Two new state laws seek to tap into power of energy efficiency

By Tim Anderson (tanderson@csg.org)

When it came to helping craft a complex, landmark package of bills to revamped the state’s energy policy and map out the future of electric power in Michigan, Sen. Mike Nofs tried to at least keep one part of the legislative work simple and unchanged — the measure’s overarching goals.

“We wanted to control our destiny, regardless of the policies being set at the federal level,” he says. “And that meant focusing on affordability, reliability and clean energy.”

And that, in turn, led him and other lawmakers to make efficiency (or ‘waste reduction,’ as it is now referred to in Michigan statute) a big part of the state’s new energy law, which was signed by Gov. Rick Snyder in late 2016.

Only weeks before, another Midwestern state, Illinois, also took sweeping actions on energy policy, with a law that includes new incentives and standards for its utilities to achieve greater efficiency.

The two states have different electricity markets and challenges, but they share a common interest in pursuing what can be the cheapest energy of all — that which doesn’t have to be produced.

“If you don’t have to build a new power plant to replace an old one, that’s real savings for customers, and that’s the value of energy efficiency,” Nofs says.

Setting up utilities for success

More than many states, he adds, Michigan has an imperative to use energy efficiently, because it is a ‘peninsula state’ that has limited transmission lines and that must provide much of its own electricity.

And in the many months leading up to passage of the new energy plan, lawmakers saw big changes occurring not only inside Michigan’s borders, but across the Midwest’s electric grid: namely, the closures of several older, coal-powered plants.

“That was a big driver for our discussions over this energy bill,” says Sally Tallberg, chair of the Michigan Public Service Commission, adding that a mix of factors — age, environmental rules and cheap natural gas — are causing the plants to shut down.

“In the past, we’ve been able to rely on a pretty hefty cushion of supply, but these closures have eaten into that margin.”

Michigan’s new plan is multifaceted, tackling tricky policies on electric choice, energy efficiency, while also putting in new rules for all distributed generation and renewable energy.

For providers that meet or exceed the state’s efficiency standards, the amount of incentives available to them is greater than under the previous law.

“Michigan’s new plan is multifaceted, tackling tricky policies on electric choice, energy efficiency, while also putting in new rules for all distributed generation and renewable energy.”

Incentives and standards for its utilities to achieve greater efficiency.

The new law doesn’t just envision a supply-side solution to Michigan’s energy challenges; it also includes new strategies for controlling demand.

For starters, the Legislature has set a new clean energy goal: by 2025, to have at least 35 percent of Michigan’s electric needs be met through a combination of energy waste reduction and renewable energy.

The state’s efficiency standards remain unchanged from the previous law — a target of 1 percent of retail sales for electric providers and 0.75 percent of retail sales for natural gas providers. The big change will instead come from a new set of financial incentives and cost-recovery mechanisms, says Nick Dreher, policy manager with the Midwest Energy Efficiency Alliance.

“The whole package sets up the utilities for success,” he believes.

For providers that meet or exceed the state’s efficiency standards, the amount of incentives available to them is greater than under the previous law.

These incentives come in the form of ‘shared savings’ from a successful efficiency program: ratepayers save with lower electric bills, but part of that cost reduction then goes to financially reward the utility. In Michigan too, the better the performance by the utility (in terms of its energy savings), the greater the level of the incentive.

Another important provision, Dreher says, removes a statutory limit on how much Michigan’s utilities can spend on efficiency.

Lawmakers in states such as Michigan and Illinois are hoping new incentives for utilities, along with the installation of smart meters and use of new technologies by customers, will lead to greater savings through energy efficiency.
Economic Development

Kansas bill offers incentives to attract more businesses to job-scarse rural areas of state

Seven years ago, Kansas lawmakers adopted new incentives for individuals to move to the state and make one of its 77 rural counties their new home. The Rural Opportunity Zones program offers a mix of income tax waivers (for up to five years) and student-loan repayments of $15,000.

But as much as he supports the idea, Kansas Rep. Troy Waymaster says another part of the economic challenges for rural areas must somehow be met.

“The problem is when there is no job for them to take, [people] probably are not going to move [to the rural counties],” he notes. “This is the other half of the equation: how you get jobs to move back.”

This year, he introduced the Ad Astra Rural Jobs Act (HB 2168), which would provide tax credits to investors who help businesses expand, locate or relocate in Kansas’ rural areas, many of which are struggling due to trends in their two dominant industries: agriculture and oil.

In both sectors, commodity prices are low. “When [rural areas]’ dominant economic engines are in an economic downturn, it really has a catastrophic effect for the entire city or region,” says Waymaster, whose home county of Russell has a population of less than 4,000.

“You don’t have farmers having excess cash where they can go out and buy new equipment and new machinery,” he adds, “and on the oil side, you’re not seeing the drilling that was going on [earlier in the decade].”

HB 2168 targets growth in areas that have populations of fewer than 60,000 people and are located outside a highly populated metropolitan region; it also would focus on providing capital for certain types of industries — manufacturing, plant sciences, technology and agricultural technology businesses.

The proposal, Waymaster says, is modeled after a bill introduced last year in Missouri. The growth — or lack of it — of the rural economies of Kansas, Missouri and eight other states is the focus of a monthly study done by Creighton University.

In January, for the 17th straight month, Creighton economists found relatively weak economic conditions in the 10-state region’s rural communities (see table). The “Rural Mainstreet Index” is based on a survey of banks CEOs, who point to low agricultural commodity prices and soaring loan defaults as among the biggest threats to the economic health of rural areas. The index also considers factors such as farmland prices, banking and loan activity, hiring, and home and retail sales.

Kansas bill offers incentives to attract more businesses to job-scarse rural areas of state

Midwest’s scores on ‘Rural Mainstreet’ economy index, January 2017 (a 50.0 represents ‘neutral growth’)

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<tr>
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</table>

“Economic downturns aren’t a focus on rural America and looking at businesses that do want to be there.”

States require some level of breast density notification after mammograms

More states requiring women to be notified that breast density can skew mammogram results

Mammograms are perhaps the best-known tool to detect breast cancer, but their effectiveness can be diminished if the breast tissue itself is dense enough to hide the tumors.

And this potential problem is fairly common: 40 percent of women age 40 and older have dense breasts, according to DenseBreast-info, an education and advocacy group for patients and practitioners.

Connecticut in 2009 became the first state to require practitioners to notify women that they have dense breast tissue and should consider following up with three-dimensional breast scans. (Starting this year, the state also requires insurance companies to cover 3-D mammograms.)

Now, 27 U.S. states have such notification requirements in place, including Michigan, Minnesota, North Dakota and Ohio (as of January, North Dakota’s law was scheduled to sunset on July 31).

Wisconsin Rep. Mike Rohrkaste is now exploring the idea of trying to add his state to that list. While wary of overregulation, Rohrkaste says he’s interested to see whether the notification requirement would provide proper health care to state residents.

