



Taking The Lead: 2007 State Legislative Successes in Enacting Progressive Policy

Updated August 2007





Progressive States Task Forces

Representatives from the following organizations serve on task forces relevant to specific issues and to act as a resource to legislators and local organizations.

AACORN
AFL-CIO
AFSCME
America's Agenda
Americans for Health Care
Apollo Alliance
Center for American Progress
Center for Policy Alternatives
Citizens for Tax Justice
Community Catalyst
COWS
Families USA
Federation of State PIRGs
Free Press
Herndon Alliance
JR Commons Center
Labor Project on Working Families
Mobility Agenda - CEPR
Moms Rising
Multi-States Working Families Consortium
National Caucus of Environmental Legislators
National Employment Law Project
National Partnership for Women & Families
National Women's Law Center
Northeast Action
People for the American Way
Public Campaign
SEIU
Sierra Club
Skyline Public Works
Smart Growth America
State Environmental Leadership Program
UC-Berkeley Center for Labor Research
Universal Health Care Action Network (UHCAN)
Vote by Mail Project

Progressive States Board of Directors

Joel Barkin, *Progressive States Network, Executive Director*
Steve Doherty, *Founding Co-Chair*
David Sirota, *Founding Co-Chair*
Wes Boyd, *MoveOn.org*
David Brock, *Media Matters for America*
Asm. Adriano Espaillat, *New York Assembly*
Rep. Garnet Coleman, *Texas State Assembly*
Leo Gerard, *United Steelworkers*
Ellen Golombek, *SEIU*
Lisa Seitz Gruwell, *Skyline Public Works*
Joe Hoeffel, *Former PA Congressman and state legislator*
Steve Kest, *ACORN*
George Lakoff, *Rockridge Institute*
Robert McChesney, *Free Press*
Rep. Hannah Pingree, *Maine House of Representatives*
John Podesta, *Center for American Progress*
Lee Saunders, *AFSCME*
Naomi Walker, *AFL-CIO*
Rep. Neva Walker, *Minnesota State House*
Rep. David Zuckerman, *Vermont State House*

For More Information

For more information on policy options discussed in this program or for help in your states, we will be adding additional details in coming months. Also feel free to contact:

Nathan Newman
Policy Director at Progressive States Network
(212) 680-3114
nnewman@progressivestates.org



Thank you

This report and the work of the Progressive States Network throughout this past session was made possible by the generous support of individual donors, organizations, and foundations, including the Open Society Institute, the Wallace Global Fund, the Public Welfare Foundation, AFL-CIO, AFSCME, SEIU and the United Steel Workers of America.

We extend a special thanks to Deborah and Andy Rappaport and Steve Silberstein. Without their support, this report and our work would not have been possible.



TAKING THE LEAD:

2007 State Legislative Successes in Enacting Progressive Policy



Written by:

Nathan Newman, *PSN Policy Director*

J. Mijin Cha, *PSN Policy Specialist*

Adam Thompson, *PSN Policy Specialist*

UPDATED AUGUST 2007

Table of Contents

Taking the Lead: Introduction to the Report	1	Oregon	24
Some State Success Highlights.....	2	Vermont	25
Protecting Working Families	3	Washington	25
Minimum Wage	3	Policy Leaders	26
Living Wage	4	Connecticut.....	26
Enforcement of Wage & Employment Laws	4	Delaware.....	27
Family Leave and Valuing Families Legislation	5	Hawaii.....	27
Rewarding Work in the Tax Code	6	Minnesota.....	27
Expanding the Freedom to Form Unions	6	Nevada.....	28
Health Care for All	8	New York	28
2007 is the Year of the Kids.....	8	Incremental Gainers	29
Comprehensive Health Care Reform	9	Arkansas	29
Small Steps, Big Gains.....	11	Florida.....	29
Clean Energy and Jobs	13	Indiana	29
Renewable Energy and Renewable Portfolio Standards ..	13	Nebraska	30
Green Buildings	14	Rhode Island.....	30
Climate Change Efforts.....	14	South Carolina	31
Waste Recycling Programs	15	Texas.....	31
Transit Related Gains	16	Virginia.....	31
Other Key Issues	17	West Virginia.....	32
Electoral Reforms.....	17	Leadership Laggards	32
Challenging the Iraq Escalation.....	18	Alaska.....	32
Demanding Trade Deals that Respect State Interests.....	18	Kansas.....	32
Fighting Predatory Lending.....	19	Kentucky	33
Social Equity.....	20	Louisiana	33
Telecommunications and Broadband	20	Montana	33
State-by-State Profiles	21	North Dakota.....	34
Star States	21	Oklahoma	35
Colorado	21	South Dakota	35
Iowa.....	22	Tennessee	35
Maine.....	22	Utah.....	35
Maryland.....	22	Wyoming.....	35
New Hampshire.....	23	Bottom of the Barrel	35
New Jersey	24	Arizona.....	35
New Mexico.....	24	Georgia	36
		Idaho	36
		Mississippi	36
		Missouri	37

TAKING THE LEAD: 2007 State Legislative Successes in Enacting Progressive Policy

The 2006 elections sent a clear message that voters wanted a more progressive turn in public policy.

At the federal level, even the new Congressional leadership has been stymied in delivering that change in the face of partisan gridlock and filibusters, while state governments have seen sweeping reforms. On issues ranging from health care to clean energy to electoral reform to assisting working families, state leaders have stepped up and delivered often precedent-setting reforms. Even on issues like the minimum wage where we have seen some federal action, many states are still delivering higher wage standards and bolder leadership. And on other national issues, states in 2007 took leadership in demanding fairer trade deals and an end to the troop escalation in Iraq.

The bottom line is that states are driving progressive change in the nation.

Why Progressive Policy is Winning

The rising importance of progressive state policy is not an accident. As the Progressive States Network detailed in our 2006 report, *Governing the Nation from the Statehouses: The Rightwing Agenda in the States and How Progressives Can Fight Back*, the rightwing in our nation has for decades understood the power of statehouses and invested the resources to push their agenda using state policy. While progressives may not be able to match the monetary resources of the Right, in recent years progressives have increasingly focused resources to support forward-thinking state legislators—including the creation of the Progressive States Network itself—arming them with the policy and campaign resources needed to take on the

special interest lobbyists and enact legislation that benefits the public interest.

The state successes detailed in this report are the result of two changes at the state level: the public opinion that brought new progressives into state leadership positions, and the greater grassroots support those legislators are now able to tap into to move public policy. Even where state leadership has remained the same, we have seen a shift in policy as even more conservative state leaders recognize the need to respond to shifting public opinion and the new mobilization by progressives in the states.

The Report

This report is divided into two sections. The front section details by policy area the overall gains made in the states, including **Protecting Working Families, Promoting Clean Energy and Jobs, Expanding Health Care to All**, and a range of other issues. The second section lists short summaries of achievements (and a few set-backs) in each of the states that have already finished their legislative sessions. This second section highlights which states are taking the lead as policy innovators and which are still mired in the status quo by big moneyed rightwing interests.

In preparing this report, we are grateful both to our many organizational partners (listed in the inside cover) with which Progressive States Network works and to the funders who make our work possible.

Some State Success Highlights

Protecting Working Families

- Raising the Minimum Wage:** New Mexico, Iowa, Kentucky, New Hampshire, South Dakota
- Indexing Minimum Wage for Tipped Workers to Inflation:** Vermont
- State Living Wage Law:** Maryland
- Preventing Abuse of Independent Contractor:** Colorado, Minnesota, New Jersey
- Paid Family Leave Law:** Washington
- Creating or Expanding Earned Income Tax Credit:** Iowa, Kansas, Louisiana, New Mexico, New Jersey
- Removing the Poor from Income Tax Rolls:** Arkansas, Hawaii, South Carolina, Virginia
- Allowing Day Care Workers to Unionize:** New York, Oregon
- Majority Signup for Public Employees:** New Hampshire
- Resolutions in Support of Federal Labor Law Reform:** Chambers in Alabama, Hawaii, Illinois, Kentucky, Michigan, Minnesota, Wisconsin, West Virginia

Clean Energy and Jobs

- Creating or Expanding Renewable Energy Standards for Utilities:** Colorado, Connecticut, Minnesota, New Hampshire, New Mexico, Oregon
- Comprehensive Global Warming Law:** Iowa
- Creating Climate Change Commissions:** Arkansas, Florida, Maryland, Texas, Washington
- Greenhouse Gas Emission Reduction Targets:** Minnesota, New Jersey, New York, Oregon, Washington
- “Clean Cars” Emission Standards:** Maryland, Oregon

Health Care for All

- Expanding SCHIP Health Coverage for Kids:** Hawaii, Indiana, New York, Ohio, Oklahoma, Tennessee, Washington
- Creating Commissions on Universal Coverage:** Colorado, Iowa, Kansas, New York
- Regulating Health Insurance Premiums:** Colorado
- Regulating Prescription Drug Marketing Tactics:** Iowa, Maine, Vermont

Other Key Issues

- Same Day/Election Day Registration:** Iowa, North Carolina
- Permanent Mail-in Voter Option:** Colorado
- National Popular Vote:** Maryland
- Voter-Verifiable Paper Ballots:** Florida, Iowa, Maryland, New Jersey, Virginia
- Resolutions against Iraq War Escalation:** chambers in Arizona, California, Colorado, Connecticut, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Dakota, Oregon, Vermont, and Washington
- Resolutions against “Fast Track” Trade Deals:** chambers in Alabama, Hawaii, Maine, Montana, Nevada, Pennsylvania, Rhode Island, Tennessee, Utah, Vermont, and Wisconsin
- Domestic Partnerships or Civil Unions:** New Hampshire, New Jersey, Oregon, Washington
- Banning Anti-Gay Discrimination:** Colorado, Iowa, New Jersey, Oregon
- Protecting Contraceptive Equity:** Colorado, Connecticut, Oregon
- Repealing Abortion Parental Notification Law:** New Hampshire
- Mapping Broadband Access and Digital Divide:** Washington



Protecting Working Families

With working families facing rising economic inequality and job pressures that often strain their ability to make ends meet and take care of their children, state leaders have been stepping up to address those needs, including raising wage standards, establishing family leave programs, easing the tax burden on the working poor, and strengthening the freedom to form unions.

Minimum Wage

Propelled by ballot victories in fall 2006 and new progressive majorities in a number of states, the momentum for minimum wage victories continued across the country. **New Mexico, Iowa, New Hampshire** and **South Dakota** all increased their minimum wage rates this legislative session, bringing the total to 34 states plus the **District of Columbia** which have raised the minimum wage above the previous federal minimum wage rate. **Arkansas, Indiana, Kentucky,** and **North Dakota** also passed bills this year to bring their local minimum wage rate up to the recently enacted federal minimum wage rate as it increases. In addition, **Arkansas** expanded coverage of its minimum wage and overtime law to domestic workers and some other employees not covered by federal law, while **Maine** clarified that their wage and overtime law applies to domestic workers employed by third-party companies -- especially important after the U.S. Supreme Court ruled that such workers are not protected by federal law.

While other states passing the minimum wage this year will match the newly enacted federal rate of \$7.25 by 2009, **New Mexico** has scheduled its minimum wage rate to rise

to \$7.50 per hour by 2009, joining 11 other states that will continue to have higher minimum wage rates than the scheduled federal rate increases into 2009. A few other states whose minimum wages are indexed to inflation will also soon pass the federal rate as well. Given the decade-long decline in the federal minimum wage due to inflation and federal inaction, indexing more state minimum wage laws to inflation will likely be a focus of coming legislative sessions.

In a number of states like **Montana** and **Missouri**, legislators sought to weaken recent voter-approved minimum wage laws, particularly in trying to undermine pay protections for tipped workers. Those efforts were largely beaten back and in **Vermont**, the legislature increased the minimum wage for tipped workers and indexed it to inflation, just as the minimum wage for other workers in the state is indexed to inflation.

► **Why It Moved:** First starting in a handful of states, the movement to raise the minimum wage has swept through states across the country—and now to the federal level—by



Indexing
of Minimum
Wage

framing the right to receive a decent wage as both an economic need for affected families and as a moral imperative of society to give work the dignity of a decent wage. Broad coalitions of labor unions, religious leaders, community organizations, and a range of other allies played critical roles in different states in winning these victories.

One reason **New Mexico** enacted a higher wage rate than a number of other states is that local activists in both Albuquerque and Santa Fe enacted city-wide minimum wage laws, putting pressure on the state to act—a lesson on how local pressure can beget state action, just as state action helped force federal action on the minimum wage law by example.

Living Wage



Maryland Living Wage Law

Even as states have raised wages for the lowest-paid workers through the minimum wage, other states are expanding their focus on promoting living wages for a broader sector of workers. This year, **Maryland** became the first state to enact a statewide “living wage” law, HB 430, requiring government contractors to pay their employees a decent wage defined in the bill as ranging from \$8.50 an hour in rural areas to \$11.30 an hour in areas of the state with higher costs of living.

“This law lifts tens of thousands of families out of poverty and into the middle class. Today Maryland shows the rest of the country a good way to honor work and fight poverty.”

—TOM HUCKER, *Maryland Delegate*

The **Maryland** and **California** legislatures approved state living wage bills in past years only to see them vetoed by their governors, so this revival of the Maryland living wage law under a new, more progressive governor is welcome. Other states are looking both at living wage laws for government contractors and at setting higher wage standards for specific industries like the big box retail sector.

