No sure bets for states

Legal climate for sports wagering has changed, but impact in Midwest remains unclear as legislators weigh risks and benefits

by Tim Anderson (tanderson@csg.org)

The state of gambling in the Midwest already varies considerably from one jurisdiction to the next. Want to try your hand at a casino table game? You have no such chance on one side of the Iowa-Nebraska line, where the latter's constitutional language prevents commercial casinos. Cross the Missouri River from Omaha into the Iowa town of Council Bluffs, though, and three casinos are only minutes away.

How about playing a table-style casino game while at a bar or other local establishment, via a “video gaming terminal”? In Illinois, more than 6,000 locations now have these terminals. For most other states in the region, this type of activity is nonexistent, or at least limited to charitable or tribal gaming.

These state-by-state differences in gambling are the result of a mix of constitutional language, politics and legislative decision-making.

These same factors are likely to cause states in the Midwest to take varying approaches to intrastate sports betting. In May, the U.S. Supreme Court overturned a federal law that had blocked this type of gambling activity, and a handful of states outside the region already have new laws in place.

In some Midwestern states, the odds seem pretty good that sports betting will be authorized (maybe as early as next year). In others, legalization appears much more of a long shot.

This year, bills to authorize sports betting have been introduced in six of the Midwest’s 11 states. Not coincidentally, each of these states — Illinois, Indiana, Iowa, Kansas, Michigan and Ohio — already has existing commercial or non-tribal casinos up and running. (Many of the introduced measures would run sports betting through these licensed gambling establishments.)

“Sports betting will continue to pick up momentum in the states, but I also think you’re going to see some resistance,” says Drake University law professor Keith Miller, co-author of the 2016 book “The Law of Gambling and Regulated Gaming.”

Legislative activity in Midwest on legalization of sports betting

Legislation introduced in 2018 (or 2017, but still active this year)

“I’ve seen some estimates that within a year, 35 states [across the country] will have legalized sports betting. I would take the under on that; I don’t think it’s going to expand that quickly.”

That’s partly because some lawmakers will oppose what they view as a major expansion of gambling, and also because of the newness and complexity of the policy issue.

With debate over sports betting expected to intensify in the months ahead, here are four questions that the Midwest’s legislators will be asking as they consider any new legislation.

Question #1: Will there be a rise in problem gambling?

One of the arguments for legalizing sports betting is that it is happening already — illegally, via offshore or online sports books.

“We’re not creating an activity; the numbers show that,” says Indiana Rep. Alan Morrison, who has sponsored legislation in his state (HB 1325).

National estimates have ranged anywhere from $50 billion to $150 billion a year.

By legalizing sports betting, Morrison says, Indiana can regulate operators, strengthen consumer protections, improve business for the state’s existing casinos, and bring in some additional tax revenue for the states.

But Miller says there are downsides to consider as well, including a potential rise in problem gambling.

Keith Whyte, executive director of the National Council on Problem Gambling, says one group should be of particular concern — young males between the ages of 18 and 24.

They are most likely to bet on sports, are prone to gambling problems, and would be most impacted by advertising and increased availability, he says.

“What we see coming down the pike with technology is that you’ll be able to bet on every single play, every single action, every single athlete, every single game, every single sport — 24-7,” Whyte adds.

Debate over the legalization of sports betting will intensify in the Midwest’s state capitols in the months ahead as the result of a U.S. Supreme Court ruling that overturned the U.S. Professional and Amateur Sports Protection Act. To date, most of the proposed bills in this region envision sports betting being run through casinos, with individuals having the option to make wagers via their mobile devices. In some states, though, legalization seems unlikely due to constitutional bans and/or political opposition to gambling.
Economic Development

Ohio hopes giving blockchain data, contracts legal status will draw more economic activity

Ohio lawmakers are hopeful that new blockchain legislation will make the state a leader in developing the emerging technology and attracting businesses that would use it.

In June, the legislature approved SB 220, which gives legal standing to data recorded through blockchain technology. It took effect upon Gov. John Kasich’s signature in August, making Ohio the first Midwestern state to consider records or contracts secured through blockchain technology an electronic form and record under the Uniform Electronic Transactions Act.

“Blockchain technology is a technology that is acceptable in Ohio,” says Sen. Matt Dolan, sponsor of SB 300, the original blockchain bill.

SB 300 included language that put electronic signatures obtained through blockchain technology on par with other forms of electronic signatures. That provision was the only part of the bill to survive when it was approved as an amendment to SB 220, which deals with cybersecurity issues.

Technology experts point to blockchain as the next generation of the Internet, one that will eventually become commonplace in the flow of digital commerce, storage of public records, and everyday transactions.