“I haven’t heard a strong, compelling argument against addressing it in some way,” says Rohrkaste, whose work on the issue began after he heard from a constituent. “From what I’ve seen so far, it’s definitely valid for states to consider putting forth legislation on this issue.”

A like-minded bill (LB 195, known as “Cheri’s Law”) already had been introduced in Nebraska in January.

According to DenseBreast-info, two other Midwestern states — Illinois and Indiana — require some form of educational effort about dense breast tissue, but do not require the same sorts of notification.

Under Indiana’s law, which took effect in July 1, imaging facilities must notify patients if it is determined that the patient has “an amount of breast and connective tissue in comparison to fat in the breast.” But, as DenseBreast-info points out, imaging facilities “are not required to make that determination. Further, all breasts have an amount of breast/connective tissue in comparison to fat.”

Illinois requires publication of a summary of methods for early detection and diagnosis of breast cancer, which must include the meaning and possible consequences of “dense breast tissue” under the American College of Radiology’s breast-imaging guidelines. The law also requires that if a routine mammogram finds dense tissue, insurance must then provide for a comprehensive ultrasound screening if a physician says it’s medically necessary.

Supporters of these notification laws say the information empowers women to discuss supplemental screening with their doctors. Critics say they might create anxiety and could lead to unnecessary treatments.

Among the Midwestern states with notification requirements, Michigan and Ohio require specific language, while Minnesota and North Dakota do not.
Agriculture & Natural Resources

Indiana among Midwestern states seeking fairer property-tax formula for farm producers

Indiana Sen. Jean Leising knows it’s going to be another tough year for beef and hog producers, and 2016’s record national yields for corn and soybeans indicate that farm profitability will decline for the third straight year.

But she says a statutory revision made by the state legislature last year might at least help ease the pain for agricultural producers when it comes to paying their property taxes.

“The drop in net farm income again this year makes the changes Indiana made to the farmland-taxation calculation in 2016 even more important,” Leising adds.

In Indiana and seven other Midwestern states (Illinois, Iowa, Kansas, Ohio, North Dakota, South Dakota and Wisconsin), property tax valuations of farmland are built off a “base rate,” which, in turn, is determined by the land’s income potential.

Most of these states also then use multi-year rolling averages to calculate the income potential. This framework for assessing agricultural land can prevent dramatic increases based on an isolated economic event, but it also has a potential downside for agricultural producers: While their net incomes may have fallen due to declining commodity prices or rents, for example, the valuation of their property is still including more prosperous years when commodity prices were high and interest rates low.

That is occurring right now in many of the region’s states, and has led to calls for tax relief of some kind.

The response in Indiana was last year’s passage of SB 308, which established a new system for setting the base rate. First, data from more-recent calendar years are being used to calculate the multi-year average, with the lag time having been reduced from four years to two. Second, Indiana lawmakers froze soil-productivity factors (a measure of the value of the land based on its soil type) at their levels for the year 2011.

Third, and perhaps most important, assessing officials will be required to compare the calculated value to the existing rate, and if the annual change is greater than 10 percent, they will recalculate the value using an 8 percent capitalization rate.

“What the legislature did was stop the dramatic increase in farmland taxes that we would have seen for the next five years,” Leising says, “and make it better match current commodity prices.”

The Indiana law is expected to work in similar ways to laws in other states that restrict yearly changes in farmland assessments — 10 percent caps in Illinois and South Dakota, for example, and 4 percent in Iowa.

In Ohio, farmers have seen threefold increases in taxes over the last five years.

Two years ago, the Ohio Department of Taxation reduced its three-year lag in tax valuations to one year. That has slowed the increase in property taxes, but last year, the clock ran out on legislation introduced by Rep. Brian Hill (HB 398) to provide additional relief. That measure would have replaced the state’s current formula for assessing agricultural land with an alternative model designed to reduce tax burdens and lower the assessed value of land being used for conservation purposes.

“We want to see fair ag-land taxing before the taxes start shutting down Ohio’s farm operations,” says Hill, who will introduce the legislation again this year.

In Ohio and Indiana, local officials have expressed concern that changes in the assessment formulas would shift tax burdens to residential property owners.

Brief written by Carolyn Orr, staff liaison to the Midwestern Legislative Conference Agriculture & Natural Resources Committee. She can be reached at corr@csj.org.

Education

Leading region in suspended students, Michigan looks to ease schools’ zero-tolerance policies

Starting with the next school year, K-12 officials in Michigan will be required to consider certain factors before suspending or expelling students, under a set of new laws that aim to reduce the number of students who are removed from school.

“Public education is a great way to improve people’s lives, but that requires them to be in school,” says Rep. Adam Zemke, who was part of a bipartisan group of legislators that led efforts to pass the bills (HB 5618-5621 and HB 5693-5695) late last year.

The list of factors to be considered will include the severity of the offense, the student’s age and disciplinary history, and whether he or she has a disability. Also, with the new laws in place, Michigan schools will no longer have to enforce zero-tolerance policies — under which an offending student had to be removed from school — for certain offenses.

According to the U.S. Department of Education, Michigan schools expelled 1,284 students under zero-tolerance policies in 2011 — more than any other Midwestern state (see map).

Rep. Andy Schor, who led the legislative effort, hopes reducing the number of students who are removed from school will address a phenomenon known as the school-to-prison pipeline.

“Kids are getting expelled, getting into trouble on the streets, and then going to prison,” Schor says.

This trend is not unique to Michigan. A 2011 report from The Council of State Governments Justice Center found that public school students in Texas who were removed from school for a discretionary violation were nearly three times as likely to be in contact with the juvenile justice system the following year.

Michigan’s zero-tolerance policies were enacted in the 1990s, part of a nationwide trend targeting violence in schools. Unfortunately, Schor says, those laws were so strict that they started capturing situations where there wasn’t intent to harm.

“In committee, we heard stories about kids being suspended or expelled because they live in rural areas and accidentally brought a hunting knife in their backpack,” says Schor, whose own son was suspended from school for three days after bringing a Swiss Army knife to school to replace his classroom’s broken pencil sharpener.

To prevent situations like this, the new laws require school officials to operate under the “rebuttable presumption” that suspension or expulsion is not justified, with certain exceptions.

Michigan also will require its local schools to consider using restorative practices, which emphasize repairing the harm to the victim and the school community caused by a student’s misconduct, as an alternative to removing a student from school. (One example of a restorative practice would be a conference between the victim and offender.) These practices would address offenses such as bullying, class disruption, damage to property or harassment.

In 2015, Illinois enacted legislation (SB 100) that eliminated zero-tolerance policies for all but the most serious offenses. Under the law, too, schools must exhaust all non-exclusionary methods of discipline — such as in-school suspension, detention or loss of privileges — before removing the student.

Brief written by Katelyn Tye, staff liaison to the Midwestern Legislative Conference Education Committee. She can be reached at ktye@csj.org.
Governors state their priorities for year ahead

In addition to the tax-reform plans introduced in some of their 2017 State of the State addresses, the region’s governors proposed a wide range of policy initiatives. Below are five of the more noteworthy ideas in those speeches.