► **Why It Moved:** Maryland follows the 145 local governments around the country that have required that public contracts go to companies that pay their workers wages above the poverty line. Given that Baltimore originated the first in a wave of municipal-level living wage laws back in 1994, it is appropriate that Maryland enact the first statewide version. An array of labor, religious and community organizations came together on the living wage law

united by the argument that government funds should not subsidize poverty, especially when contractors often end up creating additional health care costs for those governments by paying employees poverty-level wages. Aiding the success of the campaign were recent studies indicating that because living wage laws reduce turnover and thereby create greater efficiencies, they have not significantly increased costs for the governments that have implemented them.

Enforcement of Wage & Employment Laws

States are increasingly tightening enforcement and increasing penalties for violations of wage and employment laws, including:

- **Enforcement of Civil Rights Laws:** **Oregon** significantly expanded employees’ rights to collect damages, including compensatory and punitive damages, from employers who engage in workplace discrimination. The new law also better protects employees from retaliation if they file a discrimination claim.

- **Increasing Penalties for Unpaid Wage Violations:** **Colorado** amended its unpaid wages law to allow employees to recover not only unpaid wages, but up to an additional 200% of those unpaid wages as a penalty, plus any attorney fees.

- **Preventing Abuse of Independent Contractors:** **New**



New Jersey Criminal Penalties for Misclassification of Independent Contractors

Jersey created new criminal penalties for contractors who knowingly classify full time employees as independent contractors to avoid state and federal taxes. **Colorado** enacted a new law holding contractors liable for assuring that anyone performing work on a construction site, whether classified as an employee or not, be covered by workers’ compensation. **Minnesota** tightened the definition of independent contractors—and required them to register with the state—to prevent misclassification of employees.

- **Enforcing Prevailing Wage Laws:** The **New Jersey** Legislature closed a number of loopholes in its prevailing wage laws to strengthen enforcement, while the **Ohio** Attorney General announced a new enforcement program in that state against prevailing wage law violators.



► **Why It Moved:** While increases in the minimum wage and other laws help many workers, those benefits are moot if the laws are not enforced. With studies showing large-scale violations of these laws in whole industry segments, states are increasingly cracking down on these abuses. Worker advocates are increasingly making enforcement a priority as they lobby legislators to raise labor standards.

Family Leave and Valuing Families Legislation

Forming another important new wave of legislation are laws backed by progressive leaders that help employees better balance the demands of work and family.

- **Paid Family Leave:** Washington became the second state to enact paid family leave for new parents, following the precedent set by California in 2004 when its paid leave law went into effect. Under the Washington law, full-time employees at firms employing 25 employees or more can take five weeks of pay at a rate of \$250 per week. While advocates hope to extend paid leave to employees caring for family members and increase the benefit levels over time, the passage of the Washington law helped energize paid leave efforts in states around the country.



Washington
Paid Family
Leave

The Oregon House approved a paid leave policy of \$350 per week for six weeks but it was narrowly defeated in the state Senate.

New Jersey debated a policy allowing twelve weeks of leave at \$502 in weekly benefits, and in the wake of the Washington bill's passage, New York Governor Spitzer unveiled a

proposal for twelve weeks of paid leave (although at the relatively miserly rate of \$170 per week).

- **Paid Sick Days:** Along with paid leave, another pro-family workplace reform being debated in state legislatures around the country is the requirement that employers guarantee their employees some number of paid sick days per year, allowing them to remain home when sick or to care for a loved one who is ill. San Francisco has al-

ready enacted a city-wide paid sick days law, and family advocates and their allies will be fighting for enactment of statewide versions for the remainder of this year and into the 2008 legislative session. The Connecticut Senate approved a paid sick days bill, becoming the first chamber in the nation to do so, but the bill failed to pass the Connecticut House before the session ended. This year, however, Oregon followed seven other states in at least allowing those workers who have sick day benefits to also use them to care for a sick child or parent.

- **Prohibiting Mandatory Overtime:** In a bow to both family needs and patient safety, New Hampshire followed a number of other states in prohibiting mandatory overtime for nurses and hospital assistants. Rhode Island's legislature approved a similar bill, only to see it vetoed by the governor, while the New York State Assembly banned mandatory overtime for nurses, but the bill stalled in the State Senate.
- **Honoring Breastfeeding:** Other valuing families legislation includes the bills Oregon and New Mexico passed that require employers to allow mothers to pump breast milk at work during breaks. These laws follow the lead of other states in protecting breastfeeding rights at work. Pennsylvania, West Virginia and Wyoming also passed laws that more generally protect the right of mothers to breastfeed in public.

► **Why It Moved:** Like the minimum wage, messaging around these bills helped to bring together a diverse range of allies around the shared value of offering real help to families as an alternative to the empty "family values" rhetoric of the rightwing. Passions around the paid leave law campaign in Washington generated 14,000 emailed letters and hundreds of phone calls, along with many direct delegations to legislators.

Advocates of paid leave have highlighted the fact that the United States is the ONLY developed nation in the world without paid leave for parents—a glaring contradiction to the "family values" rhetoric of so many politicians. Progressive political leaders are increasingly promoting issues like paid leave and paid sick days as a way to emphasize how their progressive values serve the needs of families struggling to make ends meet and help balance their work and family commitments.

“I feel relief after the hard struggle and also joy that the Washington legislature has committed to a Family Leave program. There are many important steps still to be taken to get it right, but we are on the way!”

—LISA BROWN, Senate Majority Leader

Rewarding Work in the Tax Code

As a complement to the minimum wage, one of the best policies for demonstrating a commitment to rewarding work is an Earned Income Tax Credit (EITC), payments that supplement every dollar earned by low-income workers. **New Mexico** became the latest state to create a state version of the EITC, tacking on an additional 8% to what the federal EITC offers workers, creating an estimated credit averaging \$144 for 200,000 New Mexico families who qualify.

Iowa slightly expanded its EITC this year to 7% of the federal credit amount, but more importantly made the credit refundable for workers too poor to owe state income taxes. **Kansas** also expanded its EITC state program by \$46 million over the next five years. The **Illinois** Senate approved a doubling of that state's EITC to 10% of the federal credit with strong hopes that the House will join in enacting the bill as well. **New Jersey** expanded eligibility for its Earned Income Tax Credit to include more families.

Removing the Poor from the Tax Rolls: This year, **Arkansas** enacted broad relief for the working poor by removing 81,000 lower-income families from the income tax rolls and by reducing the grocery tax by half. Meanwhile, **Virginia** passed similar legislation removing up to 140,000 lower-income residents from the tax rolls, including all married couples with a combined income of less than \$23,900 and individuals who earn less than \$11,950. **Hawaii**, which has traditionally had one of the highest income tax rates on the working poor, enacted a progressive tax relief plan this year that targeted \$245 million in tax benefits for the poorest Hawaiians. In an unusual move, the state didn't feel a need to include a package of tax giveaways for the wealthy to justify this tax relief for working families. **South Carolina** eliminated its lowest tax bracket, removing some poorer taxpayers from the rolls.

► **Why it Moved:** The reality is that in almost every state in the nation, lower-income families pay a HIGHER percentage of their income in taxes than the wealthiest taxpayers, largely because of regressive sales and excise taxes that burden poor consumers more than the wealthy. State leaders increasingly see making the income tax more progressive – as well as enacting state EITCs – as the best way to counter-balance other regressive taxes. More sophisticated tax analysis by both national and local policy or-



Making
State EITCs
Refundable

ganizations, combined with grassroots mobilization in the states, helped push through these tax reforms benefiting working families.

Expanding the Freedom to Form Unions

States have increasingly been taking action to promote the freedom for workers in their states to form unions:

- **Day Care Unionization:** In **New York**, Governor Elliot Spitzer signed an executive order giving 60,000 home-based child care workers the freedom to form unions to strengthen their ability to bargain with the state for better pay and working conditions. The **Oregon** legislature approved a bill to ratify as law a similar administrative decision by Oregon Governor Ted Kulongoski.

- **Majority Signup for Public Employees:** A number of states are also moving to make it easier for public employees to join unions, allowing unions to be formed when the majority of workers sign union authorization cards. Such “majority signup” bills have been approved by the **New Hampshire** and **Oregon** legislatures this year. While similar legislation approved by the **Vermont** House did not ultimately become law, the **Massachusetts** House has sent its majority signup bill onto the State Senate where it is still being considered.



Majority
Signup

- **State Employee Collective Bargaining Rights:** The **Delaware** legislature extended collective bargaining rights to state employees, while the **Missouri** Supreme Court declared that the constitution protects state employee collective bargaining rights, reversing a decision by the Missouri Governor that had stripped those rights from state workers. The **Nevada** Assembly also voted to give state workers bargaining rights, but the Senate failed to act on the measure. **Oregon** also required state and local communities to bargain with firefighters, police, state hospital workers and workers at the Oregon Youth Authority over staffing levels and other safety concerns.

- **Supporting Federal Labor Law Reform:** The Alabama House, the **Hawaii** House, the **Illinois** House, the **Kentucky** House, the **Michigan** House, the **Minnesota** Senate, the **Wisconsin** Senate, and the **West Virginia** House

all passed resolutions supporting the federal Employee Free Choice Act to increase penalties for companies violating employee rights and legislating majority signup rules for private employers.

- **Worker Freedom Acts:** To prevent ideological coercion in the workplace, states are proposing bills that give workers the right not to attend employer-sponsored meetings on politics or religion that are unrelated to their job requirements. The **New Hampshire** and **Oregon** House chambers both approved Worker Freedom bills, although they did not ultimately make it through the state Senates in those states.
 - **Benefits for Locked Out Workers:** **Oregon** enacted legislation to allow workers locked out of their jobs in a labor dispute to collect unemployment compensation benefits, while **Ohio** Governor Ted Strickland made workers eligible for retraining funds after 120 days of being locked out by their employers.
 - **Public Money Accountability Laws:** Following the model of a similar **California** law, the **Oregon** House approved a law that would bar private employers who receive public contracts from using public money to undermine union organizing, although the Senate failed to approve the bill.
- **Why it Moved:** While the minimum wage and other laws can raise living standards for some workers, the most effective way to raise living standards across the economy is to strengthen the ability of employees to negotiate better deals in their own workplaces, namely through stronger union protections. Stronger unions in a state correlate with less wage inequality between men and women and between whites and non-white workers. For these reasons, civil rights and community organizations have increasingly been joining with unions to strengthen labor rights through state laws.



Health Care for All

Without question, health care reform is on the agenda for statehouses around the country. Many states are passing serious initiatives that expand coverage and considering even more comprehensive plans that attain health care coverage for all while reining in rising health care costs for businesses and consumers.

2007 is the Year of the Kids

Over the past year and a half, at least 29 states have enacted or considered health care expansions aimed at children. Many of these build on **Illinois'** 2005 "AllKids" reform and a similar reform in **Pennsylvania** in 2006. Many initiatives expand eligibility for the State Children's Health Insurance Program (SCHIP) to 300% of the federal poverty level (roughly \$60,000 for a family of four) or higher. They frequently seek to ease administrative barriers to enrollment and improve outreach to ensure that eligible children are signing up.

Of course, these efforts rely on Congress and the Bush Administration reauthorizing the SCHIP program and substantially increasing funding above the \$25 billion over five years currently set aside for the program.

Regardless of what eventually comes out of Washington, D.C., it is clear the activity in states has ratcheted up the issue of children's coverage and is putting pressure on the federal government to come to the table in a sustainable and meaningful way. This year, there were a few states that established benchmarks and best practices for other states:

- Raising Eligibility Levels: New York** has raised eligibility standards for SCHIP to 400% of the poverty level (\$82,600 for a family of four) and families with higher incomes will also be able to purchase the coverage at full-cost, which is expected to be cheaper than private options. Coverage will be guaranteed to 250% of the poverty level and require sliding scale premiums from 250% to 400% of the poverty level.



New York:
SCHIP
coverage to
400% of
poverty line

- Making Children's Coverage an Entitlement: Washington** has created a new entitlement program guaranteeing health care for children with family incomes up to 250% of the poverty line (\$51,625 for a family of four). By doing so, Washington takes kids out of the budget fight. Enrollment in the program is not contingent on the budget because funding is guaranteed, at least to 250% of poverty. On top of the entitlement to 250% of poverty, the state has budgeted for coverage to 300% of poverty starting in 2009. The program will



**Making
Health
Coverage an
Entitlement**

have sliding scale premium subsidies for families with incomes between 200% and 300% of poverty and will allow for a full-cost buy-in for higher-income families. The legislation also includes several public health and school health programs to improve the overall health of children.

- **Making Kids Care Free: Hawaii**, which already expanded SCHIP eligibility to 300% of poverty in 2006, has enacted a three year pilot project that eliminates monthly premiums in public programs for children of families earning up to 300% of poverty.
- **Kids Gain in Red States:** Despite a newly rightwing legislature, **Oklahoma** enacted the “All Kids Act”, raising SCHIP to 300% of poverty. A downside is that the program purchases coverage from private insurers, which may help explain the support the initiative received from conservatives.

Also in 2007, **Ohio** and **Indiana** expanded SCHIP to 300% of poverty. Prior to this year, **Pennsylvania, Massachusetts, Vermont, Connecticut** and **New Hampshire** had all set SCHIP eligibility at 300% of poverty, while **New Jersey** brought the level to 350%. Tennessee expanded SCHIP to 250% and now allows higher-income families to buy the coverage at full cost.

► **Why it Moved:** Many health care advocates believe the significance of expanded kids’ coverage is its potential to lay the foundation for universal health care. The Right, as voiced by *The Wall Street Journal* in an April 2007 staff editorial, fears this exact scenario. *The Journal* refers to expanding SCHIP as universal health care “on the installment plan” and urges Republicans to “work to return SCHIP to its original, more modest purpose” for fear that it will give Americans an even greater taste for actual health care security.