Proponents in Ohio hope that by being among the first states to recognize blockchain transactions, the move will translate into attracting blockchain developers and companies, adding to Ohio’s growing tech sector.

Ohio Sen. Matt Dolan

Health and Human Services

Indiana puts perinatal ‘levels of care’ standards into state law to reduce infant mortality

Earlier this year, Gov. Eric Holcomb signed SB 360, making Indiana the third Midwestern state to endorse in state law a perinatal “levels of care” rating system for hospitals and birthing centers.

SB 360 requires the Department of Health to create a program to certify levels of care designations for obstetrics and neonatal care for hospitals and facilities that provide birthing services. They will be measured in six categories ranging from organization to obstetric capabilities, personnel, equipment and medications.

A 2012 paper from the American Academy of Pediatrics shows that states with levels-of-care programs have lower infant mortality rates, lower health care costs and better outcomes.

Preparation of a ratings system began several years ago in anticipation of SB 360’s passage, says Martha Charbonneau, Illinois’ deputy director of health. In June 2015, while(bus?#) adopted revised standards for perinatal hospitals (based on guidelines from both the AAP and American College of Obstetricians and Gynecologists).

The department then surveyed 89 hospitals and other facilities to identify gaps between their then-levels of service and the levels to which they aspired once SB 360 became law. That survey was completed in June 2017; the department is now drafting rules to reflect the AAP’s 2012 neonatal care standards.

“So we can have a common standard, we can quantify that knowledge, and we can advance the quality of care,” Charbonneau says.

Indiana has been trying to reduce infant mortality for years, says Sen. Ed Charbonneau, who sponsored SB 360 in his chamber. (The bill cleared both houses unanimously.) It became one of Gov. Holcomb’s signature measures for the 2018 session after his State of the State address, in which he set a goal for Indiana of having the best (lowest) infant mortality rate in the country by 2024.

“Despite focusing on it, our death rate is still an appalling 7.5 out of every 1,000 births,” Charbonneau says, adding the state’s response “has to be a multifaceted approach. It can’t be just one thing, but this one thing will help.”

Elsewhere in the Midwest, according to Jamila Jamila, media relations manager for the American College of Obstetrics and Gynecological Care, Illinois is rewriting its rules to reflect the AAP’s 2012 neonatal guidelines, while Iowa just rewrote its rules to include levels of maternity care.

One week after SB 220 was signed into law, Cleveland announced that businesses and nonprofits in the city would have free access to data and research from the Toronto-based Blockchain Research Institute.

Supporters also see new jobs for those trained in blockchain coding and are looking to universities to graduate students with the skill to work with blockchain and carry that skill into the private workforce.

“In my position as a state senator, I want to send a clear and loud signal that Ohio is innovative, that we are thinking about today’s and tomorrow’s economy,” Dolan says. “And if you are a young person in Ohio, you know that you can get a job in a sector of the economy that is growing and that is new.

If Ohio creates a workforce that can provide coders familiar with this latest technology to companies who want to go into blockchain, that’s a win,” Dolan says. “It’s a burgeoning industry, and we want to be part of it here in Ohio.

“It’s the image that we want Ohio to be part of,” he adds. “When you think of tech, you don’t necessarily think of Ohio, but if we can take the lead in blockchain technology then we fill that space and people start talking about Ohio like they talk about Boston and Austin, Texas, and the Silicon Valley. We want a slice of that. This is what getting out ahead on this technology can do.”

Indiana’s levels of perinatal care

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<tr>
<th>Levels</th>
<th>Definition</th>
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<tr>
<td>I</td>
<td>Basic care for low-risk pregnancies</td>
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<td>II</td>
<td>Special care for high-risk pregnancies</td>
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<tr>
<td>III</td>
<td>Specialty management of severe maternal/fetal complications</td>
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<tr>
<td>IV</td>
<td>Regional centers capable of Levels I–III service and can handle the most complex/critically ill patients</td>
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Source: 2017 Revised Indiana Perinatal Hospital Standards
Agriculture & Natural Resources

To increase farmers’ insurance options, two Midwest states try ‘coops,’ ‘association’ models

Residents living in more than half of the nation’s counties have only one insurer to choose from on their state’s Affordable Care Act health insurance exchange. This lack of options is most prevalent in rural areas: 41 percent of enrollees in non-metro counties vs. the overall rate of 21 percent, according to the Kaiser Family Foundation.

Could the creation of agricultural cooperative health plans help fill insurance gaps, offer more choices for consumers and lower costs?

