewide offices in **ARKANSAS** have spent nearly \$6.1 million on more than 16,700 ads, a 486 percent increase over 2010, according to the nonpartisan Center for Public Integrity. Republicans are hoping to achieve a takeover of the top offices in the state, which was once considered a Democratic stronghold in the South (ASSOCIATED PRESS, ARKANSAS DEMOCRAT-GAZETTE [LITTLE ROCK]).

• Less than a month after former **VIRGINIA** Gov. Robert McDonnell was convicted of corruption, the state's current governor, Terry McAuliffe (D), announced the creation of a commission to study campaign-finance reform, ethics, and nonpartisan redistricting (WASHINGTON POST, STATE NET).

— *Compiled by KOREY CLARK*

Governors

BROWN LAUDS GREEN AGENDA AT UN: California may have lost out in its longshot bid to convince electric car maker Tesla to build a massive battery factory in the Golden State, but Gov. Jerry Brown (D) is still pedal to the metal on further growing "California's best-in-the-nation electric vehicle market." Brown signed six measures last week he said would help the state reach its goal of having 1.5 million zero-emissions vehicles on the road by 2025.

Four of the measures Brown signed on Sept. 21 — AB 1721, AB 2013, AB 2090 and SB 1298 — will improve access for electric vehicles to carpool and toll lanes. Another bill, AB 2565, requires commercial and residential property owners to allow renters to install an electric vehicle charging station on the property as long as the station meets requirements. The remaining measure, SB 1275, creates the "Charge Ahead California Initiative," a fund to provide financial incentives to low-income residents who trade in older, more polluting cars for electric vehicles. In a statement, Brown noted that California already has 40 percent of the nation's electric vehicle market, with over 100,000 sold in the state over the last four years.

Brown followed that up on Tuesday by delivering a pair of brief but impassioned addresses lauding California's ongoing efforts to combat global climate change to more than 120 world leaders gathered at the United Nations Climate Summit in New York City. Brown called on those leaders to foster a "collective effort of the world community to deal with the existential threat" that climate change presents to the world.

Brown acknowledged the political challenges such actions engender. In a video statement prior to his appearance at the UN, he called the politics surrounding climate change actions "murky, uncertain, and often totally ineffective." But he also offered the Golden State as an example of bipartisanship in tackling the issue, noting that his Republican predecessor, Gov. Arnold Schwarzenegger, signed the state's historic 2006 legislation (AB 32) implanting its greenhouse gas emissions reduction program. That plan, which has the goal of reducing the state's carbon emission to 1999 levels by 2020, includes a number of elements, most prominently a carbon cap-and-trade program. California officials are currently working to set a new emissions-reduction goal for 2030, which Brown said would be revealed within six months.

“The California story is a very hopeful one. It’s a story of Republican and Democratic governors pioneering innovative climate strategies,” he said. “It’s not been easy, it’s not without contest, but we’re making real progress.”

Much of that contention of late has also been bipartisan. This year, Republicans and several Democrats in the California Legislature fought hard — but ultimately failed — to force a delay in bringing fossil fuels under the cap-and-trade program next year, something they contend will lead to a drastic spike in fuel prices.

Neel Kashkari, Brown's Republican challenger for re-election in November, also criticized Brown's allegiance to AB 32, telling the *Sacramento Bee*, "The idea that by raising the cost of electricity and gasoline in California, that's going to do anything to help the earth's climate, it's pure economic folly." (SACRAMENTO BEE, NEW YORK TIMES, CALIFORNIA GOVERNOR'S OFFICE, SAN FRANCISCO CHRONICLE, STATE NET)

DAYTON ORDERS CHILD PROTECTION CHANGES: Saying he was haunted by the photo of a 4-year-old child abuse victim who was later murdered by his abusive stepmother, Minnesota Gov. Mark Dayton (D) announced several changes last week in how the Gopher State will investigate child abuse reports. The governor

said he would also create a task force to develop ways the state's system of child protection services can be improved.

The changes include two immediate actions: the creation by the state Department of Human Services of a joint state-county team of child abuse experts to advise often-harried and overtasked county child welfare workers and monthly DHS reviews of abuse of random screening decisions made by those workers. Dayton then issued

Executive Order 14-15, which will create the Governor's

Task Force on Protecting Children, which will include lawmakers as well as county representatives, children’s advocates, attorneys, and child protection experts from across the state. The group will review how counties make decisions regarding abuse cases and offer suggestions for better ensuring the safety of the children involved.

