

September 21, 2009

# Learning from Massachusetts



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The next issue of Capitol Journal will be available on October 5th.

## Top Story

*Three years after launching its historic universal health care program, MASSACHUSETTS — for better and worse — has become the model for a similar federal program.*

## SNCJ Spotlight

**The promise and pitfalls of the MA health care experiment**

In a famous dissenting opinion issued during the Great Depression, Supreme Court Justice Louis Brandeis defended the power of states to experiment with “economic practices and institutions to meet changing social needs.” As Brandeis put it: “It is one of the happy incidents of the federal system that a

## A Cannon Perspective



With Lou Cannon

single courageous state may, if its citizens choose, serve as a laboratory; and try novel social and economic ideas without risk to the rest of the country.”

Brandeis’ favorable view of state experimentation had been formed as a lawyer in MASSACHUSETTS, which was rife with insurance scandals. He led an investigation that persuaded the state legislature to make novel reforms. Later, Brandeis advised Woodrow Wilson who as governor of NEW JERSEY pushed through a broadscale package of regulatory and other reforms, some of which were emulated nationally by President Franklin D. Roosevelt.

In our time MASSACHUSETTS has again become a cutting-edge state laboratory. Beginning in 2006, the Bay State launched a bold plan to provide universal health insurance with successful features that could usefully be copied by the federal government. But MASSACHUSETTS also provides a cautionary tale of what can happen when demand for medical services increases while the supply of physicians does not.

Mass Health, as the plan is called, was the brainchild of Gov. Mitt Romney, although one wouldn’t know it from state government websites or the Internet postings of leading legislative Democrats who refined the health care plan. As a Republican who sought his party’s presidential nomination in 2008 and is expected to do so again in 2012, Romney has been as thoroughly expunged from contemporary Democratic accounts of health care reform as Trotsky was from Soviet history by Stalin. In a way that’s a backhanded compliment to Romney, who saw an opportunity on health care that had eluded other governors and acted forcefully. Even Mass Health’s critics acknowledge that the program has broken vital ground. When it began, one in seven residents of the commonwealth had no health insurance, some because they couldn’t afford it and others because they were young and healthy and willing to gamble that they wouldn’t become ill. Today, 97.4 percent of the state’s residents have health insurance— the poorest of them obtain it through a state-run insurance program known as Commonwealth Care.

When Mass Health began, one conservative critic described it as a “disaster in the making.” This apprehension was based largely on the belief that private employers would drop health care coverage en masse. It would have been easy to do so since the penalty for businesses that do not provide health coverage is a relative pittance, \$295 per employee annually, with the money deposited into a fund for the uninsured. In comparison, the cost of a typical health care plan in MASSACHUSETTS is about \$5,000 a year for individuals and \$14,000 for families. Some employers did indeed drop coverage, but they were more than offset by employers who enrolled thousands of additional workers in their health care plans. Many of the new enrollees were workers who had previously disdained health care coverage offered by their employers. What changed their minds was that Mass Health required everyone to sign up for health insurance or pay a fairly hefty fee, a provision that has been incorporated in pending federal legislation. Mandated coverage was the stick. The carrot was the assurance that

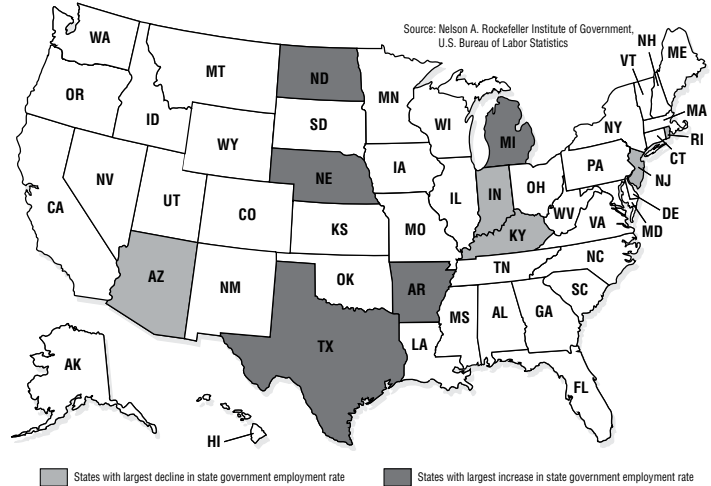


those who couldn't afford to buy insurance would be subsidized by the state. As a result, almost everyone signed up. Today, 150,000 more MASSACHUSETTS workers are covered by employer-provided insurance than when Mass Health began. After earlier indecision, President Barack Obama has embraced a national mandate as part of his proposed health care overhaul. On this important issue, MASSACHUSETTS has pointed the way.