Minnesota lawmakers hope so, and their passage of SF 1 in 2017 marked the start of that state’s policy experiment with this type of health insurance option. “Farmers can join together in self-insured plans like those used by large employers,” explains Rep. Tim Miller, who helped guide the legislation through the House. By the start of this year, two agriculture cooperatives, 40/Square and Land O’ Lakes, had jumped into the market and enrolled more than 1,700 people.

The 2017 Minnesota law defines “agricultural cooperative health plans” and exempts them from existing statutory language on employer insurance and multiple-employer welfare arrangements. These new plans are instead regulated by the U.S. Department of Labor; therefore, all enrollees are required to be corporations with at least one employee. The state statute requires the corporation to be an agriculture-related business — any type of agriculture corporation, such as a farm registered as an LLC, is eligible.

“Minnesota is the land of 10,000 cooperatives; they play a big role in rural Minnesota; so it is natural to have them involved again in insuring farmers,” Miller says. (Medical cooperatives, established through the Farm Security Administration, once covered hundreds of thousands of U.S. farmers into the 1940s.)

Still, several regulatory hurdles had stood in the way of Minnesota’s law, as had concerns about the potentially adverse impact on the state’s individual insurance marketplace. These cooperatives can “cherry pick” healthy consumers, opponents argue, leaving sicker individuals on the exchange with higher costs.

But in 2016, as enrollment in the ACA approached, seven Minnesota counties had no insurance option. This gave momentum to the cooperative idea.

The Minnesota cooperatives now in place meet all of the ACA’s insurance requirements, and are self-insured and owned by members.

Iowa, meanwhile, has embarked on a new strategy of its own to address concerns about high insurance costs and limited or no consumer options.

SF 2349, signed into law earlier this year, allows for association health plans, particularly via a partnership between the Iowa Farm Bureau Federation and Wellmark Blue Cross Blue Shield. The idea is for a “nonprofit agricultural organization” (the Farm Bureau) to sponsor an affordable health care option, and for another entity (Wellmark) to administer it.

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Iowa’s law is an example of how some states are trying to do “end runs around the Affordable Care Act,” The Washington Post noted in an article earlier this year, with opponents of SF 2349 saying it was a path to “substandard coverage that will divide the healthy from the sick.”

But Sen. Dan Zumbach, the bill’s floor manager, believes the recent changes will give individuals more affordable options when choosing health insurance: “[It’s] about getting people on a plan where they have some coverage to take care of health care.

To be eligible for the coverage offered under SF 2349, Iowans will need to be Iowa Farm Bureau Federation members; sign-ups were expected to begin in fall 2019.

Even before the ACA, people in rural counties were less likely to be covered by their employers, and more likely to be on individual insurance policies and paying a higher price for insurance. Rural health care markets are difficult for insurers because of a mix of factors — a smaller and older customer base, plus a dearth of health care providers that makes it difficult to negotiate payment rates.

Criminal Justice & Public Safety

Wisconsin restructures juvenile justice system, with infrastructure investments paving the way

Big changes are coming to Wisconsin’s juvenile justice system in the years ahead, with a $80 million infrastructure investment that will shift how young offenders are housed and treated.

“We are no longer going to have to rely on a huge, one-size-fits-all system,” says Evan Goyke, one of the legislators who led the work ahead of this year’s passage of the transformative AB 953. (Wisconsin Gov. Scott Walker supported the bipartisan, bicameral effort.)

“We are adapting our system and taking a smaller, regional approach to juvenile facilities.”

Under the new law, by 2021, a large correctional facility in northern Wisconsin must be closed. Located far away from any of Wisconsin’s major population centers, this facility has been the subject of numerous complaints of abuse and neglect and a federal investigation; in addition, the recidivism rate among juveniles housed there has been high.

But Wisconsin’s new vision for juvenile justice took a significant investment from the Legislature. For example, the existing facility in northern Wisconsin will be replaced with a smaller one for juveniles who have committed the most serious offenses. The Legislature authorized $25 million in borrowing to build this facility. Another $15 million will go to doubling the size of an existing mental health treatment facility in the state’s capital city.

Youths who are not high-level offenders and who don’t need intensive mental-health treatment will be housed in local facilities, thus allowing more young people to be closer to their homes and families.

Part of AB 953 provides state funding for $40 million in grants for local governments to build or modernize these local facilities, including detention centers and residential care centers.

“There are often less restrictive ways of treating juvenile offenders,” Goyke says, noting that various provisions in AB 953 reflect a better understanding of young people’s developing brains and the problems caused by trauma. For example, the new residential care centers will deliver evidence-based treatments and trauma-informed care.