**Iowa: Bring computer science to schools**

Iowa Gov. Terry Branstad wants a greater emphasis placed on computer science throughout the state’s K-12 system. By 2019, he envisions every elementary school offering an introductory course in the basics of computer science and every high school providing at least one high-quality course to students. To help train teachers, the state would provide funding for professional development in computer science instruction.

**Kansas: Bolster health workforce**

In Kansas, 92 of the state’s 105 counties are “medically underserved” due to a lack of health providers, and 87 of the counties don’t have enough dentists. Gov. Sam Brownback introduced a three-pronged strategy to address these shortages. First, provide $5 million for rural residency programs for doctors; second, help establish a privately funded Doctor of Osteopathy School; and third, develop a dental school at the University of Kansas Medical Center.

**Wisconsin: Reform welfare policies**

Wisconsin Gov. Scott Walker told lawmakers that one of his top priorities in 2017 would be further reshaping the state’s welfare policies to ensure that they are “rewarding work.” His “Wisconsin Works for Everyone” plan includes investing more in job training, expanding the reach of earned-income tax credits, and eliminating the “benefits cliff” that some parents face when their income levels from work cause a cut in child care subsidies. Walker also wants to extend the work requirements for receiving state assistance to able-bodied adults with school-age children who receive assistance through Wisconsin’s FoodShare program, as well as to working-age, able-bodied adults who receive housing assistance.

**Michigan: Improve infrastructure plans**

Gov. Rick Snyder unveiled a pilot program that he says will help the state and its local governments build back better, improve and upgrade Michigan’s infrastructure — and save taxpayer dollars in the process. The idea behind his “integrated asset management” plan is to improve coordination among state government agencies, municipalities and utilities. So when plans are made to fix or replace a road, for example, all the work will be done at one time — whether that means installing broadband or putting in new electrical lines.

**North Dakota: Invest in ‘Main Street’**

Making smarter infrastructure investments also is the focus of North Dakota Gov. Doug Burgum’s Main Street Initiative. His plan includes working with local leaders to rebuild existing neighborhoods and build-ings in cities across North Dakota, as an alternative to the pattern of building projects “outward.” As an example, he noted that new schools have been built on the outskirts of the state’s metropolitan areas, “resulting in huge long-term ongoing costs to deliver city services.”

At start of 2017, Midwest’s governors, legislatures float new tax plans

Tax policy quickly emerged as a high-priority issue this year in many of the Midwest’s states, with a mix of proposed tax hikes and cuts making their way into governors’ State of the State addresses and proposed budgets, as well as some of the first bills introduced in legislatures.

On the first session day of the new year in Michigan, for example, a bill was filed to cut and eventually get rid of the state’s income tax. Under HB 4001, the state’s flat rate of 4.25 would fall to 3.9 percent in 2018. Then, in every subsequent year, the rate would decline one-tenth of 1 percent until reaching zero.

Nebraska Gov. Pete Ricketts is calling for reductions in his state’s income tax as well, but his legislative proposal takes a different approach: Tie those cuts to increases in state revenue collections. “If our revenue doesn’t grow fast enough, the tax rate doesn’t come down,” Ricketts said in his State of the State address. He believes this approach would shield Nebraska from some of the budget problems seen in other states after taxes got cut before spending was reduced.

Under Ricketts’ plan (introduced as LB 337), starting in 2020, the top tax rate in Nebraska’s graduated income tax system would fall one-tenth of 1 percent every year in which projected state revenue growth exceeds 3.5 percent. The current top rate is 6.84 percent, and it would keep being cut until falling below 6 percent.

Ohio Gov. John Kasich, on the other hand, wants a tax swap: Cut income tax rates and make up the difference with revenue increases from other sources. “The governor believes that it is generally preferable to tax consumption rather than income, because taxing consumption provides greater incentives for saving and investment,” Tim Keen, Ohio’s budget director, told a legislative committee few days after the January release of Kasich’s plan.

If the legislature agrees, Ohio’s sales tax rate would increase from 5.75 percent to 6.25 percent. In addition, more services (from cable television and cosmetic procedures, to interior and landscape design) would be subject to the sales tax.

In exchange, income tax rates would fall in all of the state’s income brackets, the “equivalence to a 17 percent rate cut for all taxpayers,” Keen said.

**Proposals would raise excise taxes**

Kasich’s plan also calls for higher oil and gas severance taxes and alcohol and tobacco taxes. Ohio’s cigarette tax, for example, would increase from $1.60 per pack to $2.25. Kansas Gov. Sam Brownback is proposing a steeper hike: $1.29 per pack to $2.29. He also wants to double Kansas’ tax on tobacco products sold by stores and distributors, from 8 percent to 16 percent.

In Indiana, meanwhile, one of the biggest policy questions facing lawmakers is whether to raise transportation-related taxes and fees in order to better fund the state’s roads and bridges.

Indiana currently levies a tax of 18 cents per gallon of gasoline sold, HB 1002 calls for an immediate 10-cent increase as well as an indexing of all of the state’s motor-fuel tax rates to a formula based on changes in inflation and personal income growth. As part of this legislation, too, Indiana would gradually move all revenue from the state’s sales tax on gasoline into the highway fund (a portion of it now goes to the general fund). HB 1002 also calls for increases in vehicle registration fees.

“The bill’s purpose is to provide a sustainable infrastructure funding plan without creating debt for the next generation,” says Indiana Rep. Ed Soliday, chair of the House Roads and Transportation Committee, noting that the state has estimated that it needs an additional $24 billion in road and bridge funding over the next 20 years. Similar concerns about long-term road-funding shortfalls have led legislators in Iowa, Michigan, Nebraska and South Dakota to raise taxes on motor fuels in recent years.

**‘Grand bargain’ in Illinois?**

In Illinois, much of the talk in the state capital during the month of January was about a so-called “grand bargain”: an attempt by a bipartisan group of leaders in the state Senate to reach an elusive budget agreement.

The state has been operating without a full budget since July 1, 2015, (many programs and services have instead been funded by temporary spending bills or court orders), and in his State of the State address, Gov. Bruce Rauner noted that the state has “more than $11 billion in unpaid bills.”

According to the Peoria Journal Star, the “grand bargain” was likely to include an increase in the income tax, an expansion of the sales tax to include services, and a tax on employers based on the size of their payrolls.

Sources of state and local revenue: 2014

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<tr>
<th>State</th>
<th>Property</th>
<th>Sales*</th>
<th>Individual income</th>
<th>Corporate income</th>
<th>Other</th>
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*Includes general sales taxes as well as “selective sales” tax on items such as motor fuels, alcohol and tobacco products, public utilities, amusement, pari-mutuel and insurance premiums.

Includes tobacco taxes, taxes on stocks and documents, and estate and gift taxes.