“If you drive the plan into the middle class, it’s not just viewed as a public assistance program. You build a base of support for the program to provide health care for all of us.”

—GOVERNOR TED KULONGOSKI, *Oregon*

Plans in other states build on the success of **Illinois** in 2005 demonstrating that a state could take on the task of providing access to health care for all children and by **Pennsylvania** following suit in 2006.

Polls show 84% public support for providing SCHIP to

all uninsured children. State lawmakers eager to show progress are starting with kids’ health care because expanding access to coverage for children is relatively inexpensive while demonstrating the social gains from expanding coverage.

Comprehensive Health Care Reform

Absent any federal action to solve the health care crisis gripping the nation, states are increasingly designing comprehensive reforms to achieve three primary goals: (1) health coverage for all residents, (2) controlling and reducing the growth of health care costs and spending, and (3) improving the quality of health care and the management and prevention of disease. As with kids’ coverage, the recent growth in comprehensive proposals comes from a more concerned American voter and feeds off reforms in pioneering states like **Maine** in 2003 and both **Vermont** and **Massachusetts** in 2006. States have stepped in over the past fifteen years to fill the insurance void caused by the failing private health insurance market, expanding Medicaid and SCHIP offering incremental programs that target residents and small businesses without insurance or at risk of losing it. State lawmakers are recognizing that bolder action is necessary to ensure the security of all residents.

Reform Commissions: A key strategy for lawmakers to develop and move comprehensive reform is to create a health care reform commission. If used strategically, commissions can raise awareness and build political support for reform while they study various options and discuss the benefits and trade-offs of different approaches. Commissions can also provide lawmakers with the political cover and credibility they need to push comprehensive reforms.

New Mexico’s Health Coverage for New Mexicans Committee was created in 2006 by the Governor and legislative leaders to study the state’s health care system and compare three different models for reform: a single-payer system, a voucher approach, and an individual mandate. This model is promising for single-payer advocates because the cost savings frequently touted in such a system will be directly compared to models that build on the current costly and inefficient health care system. The New Mexico commission will issue its report prior to the 2008 legislative session. A draw-back



New Mexico Commission comparing gains from single payer vs. alternative models

to the commission's design is that it does not have the authority to develop a comprehensive reform specific to New Mexico and based on its findings; that is the purview of a special legislative health committee. A commission, with all stakeholders at the table, may have a better chance of developing a viable comprehensive reform, in part, because of the heightened political environment of legislative committees.

Other state commissions developing reform proposals for 2008 are the **Colorado** Blue Ribbon Commission for Health Care Reform, the **Kansas** Health Policy Authority Board, **Iowa's** Commission on Affordable Health Care for Small Businesses and Families, and a reform commission in **New York**.

Comprehensive Debate Continues in 2007: While commissions are putting together state proposals for 2008, comprehensive reform continues to move in **Wisconsin, California, Pennsylvania, Illinois, and Oregon**. The legislative and gubernatorial proposals all share similar approaches, including: increased eligibility for public programs; sliding scale subsidies to afford health insurance; state agency "connectors" that negotiate on behalf of individuals and small businesses; stronger regulation of insurance companies and the health care industry; and some sort of employer or individual mandate to obtain health coverage. In perhaps the boldest and most comprehensive reform to pass a legislative chamber, the **Wisconsin** Senate approved a plan, Healthy Wisconsin, that would guarantee health care for all residents and replace all premiums with a payroll-based financing mechanism that ensures affordability for employers and employees.

Although final votes, for the most part, have not yet been taken for some of the boldest proposals, early activity reflects progress for universal health care. Many states are recognizing that comprehensive proposals are a good tool for enacting reforms that may otherwise fail on their own, such as pay-or-play mandates.

- **Wisconsin – Employer Responsibility and ERISA:** The Wisconsin Senate's plan guaranteeing health care for all residents, called Healthy Wisconsin, is notable on many accounts, but its payroll-based funding mechanism provides an important model for other state reforms. Payroll-based funding ensures that all employers participate without running afoul of ERISA,

the federal law limiting states' ability to regulate self-insured health plans, which in 2000 accounted for 33% of private employer-based coverage across the U.S.

Healthy Wisconsin guarantees health care for all residents under age 65 and those not eligible for BadgerCare, the state's Medicaid program, and replaces all premiums with a payroll-based financing mechanism. Employers pay up to 12% of wages, employees pay up to 4% of social security wages, and sole proprietors pay up to 10% of wages. Actuarial studies show this system would achieve substantial savings for the state and most employers and residents. It ensures affordability because what you pay corresponds to your income. And, it would ensure all employers pay their fair share.

- **California – Other Approaches to Employer Responsibility:** As part of comprehensive reforms proposed by legislative leaders moving through the legislature, the California Senate and Assembly are set to require employers to pay 7.5% of payroll on health care or pay an equivalent fee to the state. This employer pay-or-play mandate goes significantly further than Massachusetts' and Vermont's pay-or-play respective fees of \$295 and \$365 per uncovered employee per year, but is still lower than what most businesses spend on health care.
- **Pennsylvania – A More Efficient and Quality System:** Gov. Ed Rendell's comprehensive reform, Prescription for Pennsylvania, stands out because of its emphasis on improving the quality of health care, achieving efficiencies, and reducing medical errors. 2005 estimates of the cost of unnecessary and avoidable health care totals \$7.6 billion.
- **Illinois – Tying Affordability of Insurance to Income:** Illinois Covered, as proposed by Gov. Rod Blagojevich, would limit premiums to a percentage of a participant's annual income. For instance, incomes between 100% and 250% of poverty would face premiums equal to 1.5% to 2.5% of annual income for an individual and 3% to 5% for a family. Premiums for participants up to 400% of poverty are capped at 2.5% to 3.5% of income for an individual and 5% to 7% of family coverage.
- **Oregon – A Health Card for All Residents:** The Healthy Oregon Act, while not enacted, would have offered every resident and business in the state a health card

to obtain a certain level of coverage from approved insurance companies. This would allow businesses and individuals to join forces and “pool” their health care dollars, providing them greater leverage with insurance companies.

► **Why it Moved:** Ultimately, comprehensive health care proposals are moving because Americans want solutions. According to a February *New York Times*/CBS News poll, 64% of Americans say the government should guarantee health insurance for all and 60% said they’d be willing to pay more in taxes if it meant all U.S. residents would have access to care. 8 in 10 said universal health care is more important than extending the Bush tax cuts for the wealthy. This public support is being mobilized by broad-based coalitions in the states that increasingly encompass not only labor, community, patients’ rights and traditional health care advocates, but also many business leaders and health care providers who recognize that a dysfunctional health care system does not benefit them in the long-term.

This heightened awareness of the need for reform and pressure from the public is resulting in perhaps the most robust discussion of national health care reform since the early 1990’s. Adding to the discussion is Michael Moore’s new documentary film *SiCKO*, which is raising the health care debate to new levels and exposing millions of Americans to the failings of our disjointed health care system. The movie underscores that even Americans with health insurance are not secure from the tactics of private insurance companies that place profits above patients; tactics such as repeatedly denying legitimate claims and retroactively dropping ill patients from coverage.

Evidence that health care reform will not fade away as the top domestic issue is the attention presidential candidates are giving to the issue. In fact, offering up a comprehensive and progressive proposal is increasingly considered a litmus test for demonstrating one’s credibility as a serious presidential contender.

Small Steps, Big Gains

Along with more comprehensive health care plans, states have enacted a number of specific reforms that will reduce health care costs and improve access:

- **Regulating Insurance Premiums:** **Colorado** has put a stop to insurance company practices that discriminate

against small businesses with employees who have a medical history. The law says insurance companies can no longer set higher premiums for employees with poor health status. This will help small businesses and their employees who may have a medical history better afford health insurance.

- **Taking on PhRMaceutical Marketing Tactics:** **Vermont** enacted a far reaching prescription drug marketing reform bill that incorporates best practices from several laws previously enacted in other states. Senate Bill 115 will protect the prescribing practices of practitioners from exploitation by marketers; restrict marketing in electronic prescribing software, such as “instant messages” and pop-up ads designed to influence which drugs are prescribed; prevent misleading advertising and marketing to practitioners; require sales representatives to use evidence-based information when giving a sales pitch to practitioners; and regulate drug price negotiations between prescription benefit managers and drug companies to prevent, in part, conflicts of interest and kick-backs. **Maine** lawmakers also enacted a similar package of broad-based drug company marketing reforms.

Iowa enacted similar legislation regulating prescription benefit managers (PBMs), who influence 80% of drug coverage in the U.S. and receive billions of dollars in rebates from drug companies. By bringing transparency to PBM negotiations, states can help ensure that private health plans and public programs, like Medicaid, benefit from rebate savings and that managers are negotiating for clinically-proven drugs, not just those favored by the drug company.

Some Dangerous Turns in State Health Reform: Even among some positive gains at the state level, there are problematic details in some proposals. **Indiana** enacted a new health plan providing catastrophic coverage for adults and pregnant women earning up to 200% of the poverty level (\$40,000 for a family of four) but tied it to “market-based” reforms built around high deductible Health Saving Accounts. Officials in **Indiana** readily admit it will be difficult to convince low-income residents to participate in the plan. However, despite these problems, the bill does include a \$500 preventive care benefit—the amount each participant must contribute to the HSA will be set on an

income-based sliding scale—and the legislation also brings SCHIP eligibility to 300% of poverty. Similarly, while new **Oklahoma** legislation extends health care subsidies to children in families below 300% of poverty line, the program is structured as a voucher which may not deliver affordable health care for some children. Still, the fact that even many conservative leaders are competing to provide their model of health care—rather than just blocking reform as in the past—is a sign of the public pressure driving health care reforms across the states.



Clean Energy and Jobs

Due to high oil prices, fears of climate change and the public's discomfort of relying on foreign oil, state legislatures were aggressive this year in enacting renewable energy and energy efficiency legislation. The best environmental gains—renewable portfolio standards, green buildings promotion, climate change legislation, and transit-related legislation—were passed in states across the country.

Renewable Portfolio Standards

Renewable energy programs made significant gains in states across the country. Renewable Portfolio Standards (RPS), requiring that a certain percentage of electricity purchased by the utilities come from renewables, were passed in **Minnesota, Oregon** and **New Hampshire**. All three states passed an extremely ambitious goal of 25% of their electricity to come from renewables by 2025. **Colorado, Connecticut** and **New Mexico** voted to increase their RPS requirements to 20% by 2020. RPS measures are still alive in the **Illinois** and **North Carolina** legislature.

To encourage renewable energy development and use, Nevada created a net metering system that allows customers generating renewable energy to pump surplus power back into the power grid and draw on credits later, while also banning the sale of low-efficiency light bulbs by 2015.

Missouri passed a bill that removed obstacles to the installation of solar panels and other small renewable energy sources. The “Easy Connect Act” was part of a larger package that included a lower RPS requirement of 11% by



Minnesota's
25% by 2025
Renewable
Energy
Mandate

2020 and included a net metering provision, where customers get credit for the electricity they generate in lieu of electricity supplied by the utility.

► **Why it Moved:** RPS has been particularly successful this year due to a growing demand for renewable energy as high gas prices and increasing instability in the Middle East make the development of alternative energy sources all the more attractive.

More importantly, in addition to the environmental benefits, renewable energy development creates good paying jobs and keeps money within

“Right now, Minnesota imports more electricity than any other state. We need to keep more of our money at home”

—AARON PETERSON,
MN RPS House Sponsor

the state. Labor unions and other economic development advocates see the construction and maintenance jobs needed for renewable energy development as an excellent source of job creation opportunities at the state level. Because of this dynamic, in addition to the traditional environmental groups, labor and business interests also supported the RPS measures. The diverse coalition helped

increase public support and backing for the development and adoption of renewable energy mandates.

Green Buildings

Since buildings are even larger energy guzzlers than our automobiles, promoting “Green Buildings” has the promise of substantially reducing energy use and promoting environmental conservation. Already, several states require that public buildings or any construction receiving state money be built according to green standards. This session, **Connecticut** expanded green building requirements for state facilities and school construction projects.

Nevada corrected their previously enacted green buildings provision. AB 621 decreased the property tax incentives from nearly 50% under the 2005 law to 25-35%. The bill also eliminated the sale tax breaks for developers. The bill has passed both chambers and is on the governor’s desk.

The **South Carolina** legislature overrode the governor’s veto and enacted a bill to require green building, or similar standards or measures of energy efficiency and energy conservation, for buildings built on state property with construction budgets greater than \$15 million. The green building bill was one of five bills the legislature passed to support and increase renewable energy use and energy efficiency.

The **District of Columbia** took green building mandates one step further and required that all future building, whether public or private, be built according to green standards. Legislature Bill 515 helps ease the transition into green building by not mandating specific features. Instead, credits are awarded in several categories, such as water and energy efficiency and site selection, and a certain number of credits must be collected before a building can be certified. Boston also passed a city ordinance requiring all building to be green, becoming the first major city to enact such measures.

► **Why it Moved:** The **Nevada** example shows the future of green building. Since green building in and of itself is good economic sense, states are seeing less need to provide huge tax breaks and incentives to encourage it. Instead, Washington D.C. and Boston show that making green building provisions part of the mandatory building code is possible and in D.C., the Building Industry Association supported the bill because it was a phased-in mandate that would allow the industry to adapt.

Climate Change Efforts

This session, **Iowa** passed the most comprehensive global warming bill, which set up a Climate Change Advisory Council and established a voluntary greenhouse gas registry for tracking, managing and crediting entities in the state that reduce their generation of greenhouse gases. The bill also requires greenhouse gas emissions to be considered when the state is reviewing applications for proposed power plants.