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A measure of measures: Marijuana, Medicaid and more on fall ballots

In less than eight weeks, some Midwestern voters will be asked to decide more than just who will sit in which legislative seats. Depending on their location, they’ll be asked about redistricting, legalizing marijuana, ethics reform, Medicaid expansion, and more.

As of early September, nationwide, 166 statewide ballot measures had been certified, equaling the total number of such measures that were put on the general election ballot in 2016, according to Ballotpedia.

"The trends are interesting," Josh Altic, director of Ballotpedia’s Ballot Measures Project, says of this year’s subject areas. "Marijuana has been a trend forever. I think it started with the ‘low hanging fruit’ [states], but now there are more efforts to move into some of the more conservative states."

"To me, the story line this year is elections issues; we identified 12 states that have initiatives for redistricting, ethics commissions and voter access."

Redistricting, amendments & ethics

Michigan, North Dakota and South Dakota are among those 12 states. Michigan’s Proposal 2 would shift redistricting from the Legislature to a 13-member independent citizens’ commission that would be comprised of four Democrats, four Republicans, and five non-affiliated voters. (Current and former partisan elected officials, lobbyists, party officers and their employees would be excluded from serving on the commission.)

In North Dakota, meanwhile, a citizen-initiated constitutional amendment would establish a five-member ethics commission with members selected through agreement by the governor and the leaders of both parties in the state Senate.

It also would ban political contributions from foreign government entities, foreign individuals and foreign corporations; create restrictions on lobbyists; create provisions designed to prevent conflicts of interest for government officials; and require campaign finance information to be publicly accessible.

Another citizen-initiated constitutional amendment in North Dakota, Measure 2, would clarify that only citizens can vote in federal, state or local elections by changing current wording that “every citizen” of the United States and a North Dakota resident is a qualified elector to “only a citizen” of the U.S. (and state resident) is a qualified elector.

South Dakota voters will be asked to approve or reject three constitutional amendments — one of them also ethics-related — and two citizen-initiated laws (also known as “initiated measures”).

Amendment W is a citizen-initiated proposal that would:
• create campaign finance and lobbying restrictions;
• create a seven-member government accountability board (it would have authority over legislators);
• require voter approval for any substantive changes to a voter-approved initiative or referendum or the state’s initiative and referendum process; and
• enshrine the simple-majority requirement for the approval of initiatives and referendums at the ballot.

Constitutional proposals originating from South Dakota’s Legislature include Amendment X, which would require a 55 percent “supermajority” vote to approve constitutional amendments; and Amendment Z, which would limit proposed amendments to one subject and require multiple proposed amendments to be voted upon separately.

Initiated Measure 24 proposes to ban out-of-state donations for ballot questions. Initiated Measure 25 would raise the state’s tobacco tax by about a dollar per pack of cigarettes and hike the tax on wholesale tobacco products from 35 percent of the purchase price to 55 percent.

Marijuana legalization

Michigan voters will also be asked whether to legalize recreational marijuana for those 21 and older (via a citizen-initiated law).

The “Marijuana Legalization Initiative” would allow people to grow up to 12 plants at their homes; create a 10 percent excise sales tax to be levied on marijuana sales to retailers and microbusinesses; and legalize the cultivation, processing, distribution and sale of industrial hemp. Sales tax revenue would go to local governments, K-12 education, and road and bridge maintenance.

Voters previously approved the legalization of medical marijuana in Michigan — in 2008, by a 63 percent to 37 percent margin.

North Dakota has a recreational marijuana question on the November ballot as well. This citizen-initiated law also would expunge criminal convictions related to a controlled substance that has subsequently been legalized.

Medicaid, etc.

Here are other measures of note on the November ballot around the Midwest:

• A referendum asking whether to expand Nebraska’s Medicaid program. (A lawsuit alleging the referendum was unconstitutional because it includes more than one subject was tossed out by a Lancaster County District judge on Aug. 28.)
• Indiana’s Public Question 1, also known as the Balanced Budget Amendment. If approved, it will require the legislature to pass a balanced budget for each biennium and require public pension funds to be actuarially funded in each biennium. Only a two-thirds “supermajority” vote in each chamber could override either provision.
• Ohio voters will vote on Issue 1, a citizen-initiated constitutional amendment that would make possession, obtainment and use of drugs misdemeanors, as well as prohibit courts from ordering that persons on probation for felonies be sent to prison for non-criminal probation violations.

It would also create a sentence-credits program for inmates’ participation in rehabilitative, work or educational programs; and require the state to spend savings due to a reduction of inmates resulting from Issue 1 on drug treatment, crime victim and rehabilitation programs.