An employer mandate is more problematic, especially during a recession. Although many Democrats in Congress favor requiring employers to provide coverage, the MASSACHUSETTS experiment has succeeded without such compulsion. Indeed, a leading Democratic legislator, MASSACHUSETTS House member Peter J. Koutoujian, said that an employer mandate would have upset a "delicate political balance" and probably derailed the bill. Koutoujian, who was chairman of the House Health Committee at the time Mass Health was enacted, and Alan G. Macdonald, executive director of the MASSACHUSETTS Business Roundtable, said in separate interviews that the absence of an employer mandate was a principal reason that businesses have remained supportive and expanded health care coverage.

The most persistent criticism of Mass Health is that it costs too much. It is a claim most often made by conservatives but recently embraced by some liberals, among them former Democratic National Chairman Howard Dean, a physician. Close examination casts doubt on this contention. The MASSACHUSETTS Taxpayers Foundation, a non-partisan group, said that the cost of the plan "has been relatively modest and well within early projections of how much the state would have to spend to implement reform." (The foundation's report, "MASSACHUSETTS Health Reform: The Myth of Uncontrolled Cost" can be found online under the "health care" tab at [www.masstaxpayers.org/](http://www.masstaxpayers.org/)) State and federal health care spending in

## Bird's eye view



### Government employment down in half of states

State government employment is down compared to a year ago in 26 states but up in the other 24, according to a report released last month by the Nelson A. Rockefeller Institute of Government. Housing-bust state ARIZONA experienced the steepest decline: 8.6 percent. But NORTH DAKOTA, which has managed to avoid a major budget gap, saw just as great an increase in its state government employment rate. The bigger surprise was MICHIGAN, which despite severe budget problems, had a 3.8 percent rise in its rate. The Institute attributed that in part to the chronic nature of the state's budget troubles and said the increases came largely at state universities and colleges rather than state agencies.





MASSACHUSETTS has increased from \$1 billion a year in fiscal 2006 to \$1.7 billion a year in fiscal 2010. In a state with a total budget of \$27 billion, this seems a reasonable price for obtaining near-universal coverage.

The bigger problem with Mass Health — indeed with any attempt at universal coverage — is that there are simply not enough primary care doctors to go around. Because of compensation issues and long hours, the number of primary care physicians is dwindling, and medical students overwhelmingly choose specialties that provide better pay and a more comfortable lifestyle. Staggering medical school debt, often in excess of \$200,000, influences these choices. Under Mass Health, according to the MASSACHUSETTS Medical Society, the average wait time for a new patient seeking a primary care doctor is from 36 to 50 days, with almost half of internal medicine doctors refusing to take any new patients. Kevin Pho, a primary care physician in Nashua, N.H., says accordingly that while universal coverage is a “sensible” goal, it “cannot succeed as long as there remains a shortage of primary care physicians. (For more information on this issue, see [www.KevinMd.com](http://www.KevinMd.com)) When patients are required to wait for weeks to see a doctor, they often wind up in emergency rooms. According to data obtained by the *Boston Globe*, there has been a 7 percent increase in volume in MASSACHUSETTS emergency rooms under Mass Health.

MASSACHUSETTS is not oblivious to the physician shortage, as evidenced by previous laws allowing forgiveness of medical school loans, a limited program that needs to be expanded. Sen. Richard T. Moore, chairman of the Senate committee on Health Care Financing, said that hearings would soon begin on proposals to replace traditional fee-for-service care with new models in which primary care physicians would be compensated for overall care of a patient. Such ideas are also being discussed in Congress but remain on the back burner of the health care debate. MASSACHUSETTS nonetheless sends warning signals. If this state, which has the highest concentration of primary care physicians in America, has such long waiting times for appointments, what will happen in states with fewer doctors if Congress approves a health care bill providing universal coverage? The problem is likely to be particularly acute in states such as NEW YORK and CALIFORNIA, where there are large numbers of undocumented workers. True, these workers will be excluded from direct benefits of the health bill but hospitals are legally required to treat them, which means that emergency rooms could be swamped. Hospitals are already under pressure. CALIFORNIA hospitals alone lost \$11.2 billion last year, two-thirds of it in Medicare

## 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: 52**

**Number of Intros last week: 485**

**Number of Enacted/Adopted last week: 186**

**Number of Prefiles to date: 33,208**

**Number of Intros to date: 150,158**

**Number of 2009 Session Enacted/Adopted overall to date: 38,069**

— Compiled By JAMES ROSS  
(measures current as of 9/17/2009)  
Source: State Net database



and Medicaid, according to Duane Dauner, president of the CALIFORNIA Hospitals Association. Every pending version of the federal health care bill would expand Medicaid, and states are worried that they might be stuck with the additional costs.