Source: Federation of Tax Administrators

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Article written by Tim Anderson, CSS Midwestern publications manager. He can be reached at tanderson@cssg.org.
When citizen-initiated laws, legislatures collide: Who gets the final say?

by Jon Davis (jdavis@csg.org)

Many states offer citizens a direct opportunity to create laws or constitutional amendments via the ballot box. Those that do also allow legislators to amend or even overturn those initiatives, a process generally known as “legislative intervention.”

The most recent example of that just occurred in South Dakota, where lawmakers overturned “Initiated Measure 22.” Approved 52 percent to 48 percent in the November general election, the measure called for revising state campaign finance and lobbying laws, banning lawmakers from accepting more than $100 annually from lobbyists, publicly funding campaigns, and creating a state ethics board to oversee that process.

But in January, HB 1169 was introduced to repeal the referendum and soon made the desk of Gov. Dennis Daugaard, who has that voters were “hoodwinked by scam artists who grossly misrepresented these proposed measures.” He signed the repeal into law in early February.

This isn’t the first time South Dakota’s Legislature has overridden a decision by its voters. In 2014, Measure 18, raising the minimum wage to $8.50 per hour (with an annual adjustment for inflation), was approved 55 percent to 45 percent. Lawmakers then amended it to exclude workers under age 18 from the increase (SB 177). But in a veto referendum that appeared on the 2016 ballot, South Dakotans overturned the bill (71 percent to 29 percent), thus eliminating the legislatively established youth minimum wage.

Overturning a ballot initiative is akin to a judge overturning a law or ordinance, says South Dakota Sen. Arthur Rusch, who, not coincidentally, is also a former judge.

As a judge, he has ruled against popular countywide initiatives or zoning laws if they were at odds with the law. And he says that legislators have to be prepared to sometimes take positions that might be unpopular.

“I don’t see my election as a gift,” he says. “I never viewed that contract as being a rubber stamp.”

This type of back and forth between state legislatures and voters (via the ballot proposals they pass) also occurs in other Midwestern states that allow for some form of “direct democracy.”

This year in North Dakota, for example, legislators unanimously voted to delay implementation of the state’s new voter-approved medical marijuana program. In December, Michigan legislators approved SB 1187, which would allow the hunting of gray wolves in the state’s Upper Peninsula, if federal protections of the animal are ever discontinued. The law also includes a $1 million appropriation, which makes it immune from being overturned by a referendum.

Ohio legislators in 2016 passed a medical marijuana bill (HB 523, signed by Gov. John Kasich), as signatures were being gathered for a ballot initiative that many legislators saw as pseudo-recreational. The legislation also followed in the wake of a failed November 2015 legalization initiative to allow cultivation, use and sales under limited circumstances.

And this past November, Nebraskans passed a “veto referendum” that overridden a decision by the Unicameral Legislature to eliminate the death penalty.

Michigan, North Dakota and South Dakota are the only other Midwest states to have a “veto referendum” option. 

Six states in the Midwest have “direct democracy”-type provisions that allow voters to veto bills passed by their legislatures or to adopt statutory or constitutional changes via the ballot.

One of the first steps for groups seeking a ballot proposal is to get the requisite number of signatures, and that threshold can vary — depending not only on the state, but also on the nature of the proposal (veto referendum, initiated statute or constitutional amendment). Here is an overview of the signature requirements in each of the Midwest’s states.

In Illinois, initiatives can only be used to advance constitutional amendments affecting the legislative article on structure and procedure. The state requires the signatures of 8 percent of voters, using the total votes cast for governor in the preceding election, to put a constitutional measure on the ballot.

Michigan also bases its signature requirement on the number of votes cast for governor in the previous election. The percentage varies according to the type of measure: 10 percent for constitutional amendments, 8 percent for initiated statutes and 5 percent for a veto referendum.

Nebraska links its signature requirement to the number of registered voters, according to CSG’s “Book of the States.” But because this is tied to the number of people who have registered to vote by the day signatures are due, petition collectors do not know the exact number of signatures they will need. The state requires signatures of 10 percent of registered voters for constitutional amendments and 7 percent for statute.

Nebraska also has two types of referenda — if a law is referred to a vote but remains in effect until that vote, signatures of 5 percent of voters are required to get the referendum on the ballot. The law can be suspended until the vote if 10 percent of voters sign the petition.

North Dakota does not have voter registration, so its signature requirements are tied to results of the last 10-year census. Constitutional amendments require signatures of 4 percent of the population; the threshold for statutes and referenda is 2 percent.

In Ohio, every petition for a ballot measure must have 1,000 preliminary signatures. If these initial signatures are certified and approved, then backers of the ballot measure must meet a requirement based on the number of votes cast for governor in the previous election (just like the laws in Michigan and Illinois).

Proposed constitutional amendments require signatures that equal 10 percent of the votes cast in the governor’s race (305,591 in 2016). The threshold for an initiated statute is 3 percent. Once this standard is met, the proposal goes to the Ohio General Assembly for consideration. If the legislature does not consider or pass the proposal, then an additional 3 percent of signatures is required.

The threshold for a proposed referendum (repeal of an existing law) is 6 percent.

South Dakota requires constitutional amendments to have signatures equaling 10 percent of the votes cast for governor and initiated statutes and veto referenda to have signatures totaling 5 percent of the votes cast.

Article written by Ilene Grossman (igrossman@csg.org), a CSG Midwest senior policy analyst. Question of the Month highlights an inquiry sent to the CSG Midwest Information Help Line: csgm@csg.org or 630.925.9222.
New energy plans in Michigan, Illinois look to expand savings from efficiency

more energy-efficient, the state will allow utilities to provide for ‘on-bill financing,’ which gives homeowners the chance to finance and pay off project costs over time on their utility bills.

According to Nofs, Michigan’s new law reflects both the proven success of energy efficiency and the potential that legislators see for future savings. In a study examining the impact of the state’s efficiency standard, the Michigan Public Service Commission found that for every $1 spent on an efficiency program in 2014, the benefit to customers was $4.38.

In the future, with utilities’ rollout of smart meters and customers’ increased use of new appliances and personal devices such as smart phones, ratepayers will have the chance “to control their thermostats, washers and dryers when energy is the cheapest through their smart meters. They’ll focus on power plants from closing, but it also was lauded by supporters of energy conservation. Nick Magrisso of the Natural Resources Defense Council says Illinois now has “one of the top energy efficiency programs in the nation.”

Included in SB 2814 are new targets for the state’s two principal utilities; by 2030, ComEd and Ameren are required to reduce energy use by 21.5 percent and 16 percent, respectively.

Another statutory change will allow utilities to count more than just “the first year of energy savings from a particular efficiency measure,” notes Julia Friedman, senior policy manager for Midwest Energy Efficiency Alliance. “[They] get to count the lifetime of savings from that measure,” she says. “It allows for a better assessment of measures that have a longer lifetime.”

For the first time, too, Illinois has financial incentives in place to reward the utilities for exceeding the state’s efficiency standards (under the new law, those targets gradually increase between now and 2030).