While **Iowa** was alone in passing a comprehensive package, other states made significant progress toward curbing greenhouse gas emissions and fighting climate change. Recent reports on the effects of climate change and increased public perception and exposure to the damage of climate

“Global Warming is a real danger that threatens our very way of life, and it is our responsibility to take any and all steps that we can to reduce our greenhouse gas emissions and hope to curb global warming. With this bill, we are doing just that.”

—GOVERNOR CHET CULVER, *Iowa*

change, as highlighted by more severe hurricane seasons and unseasonable temperatures, have had an impact on legislatures. That impact has moved them to take proactive steps to protect their states and fill the void left by federal government inaction.

Climate Change Advisory Councils: Florida, Iowa, and Maryland all set up commissions to study climate change and make recommendations on how the state can reduce greenhouse gas emissions. In addition to curbing greenhouse gas emissions, Maryland’s commission also looks at clean energy alternatives.

■ **Arkansas** established a commission on global warming, while **Washington** created a Greenhouse Gas Reporting Study Panel that analyzes the benefits of various programs and opportunities to decrease greenhouse gas emissions, each being a step to creating and establishing a more comprehensive approach to combating climate change. **Hawaii** created a task force to develop a plan to reduce greenhouse gases to 1990 levels by 2020. **Minnesota**, who overall passed some of the most comprehensive clean energy legislation, passed a bill designed to decrease greenhouse gas emissions by 80% by 2050.



Iowa's
Comprehensive
Global
Warming Bill

- **Greenhouse Gas Emission Reduction Targets:** This session, **Minnesota**, continuing their ambitious environmental streak, passed a greenhouse emissions reduction target of 15% below 2005 levels by 2015, 30% below 2005 levels by 2025, and 80% below 2005 by 2050. Laws passed in **New Jersey** and **Washington** aim for 1990 emission levels by 2020, while **New York** passed legislation that aims to reach 5% below 1990 levels by 2010 and 10% below 1990 levels by 2020. **Oregon** also set greenhouse gas emission reduction goals, created the Oregon Global Warming Commission, and appropriated \$250,000 for the Climate Change Research Institute.

- **Adopting California's Auto Emissions Standards:** While several states introduced bills to adopt **California's** auto emissions standards, which require low-emission and zero emission vehicles and are much stricter than federal guidelines, only **Maryland** succeeded in passing its bill and the governor signing it into law. Under the bill, by 2011, new cars sold in Maryland will have to meet California emissions standards. Illinois' effort to adopt the California standards is also still active.



While not quite to the level of the California emissions standards, **Oregon** passed a bill to require new vehicles, beginning with the model year 2009, to comply with low-emissions standards consistent with the Environmental Quality Commission in order to register the vehicle.

- **Energy Efficiency Bills:** **Oregon** established minimum energy efficiency standards for appliances, compact audio players and other products and now prohibits the sale or installation of products that do not meet the standards. **Nevada** passed an act that effectively bans incandescent lights by requiring a minimum efficiency standard of 25 lumens per watt. As part of **Minnesota's** Next Generation Energy Act, the state will increase the amount of energy saved in the use of electricity and natural gas by 1.5% a year in order to reach 25% savings by 2025.

- ▶ **Why it Moved:** Adopting stricter standards for emis-

sions requires an intense, well-coordinated effort to balance out the lobbying by the auto industry in each state, but fear of climate change and recognition that jobs will flow from alternative technologies adds support for new emissions bills. Additionally, state leaders recognize that if enough states adopt stricter emissions standards, the economical decision for the industry lobbyists will be to manufacture cars and other goods to conform to the strictest emissions standards.

Waste Recycling Programs

The refuse from discarded electronic products, such as computers and cell phones, often ends up in landfills or incinerators, where toxic substances like lead, cadmium and mercury commonly used in these products can contaminate the land, water and air. According to the Environmental Protection Agency, the U.S. generates more e-waste than any other nation with millions of tons entering landfills.

This session, four states passed e-waste laws, doubling the number of states with mandated e-waste recycling. **Connecticut, Minnesota, Oregon, and Texas** all passed bills that require "producer responsibility," which requires electronics manufacturers to help pay for collection and recycling of e-waste from households.

Minnesota's law is the first that sets targets for the amount of e-waste that producers must collect and recycle. Each electronics manufacturer must collect and recycle an amount proportional to the weight of the products sold in the state during the previous year. All fees collected under the act are distributed to counties and private haulers to support e-waste collection and recycling efforts. **Connecticut's** bill will establish collection goals by 2010. **Maine** expanded its law to require retailers to accept old phones for recycling.

- ▶ **Why it Moved:** This year, 23 states, plus New York City, introduced e-waste legislation to address the growing nature of the problem. With absolutely no movement on the federal level to deal with the e-waste problem, states had no choice but to take the lead and introduce legislation to begin to tackle the problem of e-waste.



Minnesota
First to set
targets for
amount of
e-waste
collection

Transit Related Gains

Along with energy efficiency and greenhouse gas legislation, states must build and invest in mass transit projects to decrease emissions, traffic congestion, and vehicle miles traveled. Transit projects are more involved than other types of environmental legislation because they require a substantial initial financial investment and they are multi-year projects.

This session, **Washington** took the lead on transit development by establishing a comprehensive program to develop a statewide transportation development system. The legislation, SB 5412, establishes a transportation commission tasked with creating a comprehensive transit plan that, among other things, develops strategies to decrease per capita vehicle miles traveled.

With a national focus on raising gas taxes as a way to raise revenue and encourage more fuel economy, **West Virginia** renewed their nickel per gallon gas tax until 2013, which will provide up to \$55 million in revenue annually. **Maryland's** special session will also address a 50% increase in its gas tax to \$0.35, which would make it the highest in the nation. **Minnesota's** legislature also passed a gas tax, only to have it vetoed by the governor.

Lawmakers in **Minnesota** also passed a comprehensive transit bill that would have provided funds for expanding bus and train routes, but that bill, too, was vetoed by the governor. Transit projects, however, will be funded through the constitutional amendment passed by voters in 2006 that allocates all the revenue from the motor vehicle sales tax to transit projects.

While **Virginia** state legislators refused to approve new statewide revenues for transportation, the Virginia Legislature did grant two regional authorities in the Northern Virginia and Norfolk-Virginia Beach-Hampton Roads regions increased powers to raise local tolls and fees for transit projects.

A proposed transit bill in **Connecticut**, HB 6366, would expedite the implementation of the next phase of investments in comprehensive transportation infrastructure. The bill calls for new commuter rail stations in Orange and West Haven, significant investments in road and bridge repair, and improved bus connectivity and service. While time ran out for action on the bill this year, leading it to be deferred to next session, the bill has strong support and has a favorable outlook.

► **Why it Moved:** **Washington's** transit bill was supported by a broad statewide coalition that included labor, environmental and community advocates along with local governments. Based on concerns over the environmental costs of cars and highways, instead of taking an auto-centric view of transit, this bill forces the transportation authority to focus on the preservation of existing transportation investments, safety, mobility, the environment, and stewardship of transit resources. Similar coalitions are mobilizing in other states to encourage a “smart growth” approach to community development that emphasizes energy efficiency and public transit.



Other Key Issues

Electoral Reforms

After multiple years of malfunctioning voting machines, voter intimidation and deception, as well as long lines at the voting booth that undermine voter confidence, states this year have enacted a number of reforms to make voting simpler and more secure.

- Election Day Registration (EDR):** In April, **Iowa** became the eighth state to permit voters to register on Election Day, a reform that eliminates most Election Day hassles over registration and expands voter turnout, especially among populations that have been historically disenfranchised. After a prolonged battle, **North Carolina** passed a version of EDR that would allow for “one-stop” registering and voting during the early voting period, which ends the Saturday before Election Day.



Iowa:
Election Day
Registration

Both **Hawaii's** House and Senate approved versions of EDR, but could not work out their differences before the end of their session, while the **Washington** Senate approved EDR as well.

- Vote by Mail:** Since a simple way to avoid chaos at the polls is to allow voters to send in their ballots by mail, **Colorado** this year approved a measure allowing all voters to register as “permanent mail-in voters,” meaning that they will regularly receive and be able to mail-in their ballots for each election, joining states like

Washington, California, and **Montana** that already allow their voters to register permanently as mail-in voters and **Oregon** which conducts their elections completely by mail.

- National Popular Vote:** States across the country introduced a new reform: a compact among the states to allocate presidential electoral votes to the actual winner of the popular vote nationwide. **Maryland** became the first state to approve the National Popular Vote compact, which will go into effect as soon as states with a majority of electoral votes approve it. The **Illinois** and **Hawaii** legislatures have both approved it, with the Hawaiian governor vetoing it and the Illinois governor considering it. At least one chamber approved National Popular Vote in **California, Colorado, Arkansas** and **North Carolina** as well. Other states still in session are debating it.



Maryland:
National
Popular Vote

- Fusion Voting:** Electoral fusion is an arrangement where two or more political parties support a common candidate, pooling the votes for all those parties. By doing so, minor parties can influence the platform of a majority party candidate. While **Connecticut** has always had fusion voting, the legislature expanded it this year. Previously, fusion was legal only between two qualified parties. Now, minor parties, as long as they are already qualified for at least one office that is on the ballot, can participate in fusion.

- **Clean Elections:** **New Jersey** passed legislation establishing a second pilot program for its Fair and Clean Elections Project and the pilot will be expanded to cover three legislative districts in the 2007 elections.
- **Voter-Verifiable Paper Ballots:** Joining 23 other states, **Iowa, Florida, Maryland, New Jersey, and Virginia** this year approved laws that require voting machines to create a paper record, so that citizens can verify that their votes were correctly recorded.
- **Online Registration:** **Washington** passed a bill that allows voters to register to vote online.

Unlike in previous sessions, attempts to restrict voting rights, such as voter ID laws were generally defeated across the country, most dramatically in Texas where a legislator moved his hospital bed into the Texas statehouse in order to be available at all times to block any vote to pass a proposed voter ID bill.

► **Why it Moved:** Many of these voting reforms have been advancing year by year, and the demonstrated success of programs like **Oregon's** vote-by-mail system in creating chaos-free elections, joined by improved voter turnout due to Election Day Registration in states like **Minnesota**, helped encourage movement on those issues in other states. Greater coordination between activists in different states to highlight these voting options played a critical role in building new coalitions to push these bills through state legislatures. National Popular Vote gained momentum this year not just because most people believe the winner of the popular vote should become President, but because many “non-swing states” largely bypassed by presidential campaigns believe it will encourage more attention to their states and greater turnout by their voters in a system where every vote counts.

Challenging the Iraq Escalation

The escalation of the Iraq War this spring led to 30 states taking action to condemn the escalation and the resulting strains on local National Guard readiness.

In 17 states—**Arizona, California, Colorado, Connecticut, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Dakota, Oregon, Vermont, and Washington**—at least one

chamber approved a resolution or legislators signed onto a letter condemning the escalation.

► **Why it Moved:** As the Iraq War has dragged on, state leaders have seen crucial federal funds diverted from supporting social needs in the states and National Guard troops unavailable when needed for local emergencies because of their deployment overseas. Supported by anti-war networks, state leaders saw the need to send a message to federal leaders that the war was draining both financial and human resources from their states. National conference calls along with broad coalition-building helped speed passage of resolutions across the states.

Demanding Trade Deals that Respect State Interests

States have increasingly had to cope with job losses from corporate-oriented trade deals like NAFTA and CAFTA and the undermining of their own regulatory powers to protect working families by international trade agreements. As a result, state legislatures were active this year in demanding a greater representation of state interests in negotiating new trade deals with other countries.

Although it was Congress that let “fast track” trade promotion authority pass into history by failing to renew it in July, this victory was helped brought about by the widespread outcry of states in opposition to the undemocratic system for striking international trade deals. Both chambers in **Maine, Nevada and Utah**—and one chamber in **Alabama, Hawaii, Montana, Pennsylvania, Rhode Island, Tennessee, Vermont, and Wisconsin**—approved resolutions calling on Congress to renegotiate “fast track,” which prevented any amendments to trade deals negotiated by the President, allowing special interests to include corporate benefits without any real democratic accountability.

Several states also took action to protect state authority from international trade agreements that undermine their ability to set state policies concerning government procurement, service-sector regulation and investment.

- The legislature in **Hawaii** overruled their Governor's veto to see legislation enacted that requires legislative approval before the state can be bound to the government procurement rules of an international trade agreement. In doing so, Hawaii joined **Rhode Island** and Maryland which, in 2006 and 2004 respectively, also had to override a Governor's veto to pass similar legislation.

- **Rhode Island** took a step further and set a new precedent for protecting state authority by passing a bill to require legislative approval before the state could also be bound to service sector and investment rules of international trade deals. Their bold leadership was thwarted, however, by an unsurprising veto by their Governor.

New Hampshire passed legislation that established an on-going state commission to assess the impact of globalization and the legal impacts of trade agreements on the state, and **Utah** renewed their state's international trade commission. **Texas** unanimously passed a measure through both the House and Senate that would have the Attorney General investigate whether any international agreements, such as NAFTA and the WTO, are compromising state law or legislative authority. But even this modest legislation was met with a veto by the Governor.

► **Why it Moved:** With a significant majority of the American public saying that NAFTA has had a negative effect on the job security of workers, there is great distrust of the international trade deals currently being negotiated, fueling these state efforts. State leaders themselves have seen state governments being sued under these trade deals by multinational corporations, flaming their anger about public interest regulation being auctioned off in trade deals without a real public debate. Labor, environmental and public interest groups have worked to educate state leaders about the dangers of these new trade deals and “fast track,” helping to drive the present round of state trade-related legislation.