“The abuse of any child in Minnesota is one child too many,” Dayton said in a statement. “No child should have to suffer from the violence or neglect of a family member or other adult. I look forward to the recommendations of this new Task Force, and I urge the Legislature to act on them in January.” (MINNEAPOLIS STAR-TRIBUNE, MINNESOTA PUBLIC RADIO, MINNESOTA GOVERNOR’S OFFICE)

HERBERT TURNS MEDICAID EXPANSION EFFORTS TOWARD
LAWMAKERS: With the federal government having all but signed off on Utah Gov. Gary Herbert's (R) alternative Medicaid expansion proposal, the governor now turns

“The California story is a very hopeful one. It’s a story of Republican and Democratic governors pioneering innovative climate strategies.”

his sights on a potentially even more disagreeable foe: his own party.

Herbert's proposal, dubbed Healthy Utah, would use \$258 million in federal funds originally targeted to expand the joint state-federal Medicaid program to instead subsidize low-income Utahans who purchase their own private health insurance. The plan is estimated to impact around 111,000 residents who currently do not qualify for Medicaid.

But the proposal has already drawn extensive opposition from both conservative groups and Beehive State Republicans, mostly centered on fiscal concerns, issues of federalism and a watered-down work requirement for eligible recipients. But other opposition is a bit more far flung. Rep. Mike Kennedy (R), for example, told a meeting of the legislature's Health Task Force Committee in August that he believes it could be worse for the uninsured to access health care than to simply go without, reasoning that people who go to hospitals are then exposed to other diseases and could potentially become addicted to prescription drugs like painkillers.

"In the medical community we often talk about access as if it makes health," said Kennedy, who is a family physician. "And we both would agree that's not true... Sometimes access to health care can be damaging and dangerous."

But Utah Department of Health Executive Director Dr. David Patton believes getting more people into an insurance plan is a win for everyone.

"Right now the uninsured are going to other kinds of care, particularly the emergency rooms and hospitals," Patton said at a hospital forum in Ogden last week. "They're not paying for that typically, so the hospitals transfer that to the insurance rates of everybody else."

Herbert is considering calling a special session to address the proposal, presuming it gains final federal approval within the next week or so. Legislative leaders have so far resisted, preferring to deal with it in the new session next January. (SALT LAKE TRIBUNE, OGDEN STANDARD-EXAMINER).

GOVERNORS IN BRIEF: The **MISSISSIPPI** Supreme Court granted Gov. Phil Bryant (R) permission to intervene in a divorce case involving a same-sex couple originally married in **CALIFORNIA**. The couple, who relocated to Mississippi in 2008, wants the Magnolia State to recognize the marriage so it can then grant them a divorce. Bryant opposes that, saying it would compromise the state's ban on same-sex unions. The court did not say when it would hear the case (BILOXI SUN-HERALD).
• **MISSOURI** Gov. Jay Nixon (D) replaced four of the Show Me State's five lottery commissioners and urged his new appointees to take steps to maximize the money from the game that goes to public education. The governor said changes they should consider include tamping down the amount of money that goes into prizes for

In case you missed it

Four years ago, all but a quartet of states were gung ho for the Common Core curriculum standards. Now a growing number of states, pushed by hyper-partisan members in each party, are forcing some states to reconsider.

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

http://www.statenet.com/capitol_journal/09-15-2014/html#sncj_spotlight

Upcoming elections

There are no elections scheduled during the next three weeks

the time it takes for primary care medical facilities to become authorized to serve Medi-Cal patients. The current system takes up to 180 days; the new law requires applications to be addressed within 30 days (SACRAMENTO BUSINESS JOURNAL).

ENVIRONMENT: NORTH CAROLINA Gov.

Pat McCrory (R) signs SB 734, which enacts almost 60 regulatory changes to Tar Heel State environmental laws, including offering more protection for rare plants but also allowing developers to build in more environmentally sensitive wetlands and coastal counties (WRAL.COM [RALEIGH]). • **CALIFORNIA** Gov. Jerry Brown (D) signs a package of bills that collectively make the Golden State the last western state to allow local communities to regulate groundwater withdrawals. The bills — SB 1168, SB 1319 and AB 1739 — require local governments and water districts to manage wells and authorizes state water agencies to intervene if they do not do so. The measures also allow local governments to impose water metering and levy fines on excessive users. The laws go into effect in January (CONTRA COSTA TIMES, STATE NET). • Staying in **CALIFORNIA**, Gov. Brown signs AB 2185, which requires state wildlife officials to consider permitting beekeeping on state lands where deemed appropriate (WOODLAND DAILY DEMOCRAT).