MASSACHUSETTS does not offer a guide for dealing with all these issues, but there is nonetheless considerably more to cheer than deplore in the performance of Mass Health. It is imperative for Congress to examine both the strengths and deficiencies of this worthwhile experiment in the Bay State laboratory before sending a health care overhaul to President Obama's desk.

— *By Lou Cannon*

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# Budget & taxes

**G**OV EMPLOYMENT WEAKER THAN IN PREVIOUS RECESSIONS: While 6.9 million private sector jobs have been lost since the start of the recession in December 2007, state and local governments — which employ about 88 percent of all public sector workers — have actually picked up 110 thousand employees. But state and local governments kept hiring workers well into the recession, with the employment rate peaking in August 2008. Since then, state governments have shed 33 thousand jobs, and local governments have cut 22 thousand. What's more, as of July there were fewer additional workers on the local and state government payrolls, relative to the start of the recession, than at the same point in either of the previous two recessions, which began in 1990 and 2001. (Both local and state government workforces were less than a percent larger in July than they were in December 2007, whereas 19 months into the 1990 and 2001 recessions they were between 1 percent and about 4.5 percent larger.) The decline in private sector employment has been much steeper than in the last recessions as well: 6 percent versus about 2 percent in 1990 and 2.5 percent in 2001. (NELSON A. ROCKEFELLER INSTITUTE OF GOVERNMENT, U.S. BUREAU OF LABOR STATISTICS)

**BUDGETS IN BRIEF:** Twenty states have borrowed a combined \$15 billion from the federal government because their unemployment insurance trust funds have been depleted (PRO PUBLICA). • The University of CALIFORNIA has proposed a 30 percent tuition hike as part of a plan to address rising costs and deep cuts in state funding. Under the proposal, undergraduate tuition would increase 15 percent this winter and 15 percent more next fall (USA TODAY). • Also in CALIFORNIA, a commission formed last year by Gov. Arnold Schwarzenegger (R) has outlined revolutionary changes to the state's tax code, including flattening the income tax and



replacing existing sales and corporate taxes with a broad business tax. It was unclear how the proposal would go over with the state Legislature (LOS ANGELES TIMES).

- In **MICHIGAN**, 52,000 state employees received layoff notices last week. Under union contract, the workers had to be notified of the possibility of temporary layoffs Oct. 1, if no budget is in place. House and Senate leaders have agreed to about \$1.2 billion in spending cuts and the use of federal stimulus money to balance next year's budget, but conference committees still have to hammer out how to spend money allotted to each state department (DETROIT FREE PRESS).

— *Compiled by KOREY CLARK*

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# Politics & leadership

**H**ARVARD HONORS GOV INNOVATIONS: The Ash Institute for Democratic Governance and Innovation at Harvard University's John F. Kennedy School of Government announced the winners of its Innovations in American Government Awards for 2009.

One of the recipients was Kingsport, TENNESSEE's Higher Education Initiative, which revitalized a depressed rustbelt region in part by adapting curricula to meet the workforce needs of the medical and information technology industries that have moved into the area.

Another education-related award winner was the Chicago Public School District's New Leaders for New Schools program, which recruits and trains talented principals to lead underperforming urban schools and which has reportedly resulted in higher proficiency scores and high school graduation rates.

Wraparound Milwaukee also addresses gaps in support for underserved youth. The country's first government-operated managed care program for emotionally disturbed youth, it provides individualized treatments allowing participants to live with their families instead of at residential institutions.

While Milwaukee's healthcare program focuses on a specific group, MASSACHUSETTS' Commonwealth Healthcare Connector Authority — a key part of the state's 2006 health reform law — is aimed at increasing access to health insurance for the state's entire population. The program is at the center of the national debate over how to expand access to healthcare and reduce its costs.

IDAHO's Mapping Evapotranspiration program utilizes satellite technology to enhance understanding of agricultural water usage in the state, critical for resolving water conflicts and preserving wildlife habitats.

Finally, the District of Columbia's Data Feeds: Democratization of Government Data program is the first government initiative in the nation to make virtually all current city government data available online in real time and in raw form.