Fighting Predatory Lending

The meltdown of the housing bubble put the spotlight on the unsavory practices of predatory mortgage lenders -- just one piece of the broader problems of predatory lending to working families.

Mortgage Lending: Minnesota, Maine and Colorado this year enacted some of the most far-reaching laws in the country to protect homeowners against abusive strategies by sub-prime lenders and other real estate frauds. **Minnesota** prohibited lenders from making mortgages that the borrower has no ability to pay, banned prepayment penalties, and required mortgage brokers to act in the customer's best interests. Similarly, **Maine's** law prohibits loan contracts that accelerate indebtedness to creditors, im-

poses binding arbitration, and restricts the fees charged to consumers. **Colorado** focused its new laws on tightening licensing and regulation of mortgage brokers and increased oversight of the industry by insurers.

Payday Lending: New Mexico, Oregon and South Dakota concentrated on shutting down the bottom-feeding lenders who jack up fees on consumers borrowing against their paychecks or car titles. **Oregon** passed one of the most comprehensive packages of reforms, limiting the interest for paycheck advances and title loans, and limiting cashing fees to 3% on payroll checks.

► **Why it Moved:** Advocates against predatory lending have been making steady progress for years in advancing legislation, but the lurid stories of sub-prime mortgage fraud that broke this year helped concentrate public attention on the high profits being made at the expense of strapped working families.

Social Equity

While attacks on gay rights and women's reproductive rights were not completely halted this year, we saw significant progress in advancing positive gains in social equity.

- **Domestic Partnerships and Civil Unions: New Hampshire and New Jersey** enacted civil union laws providing for the equivalent of state-level spousal rights for couples within those states, while **Washington** and **Oregon** enacted domestic partnership laws offering many key spousal rights to gay and lesbian couples. **Colorado** approved a law to allow “second parent” adoption, a boon to gay couples needing legal protection of their joint parental rights. **Massachusetts** beat back a proposal to send a ballot initiative to voters that would have sought to amend the state constitution in order to ban same-sex marriage. **Maine** extended the state's Family Medical Leave Act to include domestic partners.

- **Ending Anti-Gay Discrimination:** This year, **Iowa, New Jersey, Oregon, Vermont, and Colorado** each enacted laws barring discrimination based on sexual orientation and gender identity, creating critical protection for gays, lesbians and transgender citizens against employment and other forms of discrimination. Though the **Connecticut** Senate approved a bill barring gender

identity and expression discrimination, the legislation died when the House adjourned.

- Protecting Contraceptive Equity: Connecticut, Oregon and Colorado** approved laws requiring all hospitals to inform victims of sexual assault of the availability of emergency contraception. The **Wisconsin** Senate has passed a similar bill, but it is unlikely to pass the state House. **Oregon** passed a bill requiring all health insurance plans covering prescription drugs to also cover contraception. **Washington** approved a law that prohibits abstinence-only sex education in favor of education about contraception as well. **Minnesota** will now allow registered nurses to dispense oral contraceptives.



New Hampshire: Repeals a Parental Notification Law

On the abortion front, **New Hampshire** became the first state legislature to repeal a previously enacted parental notification law. On the negative side, **Missouri** enacted a law imposing such burdensome new costs on the operation of abortion clinics that two of the three clinics in the state will likely have to shut down. **Georgia, Idaho and Mississippi** will now require abortion providers to offer to show a sonogram image to women seeking abortions, and **North Dakota and Mississippi** enacted near-total criminal bans on abortion in the event that *Roe v. Wade* is overturned. **Louisiana** enacted a ban on late-term abortions with no exceptions for the health of the pregnant woman and, despite disagreement within the medical community, will now require doctors to tell women that fetuses can feel pain by 20 weeks gestation. A range of states, including **Kansas, South Dakota, Arizona, Virginia and Wyoming** blocked legislation to further restrict abortion.

- Why it Moved:** While some state leaders are still trying to use attacks on gays and abortion rights as a “wedge” issue, the reality is that such social issues are increasingly losing their force. Surveys show that anti-gay prejudice has rapidly declined in the last two decades, while increasing majorities of the population oppose making it more difficult for a woman to get an abortion and vast majorities support expanded access to contraception. Progressive leaders and their grassroots allies are becoming more sophisticated in

framing these issues in ways that deflect rightwing appeals to fear and prejudice in favor of the public’s even strong belief in preserving social and gender equality.

Telecommunications and Broadband

Because of lobbying by the regional Bell companies, particularly AT&T and Verizon, bills were debated and passed across the country to allow telecom companies to bypass local franchise rules in favor of statewide franchises. Many consumer groups criticized the bills as undermining community access television channels, undermining fees paid to local communities, and lacking strong buildout requirements. In response to these criticisms, some states enacted stronger anti-redlining language than initially proposed or stronger protection of community access television. The version of the legislation that gained the broadest consensus support was in **Illinois**, which was approved unanimously by the Illinois House after consumer, civil rights and local government concerns were addressed in a rewrite of the bill that ensures that statewide franchisees will be accountable to local governments for fraud and deception and sets clearer timelines for buildout to low-income communities. **New York** debated but failed to enact a bill that would have had one of the strongest broadband buildout requirements in a telecom franchise bill.

In **Washington**, the legislature enacted an important policy proposal to map which neighborhoods across the state have broadband access and which ones do not as a prelude to broader legislation in 2008. This kind of survey is critical, since telecom and cable companies are not generally required to report detailed information on broadband access in communities that they serve.



Washington: Broadband mapping

- Why it Moved:** In too many states, these state franchise bills were driven by the interests of industry, largely because of a lack of strategic cooperation between unions, civil rights and consumer groups who were divided and often lacked strategic coordination. In states where those groups came together more effectively, they were able to demand stronger concessions from industry to help ensure that changes in the law would not add to the existing digital divide between and within communities.



State-by-State Profiles

The following profiles highlight significant policy successes (and some setbacks) in each of the states that have wrapped up their regular legislative sessions for 2007. A number of states are still in session, so additional states will be added to this list in any updated version of this report

The states in this report are divided into five categories:



Star States who advanced progressive reforms on multiple fronts.



Policy Leaders who enacted important reforms but could have achieved far more.



Incremental Gainers who made solid if unspectacular progress this session



Leadership Laggards who either accomplished little or balanced negative and positive policy changes, and



Bottom of the Barrel, states who distinguished themselves by rightwing policies or particularly dysfunctional leadership.

Star States

Colorado

With a new governor, progressive legislative leaders in Colorado marked a new day by enacting a range of legislation benefiting working families in the state, including:

- On **health care**, establishing “Colorado Cares” to enable low-income residents to purchase discounted prescription drugs and increased health coverage for children with the goal of covering all kids by 2010.
- Increasing penalties for unpaid wages and requiring construction contractors to assure that all employees are covered by workers’ compensation.
- Allowing all voters to register as permanent mail-in voters.
- Passing a series of bills to provide mortgage protection against predatory lenders.



Star State

Colorado also **doubled their renewable energy standard, required utilities to launch energy-savings programs, and added environmental and public-health representatives** to the Oil and Gas Conservation Commission.

The legislature also expanded social equity in the state by **prohibiting employment discrimination** based on sexual orientation, **allowing “second parent” adoption** and requiring hospitals to **inform victims** of sexual assault of the **availability of emergency contraception**.

The great lost opportunity of the year was Gov. Ritter’s veto of legislation that would have increased the freedom of workers to form unions.

Iowa

With Democratic leadership of both legislative chambers and the governorship for the first time in forty years, the result in Iowa was a series of landmark legislative achievements, with a promise of even greater achievement in 2008:

- One of the signature bills of the session was the creation of the Iowa Power Fund, a \$100 million investment in the state’s renewable energy industry.
- Iowa approved **Election Day Registration**, a key reform to improve voter turnout in future elections.
- Along with **raising the state minimum wage** in line with likely federal increases, the legislature approved an increase in the state’s **Earned Income Tax Credit** to 7% and made the credit refundable.
- Iowa became the 18th state to ban **discrimination based on sexual orientation** and the 11th state to ban discrimination based on gender identity.
- **Teacher salaries** will advance to the national average, a \$250 million teacher pay increase.
- The legislature voted to **end paperless electronic voting** and move the state towards voter-marked paper ballots.
- The Senate approved a resolution **opposing the President’s escalation in Iraq**.

On **health care**, the state raised the cigarette tax by \$1 per pack, allowed small businesses to band together in purchasing pools, and encouraged embryonic stem cell research by repealing a 2002 law that prohibited human cloning. More comprehensive health care reforms were turned over to a committee to recommend changes for the 2008 legislature.



Star State

On the downside, the legislature failed to enact pro-union reforms of Iowa’s “right to work for less” law and failed to enact a prevailing wage law to raise wages on public construction projects to match the wages paid in the private sector.

Maryland

Maryland became a national policy leader this year, passing both precedent-setting legislation and expanding existing progressive policies, including:

- Passing a first-in-the-nation state **Living Wage Law** for government contractors.
- Becoming the first state to enact the **National Popular Vote** compact to—when enough other states join them—allocate its Presidential electoral college votes to the national winner.
- Joining California as the second state to mandate **“Clean Cars” emission standards** in cars sold in the state by 2011.

Maryland took other significant steps on **Electoral Reforms**, including scrapping existing voting machines in favor of ones with **voter-verifiable paper records**, restoring **voting rights for ex-felons** as soon as they complete their sentences, and approving a constitutional amendment to allow **early voting** in the state.

On the **Clean Energy** front, Maryland amended its **Renewable Portfolio Standard (RPS)** to expand requirements for **solar energy** and help fund new renewable energy sources, while also reducing restrictions on building **wind power projects** within the state.

The biggest unfinished business for the Maryland legislature was punting health care reform to the 2008 session.

Maine

Maine led the nation in several areas, from opposition to the federal Real ID Act to debt relief for college graduates. Other laudable successes address prescription drug marketing, predatory lending, environmental protection and support for working families. Despite these achievements,



Star State



Star State

the 2007 session will likely be best remembered for its highest profile failure: lack of comprehensive tax reform. A few of the initiatives where Maine led the nation include:

- The **Informed Growth Act**, which requires big box retailers to finance independent studies gauging a project's impact on local communities, small businesses and the environment.
- Lawmakers adopted resolutions calling on the President and Congress to replace “**fast track**” **trade authorization** with a more democratic system of entering trade deals that would preserve states' authority over state policies.
- Opposing the cumbersome and invasive federal **Real ID Act**, which lawmakers backed up with a bill prohibiting Maine from implementing the Act.

Other noteworthy progress includes:

- One of the country's toughest reforms of **predatory mortgage lending** practices and more protections for senior citizens from financial exploitation.
- Coverage under the state's **Family Medical Leave Act** for domestic partners, classification of domestic violence as a criminal offense, and revocation of snowmobile and ATV vehicle registrations for “deadbeat parents.”
- Membership in the 10-state Regional **Greenhouse Gas Initiative** to reduce power plant pollution by 10% over the next decade, rebates for property owners who invest in solar energy systems, and legislation to reduce the leaching of toxic chemicals into the environment.

Lawmakers are also asking voters in 2008 to extend **term limits** from 4 two-year terms to 6 two-year terms.

Also making headlines in the state was debate and passage of the state's first major public school consolidation in fifty years. Lawmakers also enacted “**Opportunity Maine**,” a college debt relief program providing loan repayment tax credits of up to \$2,100 per year for graduates who remain in the state—a laudable goal that some worried is too expensive and skewed towards wealthier students.

In addition to failing to enact comprehensive tax reform, lawmakers failed again to enact an alternative funding mechanism for the state's groundbreaking Dirigo Health initiative. However, many health care advocates will see this as an achievement, because the status quo preserves the Savings Offset Payment, a unique funding mechanism that captures health care savings through an assessment on insurers.

New Hampshire

New Hampshire deserves special attention and mention. Armed with the first Democratic trifecta—both houses of the legislature and the governor's office -- since the 19th century, New Hampshire passed serious progressive legislation this session across the issues:



Star State

- **Clean Energy:** The state adopted a renewable energy standard of 25% by 2025, among the highest in the nation.
- **Working Families:** The legislature strengthened wage and labor standards by increasing the minimum wage to \$7.25 by September 2008, prohibiting mandatory overtime for nurses and hospital assistants, and approving public employee unions when a majority of workers sign cards requesting it.
- **Social Equality:** New Hampshire enacted a civil union law (the first state to do so without a pending lawsuit forcing the issue) and became the first state to repeal a law requiring parental notification for teenagers seeking abortions.
- **Health Care:** The legislature extended health insurance coverage to financially dependent children under the age of 26 and banned smoking in restaurants and bars.
- **Iraq:** The New Hampshire House also passed a resolution opposing the President's troop escalation in Iraq and calling for the commencement of an orderly withdrawal.
- **Trade:** New Hampshire joined the swell of states calling for a reform of international trade negotiations with both chambers passing a resolution calling for the preservation of state and local government power in federal trade deals.

The legislature also rejected federal Real ID requirements. The House voted in support of a worker freedom bill, which would have protected workers from having to attend mandatory employer meetings about political and religious beliefs, but the Senate failed to approve the bill as well.

Nonetheless, the New Hampshire legislature must be commended for what is an impressive session in and of itself, but is even more so given the historic nature of Democrats being in control for the first time in over 100 years.