HEALTH & SCIENCE: CALIFORNIA Gov. Jerry Brown (D) signs AB 1535, which allows pharmacists to distribute the anti-opiate overdose drug naloxone to family members of someone in danger of an opiate overdose (STATE NET). • Also in **CALIFORNIA**, Brown signs SB 1266, which requires schools to stock Epipens and train personnel in their use to aid children suffering from severe allergic reactions (CALIFORNIA HEALTHLINE). • **NEW YORK** Gov. Andrew Cuomo (D) signs AB 9124, which allows Empire State physicians and nurse practitioners to authorize registered nurses, when appropriate, to administer test a patient for Hepatitis C without the need for a patient-specific order (LONG ISLAND NEWS).

IMMIGRATION: The federal Department of Homeland Security signs off on a new design for drivers licenses that will be available to unauthorized immigrants in **CALIFORNIA** next year. The state approved those licenses in 2013 but federal authorities rejected the initial license design for not being distinctive enough (SACRAMENTO BEE).

SOCIAL POLICY: A **LOUISIANA** judge rules that a state law banning same-sex marriage is unconstitutional. State Attorney General Buddy Caldwell (R) said he would appeal the decision directly to the Pelican State Supreme Court (TIMES-PICAYUNE [NEW ORLEANS]).

Upcoming stories

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

- **Election previews**
- **State worker exodus**
- **Student loan debt**

Once around the statehouse lightly

BROWN IS THE NEW GREEN: The ongoing drought in California has even the most image-conscious homeowners reconsidering the wisdom of maintaining a gorgeous but water-intensive lawn. But for some property owners, cutting back on the H₂O has not been an option. Many homeowners' associations are prone to hitting residents with a heavy fine for letting their lawns go brown, even in a historically serious drought. But as the *San Diego Union Tribune* reports, that is changing. Gov. Jerry Brown signed a bill last week that allows homeowners — in times of drought or otherwise — to replace their emerald green lawns with drought-tolerant plants and other decidedly non-green landscaping without fear of forking over cash to their HOA. Another bill Brown signed allows folks who don't want to go that route to just let their lawn go brown, again without fear of HOA repercussions, though only if the governor has declared a drought emergency. My, what will the neighbors think?

LET'S KEEP THIS PRIVATE: Once upon a time, dads were famous for leaving the changing of diapers to mom. No more! These days, any dad worth his salt knows he needs to pitch in and take care of diaper duty for his kids just like mom has always done. This can be problematic, however, when out in public, where the majority of men's restrooms don't have the diaper-changing set up regularly seen in the ladies' lounges. To that end, California lawmakers passed a pair of bills this year to require businesses to give the fellas diaper-station equality. Alas, Gov. Jerry Brown nixed them both, saying the state didn't need any more regulation on businesses. Well, I guess we know which governor out there has never had kids of his own, eh?

HELLO, IS THIS THING ON? Given Republican Neel Kashkari's virtual anonymity in this fall's California gubernatorial race, one can't blame him for doing or saying things just to get some attention. But that is also a double-edged sword. As the *Sacramento Bee* reports, Kashkari recently hosted a radio talk show during which he told listeners he thought it would be a great idea to drug test all statewide officeholders and current lawmakers. Given that Democrats hold all of the statewide offices and about two-thirds of the legislative seats, it seemed like red meat for the true believers. Sure, but it drew the predictable response from some Dems that perhaps he was high himself on something to suggest such a thing. Just a few hours later Kashkari backtracked, saying he was only joking. He then suggested IQ tests instead...kiddingly, of course.

SHARP AS A BOWLING BALL: Speaking of folks who like to say dumb things, Texas Gov. Rick “Oops” Perry has issued his latest bit of unintentional hilarity. The fun started last week when Perry sat for an interview at the annual Texas Tribune Festival. Whilst rambling on about many things, the governor openly ruminated on whether imposing his state’s new restrictions on abortion clinics on the medical facility where comedienne Joan Rivers recently passed away would have saved her life. What the what? As the *Dallas Morning News* reports, there is a major flaw in his logic. The Texas law he referenced requires clinics that only perform abortions to meet the same requirements as an ambulatory surgery center: the clinic where Rivers died is already such a facility, meaning the law he referenced wouldn’t have made a bit of difference. All together now, “Oops!”

— By *RICH EHISEN*



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