The District reports increased civic awareness and government accountability as a result of the program. (INNOVATIONS.HARVARD.EDU)

**CA SESSION ENDS WITHOUT MUCH BANG:**

CALIFORNIA lawmakers ended their 2009 legislative session last week with little to show for it. After spending most of the year locking horns over how to close the state’s multi-billion budget deficit, they proceeded to spend the session’s last days bickering over other issues.

They failed to come up with a solution for the state’s longstanding North-vs.-South water war. Under prodding from power company lobbyists, they included enough loopholes in some key environmental legislation — requiring 33% of all

state electricity to come from renewable sources by 2020 — to guarantee its veto by Gov. Arnold Schwarzenegger (R). (The governor’s communication director called the slate of bills “protectionist schemes” that would kill the state’s solar industry and said Schwarzenegger would impose the 33-

**“If we don’t break through the partisan juggernaut the people are going to do it for us.”**

percent mandate via executive order.) They balked at tough prison reforms to relieve overcrowding, out of fear of being portrayed in next year’s elections as soft on crime. And they grimaced at the sex scandal that brought the resignation of Assemblyman Mike Duvall (R).

There were some successes, such as the deal Assembly Speaker Karen Bass (D) brokered with health insurance companies that will keep nearly 700,000 poor children from being cut from the government’s Healthy Families insurance program. But those few accomplishments are not likely to be enough to stop the public revolt that appears to be brewing. Business leaders are pushing for a constitutional convention. A conservative group is mounting a campaign to make the Legislature part-time. And a poll released last week by the nonpartisan Public Policy Institute of CALIFORNIA showed that 70 percent of the state’s residents support a switch to an open primary.

“If we don’t break through the partisan juggernaut,” said Assemblyman Mike Villines (R), “the people are going to do it for us.” (LOS ANGELES TIMES, PPIC.ORG)

**POLITICS IN BRIEF: MASSACHUSETTS** legislative leaders said last week they believe they have enough votes to authorize Gov. Deval Patrick (D) to appoint an interim U.S. senator. But the bill could still be delayed or killed by Republican parliamentary maneuvers (BOSTON GLOBE).

— *Compiled by KOREY CLARK*

Upcoming stories

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

- Pay to play
- National education standards
- State water wars

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# Governors

**S**CHWARZENEGGER POWERS UP GREEN ENERGY MANDATE: Saying he wants “to ensure that California remains the pioneer in clean energy and clean jobs,” CALIFORNIA Gov. Arnold Schwarzenegger (R) last week issued S-21-09, an executive order that requires Golden State electric utilities to get at least a third of their power from wind, solar and other renewable resources by 2020. The governor’s directive tasks the CALIFORNIA Air Resources Board with designing regulations for how utilities will meet the 33 percent renewable goal.

Schwarzenegger also vowed to veto two similar proposals that lawmakers approved during the closing hours of the recently completed legislative session.

**“Without a primary focus on in-state resource development, the future of this initiative may amount to nothing more than a transfer of money from CALIFORNIA consumers to out-of-state generating companies in exchange for a piece of paper and a lump of coal.”**

Although the bills — SB 14 and AB 64 — would collectively produce the same renewable energy mandate, Schwarzenegger contends they would also unconstitutionally discriminate against energy produced in other Western states and prevent electric utilities from getting all the renewable power they need at peak usage times. He specifically objected to a provision that would limit utilities from using credits purchased from out-of-state wind and solar projects to cover more than 30 percent of their renewable

obligations, saying that policy would almost certainly be challenged in court.

The promised vetoes drew immediate scorn from labor unions, who argued the restrictions were put in place to ensure the creation of thousands of high-paying green jobs in CALIFORNIA. Consumer and environmental groups also criticized the governor’s plan, saying it would allow nuclear or coal-fired energy to be imported and claimed as renewable energy.

Schwarzenegger spokesperson Dan Pellissier, the governor’s deputy cabinet secretary, denied that would happen, saying explicitly that energy produced in those fashions would not be included under the governor’s order. But that was of little comfort to those who supported the legislative measures and who openly questioned the credibility of the governor’s guarantee.