New Jersey

New Jersey has a year-round session and has taken a break for the summer at the end of June before reconvening after the November 2007 elections. Before the summer recess, New Jersey made major gains in a number of areas, including:



Star State

- **Clean Energy:** The legislature enacted the Global Warming Response Act, which dramatically reduces the amount of greenhouse gases to pre-1990 levels by 2020.
- **Social Equity:** The state established gay civil unions and prohibited discrimination based on gender identity or expression.
- **Health Care:** New Jersey's legislature voted to fund the state's SCHIP program at 350 percent of the poverty line and increase state aid to hospitals by 23% in order to help pay for treatment of uninsured patients. They also approved a stem cell research bill, which is still awaiting final approval from the Governor, approved a referendum before voters to approve borrowing \$450 million for stem cell research, and implemented a clean needle exchange pilot program.
- **Workers Rights:** Lawmakers moved to close loopholes in the prevailing wage laws, prevent construction companies from classifying full time employees as independent contractors to avoid paying taxes, and expand the state's earned income tax credit.
- **Election Reform:** New Jersey also implemented verifiable paper ballots and expanded the Clean Elections pilot programs.

The state also expanded the Neighborhood Revitalization Tax Credit program to encourage redevelopment of low and moderate income neighborhoods, while increasing school aid. This was combined with a \$2 billion property tax cut that provided tax credits and rebate checks for more than 95 percent of the state's homeowners, but did not address a looming structural deficit facing the state. The state's proposed paid leave bill, which would give 12 weeks of paid leave at \$502 per week, did not go through before the summer recess. And the summer recess started on a low note, as two veteran Democrat state senators were indicted, charged with fraud and corruption, and accused of illegally using their offices for personal gain and defrauding taxpayers.

New Mexico

New Mexico took leadership in a number of key policies areas this session, particularly on clean energy issues where the state:



Star State

- Became the first state in the nation to create a Renewable Energy Transmission Authority to administer renewable energy use in the state.
- Mandated that 20% of state's energy come from renewable sources by 2020.
- Enacted a Green Buildings Tax Credit.
- Created a solar tax credit for solar electrical and thermal systems.

The state also took leadership in a number of other policy areas as well:

- Enacting public financing for contested statewide judicial elections and barring financial services and investment contractors from giving gifts or campaign contributions to state officials.
- Raising the minimum wage to \$7.50 over two years.
- Creating a state Earned Income Tax Credit.
- Requiring employers to provide a clean space for women to breastfeed beyond the bathroom.
- Strictly regulating predatory payday lending.

While major changes in the state health care system have been deferred to a commission that will propose legislation for the 2008 session, this year the legislature did expand Medicaid coverage to include adults up to 100% of the poverty line and allowed small employers to use the state's Small Employer Insurance Program even if they had previously provided insurance in the last 12 months.

Oregon

Progressives took advantage of control of both chambers for the first time in 16 years by enacting gay and lesbian rights, enhanced labor rights, creating a framework for universal health care, and approving new ethics laws and renewable energy tax credits.



Star State

- The Oregon Renewable Energy Act sets RPS at 25% by 2025 and includes tax credits, incentives and mandates

to encourage the use of renewable sources.

- Labor rights were strengthened through legislation making it easier for public employees to form unions, establishing collective bargaining rights for child care workers, expanding the use of paid sick leave under the state's Family Medical Leave Act, and approving unemployment insurance for workers locked out of their jobs by their employers in a labor dispute.
- Lawmakers took a step towards major health care reform by enacting the Healthy Oregon Act, which will offer residents a health care card to access a package of essential benefits from private insurers, coordinated through a health insurance exchange. The Act sets a framework for reform and creates an authority to develop implementing legislation for the 2009 session.
- Embarrassed by published reports of lavish, lobbyist-paid Hawaiian vacations, lawmakers toughened their own ethics laws to include increased disclosure for public officials and lobbyists, a waiting period before retired legislators can become lobbyists, and a more stringent gift ban.
- Improving social equality, lawmakers outlawed discrimination based on sexual orientation and approved both domestic partnership benefits and civil unions for same-sex couples. Additionally, Oregon increased the amount of damages employees can recover from successful discrimination claims filed against employers.
- To counter abusive payday and car title lenders, lawmakers capped interest rates at 36% and limited other fees lenders can charge. The law appears to be weeding out bad lenders: 60 have already closed their doors while 200 plan to remain open.

Other notable successes include a ban on smoking in bars, steps to remove junk food from schools, electronics recycling laws, and authorization for local communities to levy new taxes on construction to help fund schools and respond to growth. Oregon was one of 4 states to pass resolutions in both chambers opposing the U.S. troop escalation in Iraq.

Perhaps the most notable failure comes in the area of health care for all kids. Because of the state's draconian three-fifths super-majority requirement to raise taxes, the Right was able to temporarily kill the Governor's Healthy Kids Plan by preventing an 84.5 cent increase in the cigarette tax. The issue has been punted to the voters this November.

Vermont

Following up on the comprehensive health care reform, Catamount Health, enacted in 2006, Vermont turned its attention to prescription drugs and the drug companies. As discussed reporting Health Care review, Vermont enacted a sweeping drug pricing law that reforms and restricts the exploitive marketing tactics of drug companies. The bill awaits a decision by the Governor.

Vermont made progress on many other issues as well, including:

- Creating the Vermont Telecommunications Authority and approving a \$40 million bond to spread cell phone and high-speed internet access throughout the state by 2010.
- Promoting public health by stopping bus idling in front of schools.
- Increasing subsidies for Pre-K programs.
- Raising wages for tipped workers.
- Limiting contributions to candidates and political parties.
- Passing expanded education funding and funding several studies to review cost-drivers in the system.
- Expanding civil rights to transgender residents by banning discrimination based on gender identity.

The Governor issued two vetoes that legislators failed to override. A bill limiting contributions to candidates and political parties fell to the power of the pen and the Governor vetoed a sweeping climate change energy bill amidst a disputed tax on the state's nuclear power plant. In addition, the climate change energy bill would have committed to using renewable energy for 25% of the state's needs by 2025 and expanding the reach of the state's Efficiency Utility to work to reduce fossil fuel consumption at homes and businesses. As noted, despite a huge override push by citizens-turned-lobbyists-for-a-day, the bill failed this year. Supporters have already pledge to resurrect it in 2008.

Washington

Washington made its mark this year in a number of areas.

Headlining its accomplishments was Washington's move to become the second state in the nation to offer new parents paid family leave. The benefits need to be



Star State

more generous, but it's still landmark legislation.

On health care, the state did not take on a comprehensive reform of the state's health care system, but did pass some solid reforms:

- Extending health coverage to all children in families earning up to 300% of the poverty line by 2009 -- covering an additional 38,000 children including undocumented immigrants -- in the next two years.
- Extending its mental health parity law to smaller businesses and individual health plans, bringing mental health coverage to 540,000 people.
- Enacting health care cost control measures to provide incentives for more cost-effective procedures and to encourage use of electronic medical records.

On the clean energy front, Washington approved greenhouse gas reduction targets with a goal to lower emission levels by 25% by 2035 and 50% by 2050, as well as approving a bill to encourage use of clean-burning fuels through retrofitting buses and new research.

To address the digital divide, the budget will map gaps in broadband access across the state to prepare for comprehensive buildout legislation in 2008.

The state created a domestic partnership option for same-sex couples, giving such couples legally recognized hospital visitation, autopsy authorization and inheritance rights. The state also required school districts to offer a medically accurate sex-ed curriculum.

On election reform, the legislature approved HB 1528, which will allow voters to register online. Unfortunately, the legislature failed to enact legislation to create either public financing of elections or election day registration: two reforms heavily promoted by state advocates.

Policy Leaders

Connecticut

After Connecticut's regular legislative session and a special session in June, this year saw important gains in health care, education and energy related gains. Among the highlights were the following:

- Expanding health care initiatives for caretaker relatives and for pregnant women, coverage for children in higher-income families, and automatic enrollment of uninsured newborns in the state Medicaid program. The law also extends the age limit that children can be covered by their parent's insurance to 26.
- As part of the state's energy bill, expanding green building requirements for state facilities and school construction projects, providing increased funding for the projects, and increasing the state's RPS to 20% of electricity coming from renewable energy by 2020.
- Ensuring that victims of sexual assaults receive information about and access to emergency contraception.
- Mandating an e-waste recycling program.

Unfortunately, it was also a session marked by higher hopes for success that were dashed by the Governor's vetoes and legislative stalls. Examples include:

- The veto of a bill that would allow for in-state tuition rates for undocumented residents and their children.
- The Governor twice vetoing the medical use of marijuana.
- A mandatory sick days bill that passed the Senate but died in the House.
- Election Day Registration legislation that passed the Senate but was killed at the last minute in the House.
- The death in the House of a bill to implement the next phase of expansion of public transportation.
- Clean Contracting, which would have required contract accountability for all state agencies engaged in outside contracting, failing to make it out of the Senate for the third year in a row.



Policy Leader

Delaware

Lawmakers in Dover made important gains in promoting sustainable energy and strengthening workers' rights, but failed to address a \$1.5 billion road construction deficit and paying the state's share of mushrooming school construction costs, driven by sprawl and more than a decade of housing growth.

Delaware created the nation's first sustainable energy utility, which one lawmaker called one of the legislature's most important actions this year. The legislation creates a non-profit organization to promote the use of sustainable energy and subsidize the cost of energy-efficient appliances and motor vehicles, as well as home and business-based renewable energy systems.

Other progress included collective bargaining rights for state workers, an early childhood education bill, eliminating the statute of limitations on child sex abuse cases, a resolution expressing solidarity with the people of the Darfur region in the Sudan, and legislation creating a needle exchange program.

However, in addition to failing to address sprawl and a ballooning construction deficit, lawmakers failed in a bid to add sexual orientation to the state's anti-discrimination laws.



**Policy
Leader**

Hawaii

Despite a divided statehouse, Hawaii was able to avoid partisan friction and achieved solid progressive gains on taxes, workers' benefits and rights, health care, and global warming.

- On taxes, the state delivered a tax rebate limited to families earning less than \$60,000 per year, with the largest dollar amounts going to the lowest income residents.
- In health care, Hawaii expanded its Keiki Care program to provide free health care to all uninsured children living below 300% of poverty. Monthly premiums for immigrants were also eliminated and the state reauthorized rate regulation for health insurers.
- On global warming, a task force was created to reduce greenhouse gases to 1990 levels by 2020 and the state restored an 11-cent per gallon ethanol tax credit.
- On labor issues, public employees gained additional



**Policy
Leader**

bargaining rights over job transfers and businesses agreed to increased unemployment benefits for full and part-time workers, in exchange for a cut in unemployment insurance taxes.

While these successes were achieved, Hawaii failed to pass bills to ease roadblocks to environmentally smarter development, enact a state EITC, and allocate funding for affordable housing. Additionally, the Governor vetoed a bill allocating the state's electoral votes to the winner of the Presidential popular vote, although this bill may be resurrected in a special session. Hawaii shows that solid progressive gains can be made despite partisan differences.

Minnesota

Minnesota's legislature passed many bold, progressive reforms only to have them vetoed by the Governor. The legislature approved a tax reform plan that would have funded crucial social services and cut property taxes for 90% of the state residents, paying for the reform by raising income taxes on the wealthiest in the state. They also approved a plan for new investments in state transportation funded by a gas tax increase and new vehicle fees. Unfortunately, the Governor's vetoes meant much more stunted funding for critical services and transit.

The legislature did manage to expand health care to cover more than 50,000 uninsured children and made some phenomenal environmental gains, including:

- Establishing the most aggressive renewable energy mandate in the country.
- Establishing energy efficiency standards to reach 25% energy savings by 2025.
- Establishing a long-range goal of reducing greenhouse gas emissions by 80% by 2050.
- Creating a statewide program for collecting and recycling e-waste.
- Banning smoking in bars, restaurants and bingo halls.

The legislature also enacted some of the most far-reaching predatory lending laws in the country to protect homeowners against a range of scams and abusive strategies by sub-prime lenders, and also enacted new consumer protections for car buyers.



**Policy
Leader**

New laws protect employees by tightening the definition of independent contractors and restrict contracting out public services to contractors unless documentation shows that such privatization will in fact deliver the best value for taxpayers.

While there were important victories for Minnesota families in this session, the roadblock of vetoes by the Governor meant it was far less than what could have been.

Nevada

Despite partisan stalemate over a number of issues, the Nevada Legislature made serious reforms in education, clean energy and open government this session.

In a major education bill, the legislature increased per-pupil spending by 13% over two years, funded after-school programs, provided incentive pay for teachers in at-risk schools, and added full-day kindergarten to 63 schools.

The legislature also passed a raft of clean energy and environmental legislation, including:

- Requiring the state to compile an inventory of greenhouse gas emissions.
- Increasing staffing at the state Division of Environmental Protection to regulate and monitor mercury emissions.
- Encouraging schools and other public entities to use renewable energy and creating new residential incentives for energy conservation, including allowing customers who generate renewable energy to pump surplus power into the power grid.
- Banning the sale of low-efficiency light bulbs by 2015.
- Stopping Homeowners' Association from restricting members from installing solar panels or other insulation measures.

To promote more open government, the legislature expanded open meetings rules to apply to the state Tax Commission, bringing greater scrutiny to large corporate tax breaks, and required government bodies to make requested public records available within five business days. On criminal justice issues, the legislature expanded "good time" credits to encourage the release of more than 1200 inmates in the next two years and improved the treatment of mentally ill people convicted of crimes.



Policy Leader

Nevada also restricted payday loans and banned balloon payments, while banning collection actions against families of military personnel who are deployed in combat.