According to Paradis, the experience of other states in the Midwest show that these types of incentives, which allow utilities to generate revenue by conserving rather than simply producing power, can work.

“States like Iowa and Minnesota have made substantial investments in energy efficiency over 25 and 30 years,” she says, “and they continue to see the benefits.”

In Illinois, lawmakers also revisited the cap it had in place on how much utilities could spend on efficiency. While the cap was not eliminated (which did occur in Michigan), it was raised from 2 percent to 4 percent.

In addition, more targeted investments will be made to help low-income households conserve and save. For example, Illinois’ utilities must form advisory committees to help them design low-income energy efficiency programs, and ComEd must spend a minimum of $25 million per year on these initiatives.
An international energy perspective: State lawmaker reflects on lessons learned from CSG study trip to Germany

by Wisconsin Rep. Eric Genrich

I recently had the privilege of visiting Germany as a guest of the German Federal Foreign Office with a bipartisan group of legislators organized by the Midwestern Office of The Council of State Governments. During the visit, we explored Germany’s transition to a future powered by clean energy.

Given the ideological diversity of our delegation, it is fair to say that we each learned different lessons, but for me, in addition to the policy knowledge I acquired, the experience was an incredibly valuable political and cultural education. More simply, it was also a lot of fun.

With this trip, CSG offered us an opportunity to learn and to bond with fellow policymakers from across the Midwest in an environment free of the partisanship that occupies too much space and time in our state capitols. It was a fantastic experience, and one that I would recommend to any fellow legislator.

The Energiewende, literally “energy turn,” is how Germans describe their transition to renewable energy. It involves major national commitments wedded to ongoing goals and future aspirations. First, Germany is in the process of phasing out nuclear energy by 2022. Second, it plans to construct an energy portfolio that is 85 percent renewable by 2050. Third, the country has committed to an 80 percent drop in greenhouse gas emissions from 1990 levels by the year 2050.

Now, there are elements of this energy transition that I question, specifically its precipitous phase-out of nuclear energy and its short-term replacement by carbon-emitting fossil fuels. But these actions are far less surprising when understood in the context of the political debates that have raged for the last 30 years, in the wake of the Chernobyl disaster.

There are continuing discussions about policy specifics and the pace of implementation, but Germany has built a strong consensus — across political parties and social and economic sectors — that these targets are reasonable, achievable and necessary.

Renewable energy sources now make up approximately 34 percent of the energy mix in Germany’s power generation, yet many experts are concerned the country will fail to meet the emissions and energy consumption targets for 2020.

Germany’s northern wind-producing states would prefer to continue their rapid pace of renewable energy production, but the federal government insists on throttling back production because the existing transmission infrastructure is insufficient to transport this increased capacity.

In the political realm, critics on the right believe the government’s renewable-energy pricing scheme unfairly punishes industries dependent on fossil fuels. Some on the left feel that recent changes to the Germany’s Renewable Energy Act advantage industrial and offshore wind producers, to the detriment of small-scale cooperatives and individual “prosumers.”

Notwithstanding the shared commitment to Energiewende, clearly there is plenty of room for disagreement. However, there is no contemplation of reversing Germany’s overarching energy policy. That is to say, this vigorous discussion all takes place within the same paradigm, which identifies the existential threat of climate change, the geopolitical advantages of energy independence, and the economic value of playing a catalytic role in the green energy revolution.

If Germany’s energy transition is to be successful, it must be inclusive of the communities with the greatest attachment to industries related to fossil fuel extraction and use.

Bipartisan group of eight legislators from Midwest took part in CSG study trip

A bipartisan group of eight legislators from the Midwest traveled to Germany in December to learn about that country’s energy transition.

• Illinois Reps. Elgie Sims and André Thapedi;
• Iowa Sen. Chaz Allen and Rep. Rob Taylor;
• Nebraska Sen. John McCollister;
• South Dakota Rep. Mathew Wollmann; and
• Wisconsin Reps. Eric Genrich and Thomas Weatherston.

The Council of State Governments facilitated the study trip. The German Federal Foreign Office hosted the legislative delegation, and the Ecologic Institute in Berlin arranged the delegation’s meetings and site visits.

Witnessing this degree of consensus in the modern age of politics is refreshing, to say the least, but there are reasons to be concerned about the durability of this consensus and the stability of Germany’s mainstream political establishment as a whole.

Alternative for Germany, a far-right populist party, has appeared on the political scene and is poised to gain representation in the Bundestag (Germany’s parliament) after the 2017 federal elections. This party has gained traction with demagogic appeals to anti-immigrant sentiments, Euroskepticism, and an aversion to the Energiewende that is rooted in climate science denial and industrial job loss.

Many supporters of the Energiewende recognize this threat, but it is unclear to me how they will respond.

If this energy transformation is to be successful, it must be inclusive of the communities with the greatest attachment to industries related to fossil fuel extraction and use. If Germany’s “energy turn” is viewed as a turn away from these working-class people, it will not last and it cannot be a model for other nations.

Germany does many things well: beer, food, the beautiful Christmas markets.

But what Germans do best, in my opinion, is acknowledge the tragedy of the past and the challenges of the future with the resolve to reckon with both. Berliners, in particular, lived through the horrors of World War II and the division of the Cold War, and in response, they have rebuilt an open, welcoming, international city.

Similarly, the German people have looked at the potentially disastrous future of an Earth racked by climate change, and they have rallied to avert the crisis. These are tremendous achievements.

We, too, can learn from the past and rise to meet the challenges of our shared future, but we must meet that challenge together, cooperating across party divides and within our federal system of government.

State governments and policymakers will continue to play an important role in any and all energy policy discussions, and we are lucky to have CSG to support us in those efforts.

Wisconsin Rep. Eric Genrich, a Democrat from Green Bay, has been a member of the Wisconsin Legislature since 2013.

Sources of electricity generation in United States and Germany in 2015

<table>
<thead>
<tr>
<th>Source</th>
<th>United States</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>31%</td>
<td>44%</td>
</tr>
<tr>
<td>Natural gas</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Nuclear</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Renewables</td>
<td>13%</td>
<td>31%</td>
</tr>
<tr>
<td>Oil</td>
<td>1%</td>
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* Numbers, as rounded, add up to 101 percent

Source: U.S. Energy Information Administration
Wisconsin Sen. Alberta Darling
From community volunteer to co-chair of the Joint Finance Committee, her focus remains on helping children

by Jon Davis (jdavis@csg.org)

T he seeds of Alberta Darling’s rise from com-munity volunteer to the upper echelon of Wisconsin’s legislature were sown in Illinois. Darling says her first insight into the importance of public service came in childhood, in the Chicago suburb of Cicero, where her grand-uncle was a parish pastor and her grandmother ran a soup kitchen that served (among others) recent immigrants.

“Because of that part of my life, being of service — whether that was having your church take care of families in need or whether it was a neighbor in need because of being new to this country — service was a big part of our lives,” she says.