“Without a primary focus on in-state resource development, the future of this initiative may amount to nothing more than a transfer of money from CALIFORNIA consumers to out-of-state generating companies in exchange for a piece of paper and



While that may have spurred the governors toward an agreement, ISO-New England CEO Gordon van Welie said his agency has already been working for months to draft recommendations on the plan, adding it will require significant infrastructure investment to make it all work. He also noted that the recommendations are only suggestions, and it will be up to utilities, governors, lawmakers and public utility commissions in the six-state region to make final decisions about how much renewable energy to pursue. (BURLINGTON FREE PRESS)

**GOVS SAY NUTS TO ACORN: CALIFORNIA** Gov. Arnold Schwarzenegger (R) asked the state attorney general to investigate ACORN, the community organizing group that has come under fire over videos that show the group's workers offering advice on how to set up prostitution businesses. A day later, MINNESOTA Gov. Tim Pawlenty (R) ordered his administration to stop all state funding to the group. ACORN officials accused the governor of playing politics, noting that neither the group nor its partners currently receive any state funding. Records show, however, that the state gave the group \$109,000 from 1996-2008. Meanwhile, GEORGIA Gov. Sonny Perdue (R) issued an executive order barring the Peach State from entering into any more contracts with ACORN after the group's current contract with the state Department of Human Services expires later this month. NEW YORK attorney general Andrew Cuomo (D) is also monitoring an investigation into the group opened by the Brooklyn district attorney's office. (SAN FRANCISCO CHRONICLE, MINNEAPOLIS STAR-TRIBUNE, ATLANTA BUSINESS CHRONICLE, NEW YORK DAILY NEWS)

**GOVERNORS IN BRIEF: OHIO** Gov. Ted Strickland (D) said he will endorse making 21 the legal minimum age for Buckeye State residents to play slot machines. Strickland had proposed opening up the slots to 18-year-olds, but received pushback from a variety of sources, including church groups and law enforcement agencies. The governor and lawmakers have agreed on adding slot machines to the state's horse-racing tracks as a way to help balance the state budget, but the process has so far been held up by legal challenges (CLEVELAND PLAIN DEALER). • **ALABAMA** Gov. Bob Riley (R) said his administration will be more aggressive

## The week in session

**States in Regular Session:** MA, MI, OH, PA, PR, US, WI

**States in Recess:** DC, NJ, NY

**Special Sessions in Recess:** CA "c", CA "e", CT "b", DE "a"

**Upcoming Special Sessions:** CA "f", FL "b", NM "a", OK "a"

**States Currently Prefiling or Drafting for 2010:** AL, FL, IA, KY, OK

**States Adjourned in 2009:** AK, AL, AR, AZ, CA, CO, CT, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MN, MO, MS, MT, NC, ND, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WA, WV, WY

**State Special Sessions Adjourned in 2009:** AK "a", AL "a", AZ "a", AZ "b", AZ "c", CA "a", CA "b", CA "d", CT "a", CT "c", FL "a", HI "a", HI "b", IL "a", IL "b", IN "a", KY "a", MS "a", MS "b", MS "c", NV "a", NY "a-o", TX "a", UT "a", VA "c", VT "a", WI "a", WV "a", WV "b", WV "c"

Letters indicate special/extraordinary sessions

— Compiled By JAMES ROSS  
(session information current as of 9/18/2009)  
Source: State Net database

over the next year in its efforts to lure both U.S. and European companies to relocate to the Heart of Dixie. Riley said he believes many foreign-based companies will be looking to build in the United States in 2010 because of the power of the dollar and the need for a presence in the U.S. market (MONTGOMERY ADVERTISER). • A new poll showed that **NEW JERSEY** Gov. Jon Corzine (D) has for the first time taken a lead over GOP challenger Chris Christie. The Monmouth University/Gannett **NEW JERSEY** Poll of registered voters showed Corzine with a 41 percent tally to Christie's 40 percent mark. Christie held a 14 point (50-36 percent) lead last month (NEWJERSEYNEWSROOM.COM). • **SOUTH CAROLINA** Gov. Mark Sanford (R) turned over thousands of records, including e-mails and calendars, to the State Ethics Commission, which is investigating the governor's use of state aircraft, international flights in which he flew business class, flights on private planes and campaign reimbursements (GREENVILLE NEWS). • **ILLINOIS** Gov. Pat Quinn (D) restored \$16 million in funding for state probation services after a state judge said cuts in the program's budget were threatening public safety (CHICAGO TRIBUNE).