Finally, Nevada passed a prescription drug card program, which allows all residents to acquire a free card which will secure an estimated 20% discount on drug prices.

New York

The New York State legislative session ended up being one of high hopes based on a new governor—and largely unfulfilled expectations as many needed reforms were stalemated.

On the positive side, the state did achieve signature gains in the area of childrens' health care and public school spending.

- **Health Care:** Setting a new national benchmark, New York extended SCHIP subsidies to every child in families making less than 400% of the poverty level (roughly \$80,000 per year for a family of four). The state also extended access to its Family Health Plus plan to businesses willing to pay premiums and
- **Education:** Responding to a decades-long lawsuit over equity in school funding, the state legislature delivered a \$1.76 billion increase in education aid targetted at the most needy schools for FY2007-2008, with the promise of a \$7 billion increase in annual aid by FY2010-2011.

The state also made inroad in a number of other areas as well:

- **Tax and Budget:** "Combined reporting" rules adopted in the new budget will decrease tax evasion by companies with multiple corporate subsidiaries, the state reformed its subsidy law to encourage more affordable housing, and the legislature voted for \$1.3 billion in property tax cuts.
- **Workers Rights:** Workers comp insurance reform will cut employer costs and increase minimum and maximum benefits for injured workers dramatically, the first increase in benefits since 1992. The Governor also approved new rules allowing child care workers the right to unionize.
- **Consumer Rights:** The legislature approved new rights for airline travellers stranded on tarmacs, banned "universal default" rules by credit card companies that in-



Policy Leader

crease interest rates if customers miss a payment with a different company, and banned phone companies from charging prisoners extortionate rates for phone calls.

- **Environmental gains** were limited this session and while the state assembly approved a gay marriage bill, nothing was passed in the state Senate.

Still, many observers gave the session very low grades for failure to address campaign finance reform, paid family leave, broader health care reform, congestion pricing rules to lower gridlock in New York City, and a range of other issues. While there may be a backroom deal among top leaders to have a special session to address a few of these concerns, even that kind of dealmaking reflects the dysfunction of the state's legislative system.

Incremental Gainers

Arkansas

With a projected \$919 million budget surplus, the state was able to provide tax relief to low income families and increase public school funding.

- 81,000 low income families were exempted from the tax rolls by raising the minimum taxable income levels.
- Taxes on groceries were cut in half, from 6% to 3%.
- The Homestead Property Tax was raised to \$350.
- \$456 million was allocated to repair and replace the state's aged public school infrastructure.

Arkansas also established a commission to study global warming and develop a plan for reducing pollution. Additionally, the state renewed its Renewable Energy Act and established goals and standards for alternative fuels.

Florida

In response to crushing increases in homeowners' insurance, the legislature froze rates for customers of the Citizens Property Insurance system until 2009 and generally, in the words of Gov. Crist,

put a "nail in the coffin of an industry that is hurting people."

On the environmental side, the legislature passed new incentives for alternative energy use and production and took steps to develop express buses and a rail system.

Florida legislators also:

- Got rid of touch-screen voting machines.
- Mandated that gift cards not expire.
- Required all elementary students to take physical education.
- Refused to revive a public school voucher system.

On the down side, the state failed to enact reforms to the state's KidCare children's health insurance plan, a plan that has been tossing as many as 15,000 children a month out of the program due to badly-designed rules instituted two years ago. And during a special session, the legislature enacted property tax cuts that could cut as much as \$15 billion out of state and local services over the next five years. Additional property tax cuts will go to voters as a constitutional amendment in 2008.



Incremental Gainer

Indiana

New leadership in the statehouse brought a halt to the Governor's efforts to privatize public assets and secured modest bipartisan gains for the state. Progress included:

- Increasing funding for all-day kindergarten.
- Allocating \$180 million for research and economic development.
- Enacting a property tax cut of \$300 million, while creating new flexibility for local governments to create local income taxes to make up for lost property tax revenues.



Incremental Gainer

In health care, the gains were more mixed. The state increased the cigarette tax to fund a health plan for up to 200,000 low income uninsured residents. The downside is that the program subsidizes Health Savings Accounts tied to high deductible health plans, which studies show lead to drops in coverage and less health care, particularly in low income populations. On the positive side, the same legislation increases children's coverage to 300% of poverty and allows children to stay on their parents' health plans until age 24.



Incremental Gainer

Similarly mixed results were achieved on clean energy and the minimum wage. While all state-operated facilities will be subject to audits concerning their energy efficiency, the legislature approved subsidies for coal gasification plants and failed to require utilities to purchase some of their energy from renewable sources. Finally, the legislature raised the minimum wage but tied any increase to a parallel increase by the federal government, making the advance for working families rather modest.

In other areas, progressive success is measured by the bills that failed. The legislature denied funding for virtual charter schools, a form of backdoor public school vouchers, while a proposed constitutional amendment to ban gay marriage was stopped in a House committee.

Nebraska

Nebraska legislators passed several bills concerning the welfare of children, including:

- Creating an integrated plan for Omaha-area school to share funding, cooperate on special focus schools and address the needs of poor students of color.
- Requiring divorcing parents to attend parenting education classes and work out a custody plan themselves or work with a mediator. Exceptions are made in cases of domestic violence or high levels of conflict.
- Establishing public-private partnership to make intensive early invention services available for autistic children.

Nebraska also matched federal minimum wage increases, increased bankruptcy protection to help people keep their homes, and encouraged development of wind turbines.

The legislature failed to end employment discrimination against gays and lesbians and failed to provide safe havens where mothers can legally and safely place abandoned babies. While the legislature tried to regulate robo-calls, the Governor vetoed the effort. Bill sponsors plan to try again next year.



Incremental Gainer

Rhode Island

Progressive achievements in Rhode Island were stymied by a budget deficit and a veto-happy Governor. The list of legislative advances that died at the Governor's desk is long, including:

- Repeal of mandatory minimum sentencing,
- Automatic voter registration of 18-year olds who had pre-registered,
- Pension and other benefits for domestic partners of public employees,
- A bill to help get more people of color and women on state commissions and panels, and
- A bill popular among nurses and patient advocates to end mandatory overtime in hospitals

Lawmakers enacted a budget, which required a veto-override, to fill the state's \$300 million deficit. It did so, however, by keeping public school funding at current levels, leaving 2,400 children without subsidized childcare, and requiring all 17-year olds charged with a criminal offense to be tried as adults. The latter measure is projected to save the state a mere \$3.6 million, but even state prison officials say that is unlikely, in part, because minors are kept in more expensive high security units for their protection.

All budget news wasn't negative though. In response to the Governor's goals to privatize more state services, legislators included requirements that the state must show verifiable evidence of cost savings and prove that state employees cannot perform a service just as efficiently before a state service can be contracted out to private firms.

In health care, lawmakers overrode a Governor's veto to extend the state's medical marijuana program for the chronically ill, which was set to expire on June 30th. They also passed legislation requiring employers to offer "cafeteria plans" to employees, enabling workers to purchase health care insurance with pre-tax income.

On social issues, in response to the genocide in Sudan, lawmakers limited state investment in Sudan and in companies that work with the its government. Lawmakers also prevented a same-sex marriage ban from going to voters.



Incremental Gainer

South Carolina

A \$1.5 billion surplus allowed lawmakers to make the largest tax cut in state history, but thankfully they also set aside funding for some important programs, such as placing a nurse in each elementary school, renewable energy, \$19 million for additional college scholarships, elimination of the grocery tax, and a new commission to assess the state's broadband infrastructure--a step towards connectivity across the state. A proposal to cut taxes only for the wealthiest South Carolinians was defeated in favor of eliminating the bottom tax rate, which at least delivers benefits to taxpayers of all income levels.

The end of session was marked by a flurry of vetoes and veto overrides, mostly budget related. Governor Sanford issued 243 vetoes, but legislators overturned 228 of them to preserve some positive steps forward made by the state, including:

- Green building requirements for state-funded construction projects,
- Investments in renewable energy and energy efficiency,
- Modest expansion of SCHIP from 150% to 200% of poverty, and
- Investment in the state's hydrogen economy.

Lawmakers also enacted a transportation bill requiring approval for projects to take into account congestion, accidents and environmental impact. Unfortunately, the legislature also approved a workers' compensation reform that makes the system more restrictive for workers.

Notable failures included neglecting to classify crimes committed against people because of their sexual orientation as hate crimes and failure to increase the nation's lowest cigarette tax by 30-cents, up from 7-cents per pack. A welcome failure, however, was a bill that would have required women seeking an abortion to view an ultrasound beforehand.

Texas

Texas had a raucous session, involving a legislator revolt to attempt to dethrone the autocratic House Speaker, but legislators managed to eke out some moderately progressive reforms amidst some mostly bad bills.



Incremental Gainer

In many ways, the state's greatest success was reversing rightwing policies enacted in earlier sessions, including:

- Restoring SCHIP health coverage to 127,000 children who lost it in 2003 budget cuts.
- Largely abandoning the privatization of the state's foster care system.
- Imposing a two-year moratorium on privately-owned toll roads.

Energy policy was a mixed bag, with one bill giving incentives to low- and moderate-income families to replace polluting vehicles and to use more energy-efficient appliances, even as the state gave new subsidies to nuclear power plants.

The legislature also approved a \$3 billion bond issue for cancer research, sent a constitutional amendment to voters to require the recording of individual lawmaker votes, and divested the state pension fund from Sudan.

While the legislature made their nods to rightwing interests in bills to offer Bible courses in public schools and put "under God" in the Texas pledge of allegiance, legislators blocked anti-immigrant bills and a Voter ID bill that would have undermined voting rights, a sign of the state moving towards a more progressive direction.

Virginia

A divided government led to modest gains amidst some problematic policies, including:

- Allocating \$250 million to boost clean-up of the resource- and eco-rich Chesapeake Bay.
- Creating a Hospital Patients' Rights law, giving patients the authority to choose their visitors – an important win for same-sex and non-married couples.
- Removing 140,000 of the poorest state residents from the income tax rolls.
- Passing a resolution expressing "profound regret" for the state's role in the slave trade.
- Requiring voting machines to have a paper trail.
- Requiring schoolgirls to receive the HPV vaccine unless their parents object.
- Requiring schools and public health officials to work together to fight childhood obesity.



Incremental Gainer



Incremental Gainer

Although state legislators did not approve new statewide revenues for transportation, they did increase local regions' power to raise local tolls and fees for transit projects.

An effort to increase the minimum wage failed, as did a pilot pre-school program for 4 year-olds. Fortunately, abortion restrictions were successfully resisted, but lawmakers overrode two of five vetoes concerning the death penalty to expand its reach. And, to the concern of civil libertarians, it expanded the use of red-light cameras at intersections.

West Virginia

West Virginia made incremental progress on several issues, including:

- Issuing a 3.5% pay raise for teachers.
- Increasing the gas tax in order to fund road improvements.
- Promoting e-mail and electronic prescriptions.
- Allowing breast-feeding in public.
- Allowing children to remain on parents' health insurance until age 25.
- Enacting "combined reporting" rules to close corporate loopholes used by companies with multiple subsidiaries to evade state taxes.

Although authorizing legislation was not enacted, the Governor plans to pursue requiring drug makers to disclose marketing and advertising costs. Also, despite a dispute with some conservative lawmakers that argue legislative approval is required, the State Department of Environment Protection plans to move forward with new clean water regulations.



Incremental Gainer

Leadership Laggards

Alaska

The entire legislative session was upstaged by an on-going federal corruption investigation involving industry lobbyists and four current and former legislators. Amidst indictments alleging bribery, extortion and money laundering, the legislature enacted ethics reforms requiring fuller disclosure of legislators' outside income, slowing the revolving door between state employment and private-sector lobbying, and restricting meals and gifts from lobbyists.

Outside of the ethics bill, the session may be better known for what the legislature failed to do, punting bills that would have prevented oil companies from deducting the costs of repairs to oil fields due to their own mismanagement, failing to enact long-term school funding, and failing to expand health benefits for seniors in long term care and children. Fortunately, the legislature also failed to put out a referendum that would ban court-ordered benefits to same-sex partners of public employees. One small victory for renewable energy in the oil-rich state was funding to connect the city of Anchorage's electric grid to a wind-farm.



Leadership Laggard

Kansas

Business was the big winner this legislative session, with tax cuts resulting in the loss of \$300 million in revenue over the next five years. Low-income workers, however, will benefit from a \$46 million expansion of the state Earned Income Tax Credit and the state's schools are set to see an additional \$123 million as part of a multi-year school funding plan. English also made out, becoming the official language of the state. While this very jingoistic initiative does not bar public documents or meetings from being conducted in other languages, it does not require services or forms to be accessible to non-English speakers.

Some promising, though small, steps were made in health care, including:

- Allowing small businesses to pool employees for health insurance.



Leadership Laggard

- Providing additional subsidies to low income families.
- Authorizing the Kansas Health Policy Authority to develop recommendations for the 2008 legislative session for providing all residents with health insurance.

Thankfully, the Governor vetoed an invasive anti-abortion law that would have forced abortion providers to report information to the state about any woman having a late-term abortion, a threat to privacy that the Governor thought unacceptable.

Kentucky

Legislators converged on Frankfort ready to restore capital improvement projects that had been vetoed by the Governor last year, fix problems with the state's pension plan, and address a \$402 million surplus. Three months later, they left accomplishing very little in these areas.

However, the state did increase the minimum wage, increase protections for coal miners, and made human trafficking a state crime. Debate over reforming the state pension plan derailed, restoring the vetoed capital improvement projects and hiring more math and science teachers. Also distracting state government is this year's contested gubernatorial race.