Her interest in politics began there, too, courtesy of that same grandmother, who was one of very few Republicans in town. “There were probably five Republicans in Cicero at that time,” Darling jokes.

“I remember sitting down with her as she prac-ticed her speeches that she would give to the other four, and I just thought, ‘Oh, that’s so cool that she can talk like that!’ She would pull down this picture of Ike and talk about leadership and democracy.

“So from her I got the desire for more organized political community service, but from my parents it was a grass-roots community service.”

Fast-forward to 1990. A teacher and marketing director, Darling was also heavily involved in commu-nity volunteer work. “I really loved that part of my life. In fact, I loved it better than my paying job,” she says.

And through her work with children and foster care, “I thought, ‘You know, if I ever get the chance to run for public office, I’m gonna do it because these kids are not represented as much as they need to be.’”

Then her state representative, and friend, Betty Jr. Nelson, was appointed by the first Bush adminis-tration to be administrator of the U.S. Department of Agriculture’s Food and Nutrition Service (she later served as deputy secretary for agriculture).

“I knew nothing about politics, but I knew a lot about the community and a lot about community issues; I had a great network of associates and friends,” Darling says. “And I just went, ‘I’m gonna go for it because how often does this opportunity come up?’ And I won in a very competitive three-way primary.”

Darling moved to the Senate in 1992. She co-chairs the Joint Finance Committee, in part because she wanted to advocate for children and realized early in her career that “who controls the money controls what happens in the legislature.”

“So I always had as a goal being on the finance committee and being a co-chair. I thought that it was really the kind of challenge I wanted.”

In a recent interview with CSG Midwest, Sen. Darling reflected on her legislative career and priori-ties for the next two years. Here are excerpts.

Q: What was your biggest adjustment to life in the legislature?
A: Because I was very involved in the community at a leadership level and the grass-roots level, it wasn’t that big of a shock. The shock was at how slowly things moved, if anything. But the relationship-building, the building focus on solutions, the building teamwork — the Junior League was particularly good for building skills for leadership in terms of community organizing, communication, agenda building, how to get things done, how to get things done in a team. It was really great teamwork that enabled me to get to the legislature without a huge culture shock.

Q: What legislation are you most proud of getting passed into law?
A: I just think I always felt that my purpose in life was, is, to make a difference. So whether that’s a religious belief or whether that’s a cultural belief, it’s definitely a big part of my life and a big part of who I am. So being in leadership was always a goal for me because I knew I had fairly good leadership skills from my work with men and women in the community. I dealt with fairly high-level people who were major busi-nesspeople, as well as grass-roots people. So it wasn’t that I was intimidated by leadership; I welcomed it.

Q: What legislation tops your agenda for the new biennium?
A: Education continues to be my passion. I had a bill with Rep. (Dale) Kooyenga that created a turnaround partnership with the Milwaukee Public Schools that targeted failing schools and focused on a partnership with a wraparound program addressing health, jobs, safety, families. We also concentrated on a certain ZIP code to pilot it so we could demonstrate an evidence-based approach to not only improving educational outcomes, but improving health and jobs and safety for those families because without healthy, safe working families, our education outcomes are not going to be achieved.

Unfortunately, we never saw results, so I’m trying to get it implemented; so that’s going to be a priority.

Another priority is corrections. We just had a recidivism legislative study. We’re looking at helping individuals cope with mental health and education, job placement and training, and being prepared for the real world of work and of living in the real world [including working with CSG’s Justice Center on potential next steps]. This is going to be a big focus of mine, and it actually ties into my work on foster care and education and crime, so that’s a very appropriate next step.

“I thought, ‘You know, if I ever get the chance to run for public office, I’m gonna do it because these kids are not represented as much as they need to be’”
A plan to save young lives
Ohio, which has among the nation’s highest rates of infant mortality, adopts a sweeping new law to address the problem

by Ohio Senate Assistant Minority Leader Charleta B. Tavares

The Ohio Department of Health defines infant mortality as the death of a live-born baby before his or her first birthday. (The infant mortality rate is the number of first-year deaths per 1,000 live births.)

Upon closer inspection, however, it is easy to see that the infant mortality rate is an important indicator of the overall health of a community. If the infant mortality rate is high, it is plausible that other populations and communities are facing other health challenges as well. After all, if we cannot ensure that a child lives past the age of 1, how can we possibly guarantee the health and safety of anyone?

In 2013, Ohio recognized it had a crisis on its hands. Our overall infant mortality rate was one of the worst in the nation, and the mortality rate for African American babies was the worst in the nation.

Ohio was the most dangerous place in the United States to be born black.

‘Dangerous place to be born black’

The state’s infant mortality rate for African American babies is so bad that, at current rates of change, it is estimated that it would take until 2053 before the African American infant mortality rate equals that of Ohio’s Caucasian babies in 2013 — which itself is still above the national average.

The Ohio General Assembly realized that this sort of inequity could not be allowed and decided to take steps to combat the state’s abhorrent infant mortality rate.

We worked to spread more information about sudden infant death syndrome, championed the ‘ABCs’ of safe sleep, and highlighted the importance of safe spacing of pregnancies. But the legislature’s most important accomplishment during this time was its establishment of the Ohio Commission on Infant Mortality.

The commission, tasked with producing effective recommendations that could be implemented by the General Assembly, was made up of legislators, health care executive administrators, hospital professionals, health experts and other members of the community.

Over several months, the commission studied all facets and factors that contribute to Ohio’s high infant mortality rate, then released a report in March 2016 containing its recommendations. SB 332, introduced by Sen. Shannon Jones and Sen. Tavares, was quickly learned that only 20 percent of health outcomes are clinical; the other 80 percent fall under the social determinants of health, such as race, income, education or housing. Therefore, one of the main components of SB 332 was establishing the Pathways Community Hub model throughout Ohio.

Pathways uses health workers who are from the community, who are trusted and who have a rapport with their clients. They, in turn, connect at-risk individuals to physical health, behavioral health, social and employment services. Pregnant women will now be able to access critical services to help deal with the issues they face outside the clinical realm.

SB 332 also addresses preterm births, the biggest factor in infant mortality (they account for 47 percent of infant deaths). Preterm births are also incredibly expensive for the state, since approximately half of all deliveries in Ohio are paid for by Medicaid.

It costs Medicaid $50,000 for each preterm delivery; as opposed to $5,000 for a full-term birth. It also costs Medicaid $32,000 in medical bills during a preterm baby’s first year of life, compared with only $3,200 in additional medical care for a full-term baby in his or her first year of life.

In addition, we have streamlined the process for pregnant women to receive progesterone, a hormone in the body that helps maintain pregnancy and is one of the most effective ways of lowering preterm births.

Cultural issues often impact health

ack of proper cultural-competency training is a barrier that prevents racial and ethnic minorities from receiving adequate health care. This issue has always been a passion of mine, and Sen. Jones was quick to realize the importance of delivering health care to Ohioans in a manner that is culturally and linguistically appropriate.