— Compiled by RICH EHISEN

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## Hot issues

**B**USINESS: The **CALIFORNIA** Assembly gives final endorsement to AB 260, which among other things bars mortgage loans with provisions for negative amortization and requires mortgage brokers to have a fiduciary responsibility to borrowers. The measure also limits the compensation a broker may receive for arranging a loan and the amount of penalties levied against borrowers who pay off their loans early. It now moves to Gov. Arnold Schwarzenegger (R) for review (STATE NET, SACRAMENTO BEE). • Still in **CALIFORNIA**, lawmakers approve two bills — AB 764 and SB 94 — that would that would bar loan modification companies from asking borrowers to pay upfront fees. Both measures now move to Schwarzenegger (SACRAMENTO BEE). • **CALIFORNIA** lawmakers also send Schwarzenegger AB 329, a bill that would, among other things, bar anyone who participates in the origination process of a reverse mortgage from requiring the applicant to purchase an annuity as a condition of obtaining that mortgage. The statute would also bar the practice of referring applicants to anyone selling annuities or other financial products prior to closing the mortgage (STATE NET) • Saying the state has a right to ban the sale of publicly sold items even if those products are intended to be used only in private, the **ALABAMA** Supreme Court upholds a state law that bars the sale of sex toys in the Heart of Dixie. The plaintiff is considering an appeal (BIRMINGHAM NEWS).



**CRIME & PUNISHMENT:** The **CALIFORNIA** Senate endorses AB 169, which adds custodial officers and other uniformed employees of a law enforcement agency to the list of those who may seek to have blood tested for communicable diseases when they are exposed to an arrestee's blood or bodily fluids. It is now with Gov. Arnold Schwarzenegger (R) for review (STATE NET).

• **CALIFORNIA** lawmakers endorse AB 242, which makes it a felony to attend a dogfight. Violators would face up to a year in jail and a \$5,000 fine. The measure moves to Schwarzenegger (LOS ANGELES TIMES).

**EDUCATION:** The **CALIFORNIA** Legislature endorses AB 374, which would require the state schools superintendent to provide students with a notice detailing the possible consequences of dropping out of school. The measure, which would require that notice to be posted online, is now with Gov. Arnold Schwarzenegger (R) for consideration (STATE NET). • The **WISCONSIN** Assembly approves AB 119, which would require that all Badger State children complete kindergarten before entering the first grade. The measure moves to the Senate (WISCONSIN RADIO NETWORK [MADISON]).

**ENVIRONMENT:** The **WISCONSIN** Senate and Assembly approve SB 185, which would grant the state Public Service Commission the power to establish common standards for the construction of Badger State wind energy farms. The bill would also bar local governments from adopting regulations tougher than those set by the state. It moves to Gov. Jim Doyle (D) for consideration (WISCONSIN RADIO NETWORK [MADISON]). • **WASHINGTON** fish and wildlife officials announce they will allow Evergreen State fishermen to sell large Humboldt squid they accidentally catch as they troll for salmon. The huge cephalopods, which can grow to six feet long and weigh more than 100 pounds, are normally found only from the southern tip of South America to the **CALIFORNIA** coast, but researchers believe warmer ocean temperatures are spurring the voracious squid to range as far north as British Columbia and parts of **ALASKA** (OLYMPIAN). • **TEXAS** officials announce a plan to restore a significant portion of its rapidly eroding 367-mile coastline. The \$135 million project, which will encompass 26 separate restoration projects, is the biggest such effort in Lone Star State history (HOUSTON CHRONICLE). • **CALIFORNIA** lawmakers approve AB 305, which would make the failure to report an oil spill or knowingly making a false or misleading report on a spill occurring in state waters punishable by up to a \$50,000 fine, imprisonment or both. The measure is now with Gov. Arnold Schwarzenegger (R) for review (STATE NET).

## In case you missed it

The federal stimulus package included \$5 billion to help states meet their increased welfare needs during the economic crisis. But so far, most of the money has gone unclaimed. seeking to reduce greenhouse gas emissions.

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

[http://www.statenet.com/capitol\\_journal/09-14-2009/html](http://www.statenet.com/capitol_journal/09-14-2009/html)





**FIRST LADY OF THEFT:** Gas stations in GEORGIA may want to be on the lookout for a scofflaw who claims to have a pretty good connection to the governor. As the *Savannah Morning News* reports, the whole thing started when a woman tried to pay for \$37 in gas and a bag of chips with a check. That didn't fly so she pulled out her debit card. That was also declined, so she went to the last card she had to play: claiming to be Peach State first lady Mary Perdue. The woman then started whispering into her phone, saying she was talking with the FBI. This apparently distracted the clerk enough for the fabulous fibber to abscond with the chips and the gas. For the record: Ms. Perdue was not the thief. Police, however, have not made an arrest.

— By *RICH EHISEN*

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