At the time of this report, Governor Fletcher was in a fight with the House Democratic majority over a special session this summer. The Governor wants the legislature to tackle a mini-agenda that House leaders say doesn't amount to an emergency and is part of an election-year ploy. The Senate, however, approved the Governor's mini-agenda, including corporate tax-breaks to lure a coal-to-gas plant to the state and prohibiting state agencies from granting health benefits to the domestic partners of employees.

Louisiana

The presence of the American Legislative Exchange Council's (ALEC) sponsorship on the legislature's website is an omen to the pro-business tenure of Louisiana's legislature. Still the legislature made some policies advances in a few areas:

- **Working Families:** The state provided for lost wage



Leadership
Laggard



Leadership
Laggard

benefits for employees who are separated from work as a result of domestic abuse and established a refundable state earned income tax credit equal to 3.5 percent of the federal income tax credit.

- **Education:** Under its appropriation package, the legislature increased teacher pay, expanded the early childhood program, and gave tax credits for parents, teachers, child care providers and businesses that support quality child care.
- **Health Care:** The state expanded health insurance to at-risk children.
- **Katrina Recovery:** The legislature made some progress in investing in recovery from Hurricanes Katrina and Rita, including an estimated \$1 billion infusion of new funds into the Road Home residential rebuilding program. The legislature also approved \$23 million for New Orleans to establish a capital infrastructure program.
- The legislature also abolished cockfighting, becoming the last state to do so.

On the downside, in a major blow to tax equity in the state, tax deductions were expanded largely for the richest 20% of state residents, creating a \$157 million loss in revenue the first year and more than \$300 million by the third year. At the same time, the state handed out business tax breaks with such abandon that analysts fear a serious budget crunch down the line. The legislature also enacted some downright ugly anti-abortion policies, while failing to enact basic wage and anti-discrimination reforms.

Montana

Progressive momentum in the Montana Legislature was largely derailed by the rightwing leadership of the narrowly controlled House. The regular session ended without the House passing a budget, while the Majority Leader closed his caucus with a profanity-laced tirade about the Governor in front of high school pages.

A resolution opposing reauthorization of Fast Track trade promotion authority passed overwhelmingly in the Senate, only to be killed in a House committee. Likewise, tax disclosure reform that would have greatly aided the Department of Revenue in their investigation of out of



Leadership
Laggard

state corporate tax dodgers passed the Senate only to die in a House committee.

Adding to the rightwing theater, the House leadership appointed a Constitution party member who believes in abolishing the Department of Education as the chair of the education committee. At one point in the budget negotiations, the House proposed cutting the budget for the catch-all Department of Health and Human Services to just \$300.

In the end, after a special session was convened, the Governor cobbled together a coalition, including the foul-mouthed Majority Leader, that passed a progressive property tax rebate of \$400 per Montana homeowner.

North Dakota

Legislators in North Dakota curbed the Governor's pro-business tax credits and placed a \$1,000 tax credit cap on any piece of property to protect against large outfits like Wal-Mart walking away with large tax credits.

The legislature also established a buy-in program to access federal funds under the Family Opportunity Act to provide medical assistance and other health coverage options for families of children with disabilities.

North Dakota passed a minimum wage increase that would follow federal increases. While it passed the Senate, the House killed a bill requiring employers to verify the legal status of its employees.

Perhaps some of the strongest anti-abortion legislation came out of the North Dakota session. Legislators imposed a near-total criminal ban on abortion if *Roe v. Wade* is overturned and created a funding stream for anti-choice clinics that do not provide women with access to the full range of reproductive health options.

Oklahoma

New rightwing dominance of the state legislature made its mark known in the areas of tax cuts, abortion rights, and immigration. Specifically, the legislature:

- Accelerated a previously passed giant income tax cut.
- Eliminated the small business franchise tax.



**Leadership
Laggard**



**Leadership
Laggard**

- Prohibited all abortions in state medical facilities or by state employees, with narrow exception for situations in which the life of the mother is endangered and cases of rape or incest.
- Enacted punitive measures against immigrants with a law requiring employers to screen job applicants for legal status, in addition to denying state services to undocumented immigrants and making it a crime to harbor undocumented immigrants.

The news wasn't all negative, though. The Governor vetoed a tort reform bill that would have capped monetary compensation for damages, and the state dedicated permanent funding for the state's higher education program that provides free tuition to college students whose parents make less than \$50,000 per year. The law did, however, toughen the academic standards students must meet to qualify. An All Kids Act was enacted to help children in families below 300% of poverty afford health insurance, though as a downside, the program provides a voucher to purchase insurance, a system which does not guarantee coverage or the affordability of insurance.

South Dakota

In a remarkably inactive session, South Dakota legislators did pass a minimum wage increase in line with the federal increases and extended health insurance coverage for dependents, especially full-time students under age 29. The legislature also enacted limits on payday lending, limiting the maximum amounts of principle to loan.



**Leadership
Laggard**

Tennessee

Tennessee passed a remarkable five bills on immigration, the worst being a law that eliminates Tennessee's driving certificate program, effectively eliminating 50,000 undocumented immigrant drivers who had previously demonstrated the ability to drive safely. The legislature also gave the Governor authority to negotiate an agreement with the federal government to train Tennessee Highway Patrol troopers as immigration agents, which could be problematic if it



**Leadership
Laggard**

increases the practice of profiling.

Fortunately, some extreme anti-immigrant bills were defeated, including one that would require special security checks for Japanese, Korean and Spanish-speaking immigrant drivers, regardless of immigration policy, and one that would prohibit adult undocumented immigrants from studying English. The legislature also:

- Reduced the food tax.
- Passed a large funding package for bio-energy research.
- Passed a resolution rejecting the Federal Real ID Law.
- Implemented two toll roads and removed the provision that would have allowed the toll roads to be privatized.
- Established a program offering nurse home visits for first-time mothers during pregnancy.
- Passed the Tennessee Clean Water Act of 2007, the highlight of which is the Public Access Bill, which requires the Tennessee Department of Environment and Conservation to post all enforcement activity on the internet, including violations and penalties.
- Provided \$82 million to fund the protection of 124,000 acres on the Cumberland Plateau.

Utah

The Utah legislature passed a bill that, in effect, allows health care decisions to be made by domestic partners in the case of incapacitation. Doctors are required to follow the designee's decisions and if other family members are not available, the bill allows a domestic partner to make decisions in the case of incapacitation.

It also banned public demonstrations at funerals for one hour before and one hour after the services.

The legislature also restored the tax credits for residential and commercial installation of renewable energy systems, including wind, solar/geothermal, hydroelectric and biomass.

The most controversial bill seems to be a one that enacted vouchers for private school tuition ranging from \$500 to \$3000 per student based on parents' income. Opponents are trying to build support for a referendum to overturn the voucher bill.



**Leadership
Laggard**

Wyoming

The nation's least-populated state passed a few encouraging policies, including exempting breastfeeding from the indecent exposure statute and prohibiting discrimination on the basis of pregnancy. The legislature also permanently exempted sales tax from food for home consumption.

Wyoming also took steps to increase the number of moderately-priced housing by establishing a loan program to expand workforce housing.

The legislature also struck down a few very bad abortion bills, including a bill that would require informed consent and an additional 24 hours waiting period before obtaining abortion services, as well as well as a bill that could deem an unborn child to be a homicide victim.

However, the legislature failed to pass a minimum wage increase and a prohibition on smoking in places of employment.



**Leadership
Laggard**

Bottom of the Barrel

Arizona

Arizona wrapped up a session marked by anti-immigrant fever and major unfinished business. On the small plus side, the state:

- Allowed tax-free contributions to college savings plans.
- Increased the cap on workers' compensation claims for the first time since 1999.
- Gave public school teachers an extra \$46 million for salary increases.
- Ended destructive tax competition by eliminating the practice of communities giving huge tax breaks to retail businesses for locating within their municipalities.

However, the session was marked more by negative legislation and failures to act, most notably in the following areas:

- **Anti-Immigrant Bill:** The legislative session was marked by the passage of "The Fair and Legal Employment Act," which is anything but fair as it punishes businesses and makes it a crime to hire undocumented workers. The bill



**Bottom of
the Barrel**

also requires businesses to verify employment eligibility of workers through a federal database.

- Failing to regulate pay day lending and failure to oppose the federal Real ID act.
- Preemptively blocking health officials' ability to require the HPV vaccine, although the legislature did provide state funds for the voluntary administration of the vaccine for uninsured women on Medicaid.

The Arizona Legislature left under a negative cloud as legislators voted to adjourn the session before providing adequate funding to teach English to an estimated 160,000 school children who are learning it as a second language. The state could face millions of dollars in fines for failing to provide the funding.

Georgia

With rightwing leadership at each others' throats, Georgia's legislature became a dysfunctional circus this session. Even the budget was left initially in limbo with the Governor vetoing it, then rescinding the veto as chaos loomed. The state's PeachCare child health care program was almost left broke in the scramble, even as legislators voted at one point to cut eligibility for the program, marking Georgia as the only state with a serious movement to decrease children's health coverage this year.

About all that was approved during the general session were tax giveaways to large corporations like Delta Air Lines, jet-maker Gulfstream and its insurance companies, and a video franchising deal for the telecom industry. The state also gave developers the ability to set up "private cities" with local voter approval.

The only saving grace was that the dysfunction of the legislature blocked a number of nasty bills being proposed to expand the death penalty and actually encourage more payday lending abuses in the state.



Bottom of the Barrel

Idaho

Continuing rightwing leadership in Idaho resulted in new restrictions on abortion, including requiring physicians to inform a patient of her right to view an ultrasound image before an abortion procedure and written parental consent provisions for minors.

The legislature also made English the official language of the state and requires government transactions, proceeding, meetings and publications to be in English.

For election reform, the legislature failed to pass clean elections but did pass a robo-call disclosure bill that requires, among others, disclosure of the caller's contact information.

Idaho failed to pass protections against retaliatory action by an employer against any employee making or testifying, or about to make or testify in, a workers' compensation claim. They also failed to provide health insurance eligibility to police officers or firefighters who become disabled as a result of injury incurred in the line of duty.

Mississippi

Mississippi continues to deal with the aftermath of Hurricane Katrina, almost two years later, and faces a homeowners and business insurance crisis. Amid tripling rates that rival mortgage payments, the legislature allocated \$160 million over 4 years to provide premium relief in the state-sponsored "wind pool" insurance program and measures to try and bring back the private market. Elsewhere, there is little to trumpet.

The state handed out \$300 million in tax subsidies to Toyota in order to attract just 2000 jobs (or more than \$150,000 per job). The legislature sought to cut the tax on groceries in half by raising taxes on cigarettes, but that initiative was blocked by Governor Barbour's veto.

The state, which is repeatedly at the bottom in terms of the health and financial security of its residents, did little to nothing to alleviate either issue. Instead, it spent its time restricting abortion rights. In the event the U.S. Supreme Court overturns *Roe v. Wade*, abortion will become illegal in Mississippi with narrow exceptions for the life of the mother and cases of rape. Additionally, the law requires doctors to perform a sonogram, ask the patient if she wants to view the images and hear the heartbeat, and



Bottom of the Barrel

sign a statement that this was offered to her. Further, the law restricts a court's ability to waive the parental consent laws for minors.

Missouri

Not much good—and quite a few bad pieces of legislation—came out of the rightwing-dominated Missouri legislature's work with the state's Governor Matt Blunt.



Bottom of the Barrel

A “new” reconfigured state Medicaid system, now called HealthNet, was approved, yet the bill failed to restore health care to most of the 100,000 low-income families kicked out of Medicaid two years ago. Despite a few minor reforms, Missouri did little to help the state's 700,000 uninsured.

The other signature bill of the session was a financial raid on the state student loan agency, the Missouri Higher Education Loan Authority (MOHELA), to sell-off \$355 million in loan assets to pay for campus construction funds. Yet even there, rightwing forces blocked a new health sciences center at the University of Missouri-Columbia in the name of preventing stem cell research.

Rightwing social activists scored additional victories with anti-abortion bills that are likely to effectively close two of the three abortion clinics in the state. People affiliated with abortion clinics were also banned from teaching sex education classes, and communities were encouraged to offer abstinence-only sex education.

On the tax front, some Missourians over age 62 will now be able to deduct Social Security and other public pension income from state income taxes, amounting to a \$154 million tax cut benefiting mostly wealthier seniors since most seniors already pay no taxes on such benefits.

The state also allowed telephone companies to bypass state franchising authorities to offer video services in competition with cable companies, but included relatively weak buildout requirements to ensure universal access.

The state did manage to pass a bill that removes obstacles to installing solar panels, sets a Renewable Portfolio Standard of 11% by 2020, and provides for a net metering provision.

The best that can be said about the Missouri legislative session was that the legislators defeated some other terrible bills, including blocking a school voucher plan, de-

feating a proposal to gut the states prevailing wage law, and failing to pass a bill that would have cut wages for tipped workers under the state minimum wage law approved by voters last fall.



About the Progressive States Network

The Progressive States Network was founded in 2005 to drive public policy debates and change the political landscape in the United States, by focusing on attainable, progressive state actions. The Progressive States Network advances this agenda by providing coordinated research and strategic advocacy tools to forward-thinking state policymakers, legislative staff, and non-profit organizations. We function as a meeting space for progressive legislators, activists, and citizens, and serve as a hotbed of information exchange. We track legislation in all 50 states, helping to spark change across the country. We make it easier for people to learn more about how to get good ideas passed into law—and take power into their own hands.

www.progressivestates.org

101 Avenue of the Americas
3rd Floor
New York, NY 10013
TEL: 212.680.3116
FAX: 212.680.3117