While SB 332 does not go as far as recommended, we still were able to have health professional boards consider the problems of race- and gender-based disparities in health care treatment decisions and to list the continuing-education courses that are available for license and certificate holders.

SB 332 makes many more changes in how we approach infant mortality, and I could not be prouder of Ohio’s General Assembly for its willingness to take on such a complex issue.

We still, however, have such a long way to go. According to data for 2015, the infant mortality rate for all races rose from 6.8 percent to 7.2 percent, while the rate for African Americans jumped from 14.3 percent to 15.1 percent.

Unfortunately, we recently lost one of our strongest legislative advocates on this issue. Sen. Jones has left the legislature to continue her extraordinary career in public service at the county level. While she will be missed, her unyielding dedication to Ohio babies has left an indelible mark on her colleagues.

Ohio did not attain one of the worst infant mortality rankings in the nation overnight, and it may take several years before we reach our goals. Both Sen. Jones and I believe that SB 332 will be an integral part of getting us to a place where we can proudly say that Ohio is a great place for all babies to be born, and I will continue to work with my colleagues on both sides of the aisle to keep us focused on this critical issue.

Charleta B. Tavares, a Democrat from Columbus, currently serves as the assistant minority leader in the Ohio Senate. Shannon Jones, who served with Sen. Tavares on the Senate’s Health & Human Services Committee and co-sponsored SB 332, resigned at the end of the 2016 session.

Submissions welcome

This page is designed to be a forum for legislators and constitutional officers. The opinions expressed on this page do not reflect those of The Council of State Governments or the Midwestern Legislative Conference. Responses to any FirstPerson article are welcome, as are pieces written on other topics. For more information, contact Tim Anderson at 630.925.1922 or tanderson@csg.org.
CSG Midwest brings legislator training to Minnesota, South Dakota capitols in January

Under the Dome tailors programming with input from state’s legislators

CSG Midwest kicked off its new year of Under the Dome programming with workshops in January for legislators in the state capitols of Minnesota and South Dakota. Under the Dome is a cost-free membership service available to the 11 state legislatures whose members make up the Midwestern Legislative Conference. CSG Midwest provides staff support to the MLC.

Here is an overview of the recent workshops held in South Dakota and Minnesota.

Promoting and protecting the legislative institution

Gary Moncrief, one of the nation’s leading scholars on state governments and legislatures, led the Under the Dome workshop in South Dakota. His presentation focused on the importance of maintaining a strong, vibrant legislative branch as part of the nation’s separation-of-powers system.

Moncrief, professor emeritus at Boise State University’s Department of Political Science, also spoke about the myriad challenges facing state legislators, from term limits and a polarized electorate to the increased powers of governors and the new role of social media on governance. South Dakota legislators and their staff attended the Jan. 11 event.

The value of raising the level of civil discourse in state legislatures

Every year in Minnesota, the state’s senators and representatives mark the start of a new session with a legislative policy retreat known as “One Minnesota.”

As part of this event, CSG Midwest sponsored170x178 a session titled “Building Trust Through Civil Discourse.” During this interactive, legislator-led workshop, participants explored the benefits of improving the level of civil discourse in state legislatures. They also discussed the links between civil discourse, collaboration and effective policy development.

The Minnesota Legislature’s one-day retreat was led by the University of Minnesota’s Humphrey School of Public Affairs, CSG Midwest’s academic partner for its Bowhay Institute for Legislative Leadership Development (BILLD).

Bringing CSG Midwest’s Under the Dome to your state

A variety of programming is available through Under the Dome, from sessions on particular public policies to workshops on professional development. Last year, CSG Midwest held three separate Under the Dome programs, on Great Lakes policy in Michigan and Minnesota and ethics training in Indiana.

CSG Midwest works with legislators in each state to customize an Under the Dome session. Typically held in a state capital, these events must have the support of the leaders of each legislative caucus.

To learn how to bring Under the Dome to your state, please contact CSG Midwest assistant director Cindy Andrews at candrews@csg.org or visit www.csgmidwest.org.

Examples of Under the Dome events held in Midwest states

- Budget policy – Illinois
- Entrepreneurship policy – Nebraska
- Ethics training – Indiana
- Great Lakes/water policy – Illinois, Michigan, Minnesota and Ohio
- Legislative civility – Illinois, Michigan and Minnesota
- Medicaid/health policy – South Dakota and Wisconsin
- Promoting and protecting state legislative institutions – South Dakota

Registration open for MLC Annual Meeting; event begins July 9

The Midwestern Legislative Conference Annual Meeting offers state and provincial lawmakers a one-of-a-kind chance to learn from legislative colleagues and national policy experts, hear from distinguished speakers, and discover a great city of the Midwest.

This year, that unique opportunity begins in the heart of downtown Des Moines, Iowa, on July 9 — the first day of the four-day, family-friendly MLC Annual Meeting.

Registration for the MLC Annual Meeting has now begun and can be completed at www.csgmidwest.org.

The conference will include a professional development workshop and numerous policy sessions of interest to legislators from the Midwest. Daytime activities will be available for guests of all ages, while special evening events will be held for all participants and their guests.

CSG Midwest provides staff support to the MLC and its Annual Meeting.

Featured meeting speakers

Isabel Wilkerson, author of the award-winning, best-selling “The Warmth of Other Suns”

Former U.S. Ambassador Kenneth M. Quinn, president of The World Food Prize Foundation


Harry Enten, senior political writer and analyst for FiveThirtyEight

The Council of State Governments was founded in 1933 as a national, nonpartisan organization to assist and advance state government. The headquarters office, in Lexington, Ky., is responsible for a variety of national programs and services, including research, reference publications, innovations transfer, suggested state legislation and interstate consulting services. The Midwestern Office supports several groups of state officials, including the Midwestern Legislative Conference, an association of all legislators in 11 states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. The Canadian provinces of Alberta, Manitoba, Ontario and Saskatchewan are MLC affiliate members.
CSG sets April deadlines to apply for national, regional leadership training

BILLD program focuses on helping newer legislators from Midwest

Applicants are now available for a five-day program that builds the leadership and policy skills of state and provincial legislators from the Midwest.

The Bowhay Institute for Legislative Leadership Development, or BILLD, is for lawmakers in their first four years of service. Now in its 23rd year, BILLD has more than 700 graduates. Many of its alumni have gone on to serve in key leadership positions in their respective states; others have been elected to the U.S. Congress.

BILLD’s highly interactive curriculum includes a mix of sessions on public policy, professional development and leadership. A bipartisan committee of state legislators from the Midwest oversees the program and selects the BILLD Fellows.

The deadline to apply is April 5. Applications can be found at www.csgmidwest.org. Please contact Laura Tomaka at ltomaka@csg.org or 630.925.1922 if you have questions about BILLD.

Key dates for BILLD program in 2017
- deadline to apply is April 5 (competitive application process)
- bipartisan committee of state legislators will meet May 5-6 to select 2017 BILLD Fellows
- program will be held Aug. 25-30 in Lexington, Ky.

National Toll program includes officials from all branches of state government

Named in honor of Henry Wolcott Toll, the founder of The Council of State Governments and a Colorado legislator from 1922 to 1930, CSG’s Toll Fellowship Program is one of the nation’s premier professional-development programs for state government officials.

It brings 48 of the nation’s top officials (12 from each of CSG’s four regions) from all three branches of state government to Lexington, Ky., for an intensive six-day, five-night “leadership boot camp.”

The agenda includes a lineup of dynamic speakers and sessions designed to stimulate personal assessment and growth. The Toll program also is designed to build relationships among its participants — emerging leaders in the nation’s state executive, legislative and judicial branches. Past graduates have gone on to serve as governors, chief justices, state legislative leaders, and members of the U.S. Congress. Toll Fellows are chosen by a bipartisan panel of program alumni.

Key dates for Toll program in 2017
- deadline to apply is April 23 (competitive application process)
- program will be held Aug. 11-15 in Minneapolis

CSG releases 3 new studies to inform state lawmakers

The Council of State Governments recently released three studies that highlight state innovations and provide comparative data to help lawmakers make informed policy decisions.

Two of the studies tackle specific issues in state government — workforce development for people with disabilities and civics education in K-12 schools. The third includes profiles and myriad data on the Midwest’s states and provinces.

- “Work Matters: A Framework for States on Workforce Development for People with Disabilities” is a joint product of CSG and the National Conference of State Legislatures. The national study features promising policies being pursued in states across the country — for example, state laws or executive orders in Illinois, Kansas and Minnesota to encourage more hiring of people with disabilities in the civil-sector workforce, South Dakota’s Ability for Hire campaign, and the Opportunities for Ohioans with Disabilities initiative. The study is available at CSG’s Knowledge Center: http://knowledgecenter.csg.org.
  - “Civic Education: A Key to Trust in Government” underscores the importance of providing young people with high-quality curriculum on U.S. government and democracy. It also lists relevant state policy actions, including a new law in Illinois (HB 4025, passed in 2015) requiring that all high school students take a course in civics that focuses on “government institutions, the discussion of current and controversial issues, service learning, and simulations of the democratic process.” The study is available at CSG’s Knowledge Center: http://knowledgecenter.csg.org.
  - Which Midwestern state has the lowest unemployment rate and highest graduation rate? The oldest population? The highest median income? These and many other questions are answered in CSG Midwest’s updated “Midwestern State Profiles and Data.” It is available at www.csgmidwest.org.
**Minnesota providing relief for those hit by high health premiums**

The first bill signed into law in Minnesota this year will provide relief to the state’s 125,000 residents who purchase their health insurance in the individual market and are not eligible for subsidies under the Affordable Care Act.

The cost of premiums for Minnesotans in this population is rising by 55 percent in 2017. According to The (Minneapolis) Star Tribune, eligible residents will get a rebate of 25 percent, at a cost of $327 million to the state. Another provision in HF 1/SF 1 allows for-profit health maintenance organizations to be part of the state-run, individual health marketplace, notes Session Daily, a news service of the Minnesota House. In addition, agricultural cooperatives can now offer group health insurance to members.

In a fall study of states’ insurance exchanges under the Affordable Care Act, Kaiser Family Foundation researchers found that premium hikes in 2017 would be more severe than in previous years. These increases, Kaiser found, are partly the result of losses experienced by insurers and a phasing out of the federal law’s reinsurance program. Its analysis focused on insurers and a phasing out of the federal law’s reinsurance program. Its analysis focused on insurers and a phasing out of the federal law’s reinsurance program.

**Indiana, South Dakota target problems of meth labs, abuse**

Recently released data from Indiana show that policymakers and law enforcement are making progress in their efforts to curtail methamphetamine manufacturing in the state. The number of meth labs fell by 35 percent in 2016, Indiana State Police statistics show. In addition, law enforcement has had to remove far fewer children from these labs.

Last year, the Indiana legislature passed a bill (SB 80) to restrict meth cooks’ access to pseudoephedrine, the key ingredient in the manufacturing process. Under the new law, individuals who have established a patient relationship with a pharmacy do not need a prescription to purchase medications with pseudoephedrine. However, minus that relationship, individuals can only purchase small amounts of these medications. An individual who refuses these options must get a prescription.

In South Dakota, Gov. Dennis Daugaard told lawmakers in January that their state’s meth problem is no longer being fueled by homegrown labs. Instead, he said, out-of-state producers are making meth “on an industrial scale” and bringing it to South Dakota. His proposals include forming a joint drug interdiction task force and establishing new incentives for individuals on probation and parole to pass their drug tests.

**Illinois now requiring some schools to have water tested for lead**

Some schools and day care facilities in Illinois must have their water tested for lead under a bill passed and signed into law in January. The new requirements apply to buildings constructed before 2000 where pre-kindergarten through fifth-grade classes are held. According to the Illinois attorney general’s office, the lead tests will average $15 per drinking-water sample. If samples exceed 5 parts per billion of lead, the families of students must be notified. SB 550 authorizes community water suppliers to impose a “lead hazard cost recovery fee.” But minus such a fee, the tests will likely be paid by school districts, which can tap into existing funds set aside for safety or legal issues, the Chicago Tribune notes. As part of the new law, too, community water suppliers will provide Illinois officials with an inventory of their lead service lines.

Other Midwestern states have also passed new laws in the aftermath of the drinking water crisis in Flint, Mich. Ohio’s HB 512 (enacted in 2016) requires water suppliers to test for lead and copper and to map areas being served by lead service lines. It also mandates training on how to identify lead in drinking water and control corrosion. And Michigan’s HB 5120, signed into law in December, calls on water suppliers to alert the public within 72 hours after they learn that lead levels exceed prescribed “action levels.”

**Ohio wants different look for abandoned buildings: no plywood**

The term “boarded up” may not go away any-time soon, but in Ohio, the practice of covering the windows and doors of abandoned buildings with plywood will soon be a thing of the past.

HB 463 was signed into law in January. According to The Cincinnati Enquirer, the new plywood ban will be a “boon … for clear boarding”: the use of clear polycarbonate on windows and doors. The bill’s proponents say the statutory change will make vacant properties more visually appealing and less of a magnet for criminal activity.

A few months ago, Ohio lawmakers enacted a measure (HB 390) “to fast track the foreclosure process. It allows mortgage servicers to get possession of an abandoned property in as little as six months if a judge, by a preponderance of evidence, finds that the mortgage loan is in default. According to The Columbus Dispatch, there also must be clear and convincing evidence that the home is abandoned — for example, broken doors, boarded-up windows, disconnected utilities and vandalism.

Last year, too, Indiana lawmakers stiffened penalties for individuals charged with the offense of “foreclosure mischief” — the damaging or removing of objects from a property in mortgage foreclosure (SB 183 and SB 204).