Article written by Jon Davis, CSG Midwest assistant editor and policy analyst. He can be reached at jdadavis@csg.org.
Midwest’s states fill legislative vacancies in variety of ways

by Tim Anderson (tanderson@csg.org)

Vacancies, whether the result of a member’s death, an appointment to a new position, or resignation for other reasons, occur on a regular basis in U.S. state legislatures. Less common is for this turnover to get much or any public attention.

But in 2018, in search of voting trends ahead of this November’s general election, political observers have sometimes focused on the results of races to fill single state legislative seats. Meanwhile, a dispute in Wisconsin over its law governing legislative vacancies and special elections captured national interest.

A closer look at the laws in the Midwest (a mix of statutory and constitutional provisions) reveals a variety of approaches, with some type of appointment process used in seven Midwestern states and special elections required in Wisconsin and three others.

Different methods of appointment

South Dakota Rep. Tom Pischke, a Republican, says that when his Democratic colleagues leave Pierre for the weekend during session, they sometimes joke amongst themselves “to drive safely, because remember, the governor has the power to appoint.”

Most states in this region that allow for legislative appointments ensure that the replacement legislator is from the same political party as his or her predecessor. Not so in South Dakota, however.

And Pischke sees another problem with the governor’s power to appoint. “It’s a separation-of-powers issue to me. I don’t think the executive branch should be making the decision on who serves in the legislative branch,” he says.

He proposed this year (HJR 1002) to take away this gubernatorial power in the South Dakota Constitution. A new process would instead be established by the Legislature, with only one stipulation: “the person appointed to fill the vacancy shall be a member of the same political party, if any, as the person who previously held the legislative office.”

HJR 1002 did not advance this year, but if it had, South Dakota would have joined five other Midwestern states that ensure partisan continuity when legislative vacancies, and subsequent appointments, occur. Illinois, Indiana, Kansas and North Dakota give control of the appointment process to the parties themselves, while in Ohio, members of the partisan legislative caucus that lost a member choose the replacement.

But South Dakota is not alone in how it currently handles vacancies: The Nebraska governor, with very few constraints, has the power to fill openings in the state’s nonpartisan unicameral Legislature.

Wisconsin dispute over special elections

Four states in the Midwest — Iowa, Michigan, Minnesota and Wisconsin — require their governors to order special elections to fill legislative vacancies. In Minnesota, for example, though the rules can vary depending on when the legislator left office, the governor typically must call for a special election within five days of when the position becomes vacant; the election then must be held within 35 days.

Questions about timing and the governor’s duty to call special elections were the focus of this year’s controversy in Wisconsin. In that state, two legislators left their positions in December 2017. Under Wisconsin law, any vacancy occurring before the second Tuesday in May of a regularly scheduled election year “shall be filled as promptly as possible by special election.”

But Gov. Scott Walker did not immediately call special elections to fill the two seats, saying the law only required this action for vacancies that occurred between the start of the election year and that second Tuesday in May. His office, too, cited concerns about the cost of holding special elections for legislators who would not be seated until after the close of the 2018 session.

However, three judges issued separate rulings ordering Walker to call the special elections. He chose not to appeal those decisions to the state Supreme Court, and the two special elections were held in June.

Capital Closeup is an ongoing series of articles focusing on institutional issues in state governments and legislatures. Previous articles are available at csgmidwest.org.

QUESTION OF THE MONTH

QUESTION: What policies do states in the Midwest have in place to ensure students have exposure to the concepts of personal finance?

According to the Council for Economic Education’s “Survey of States,” which analyzes and compares laws across the nation, every state in the Midwest shares at least one policy — the inclusion of personal finance in its K-12 standards. But from there, the policies of states diverge, and they’ve also been changing in recent years due to the enactment of new laws.

Wisconsin’s AB 280, signed into law in late 2017, requires school districts to adopt academic standards for financial literacy and to incorporate instruction on this topic into their K-12 curriculum.

In Iowa, with this year’s passage of SF 2415, all of the state’s high school students (starting with the class of 2020) must take a semester course in financial literacy that includes instruction on savings funds, wealth building and college planning, credit and debt, consumer awareness and insurance. As of 2017, five U.S. states (none in the Midwest) had a graduation requirement similar to Iowa’s, the Champlain College Center for Financial Literacy notes in its evaluation of state policies.

A second tier of states — including Illinois, Michigan, Minnesota, North Dakota and Ohio — stops short of requiring a stand-alone course, the center notes, but ensures that instruction on personal finance is embedded in a prerequisite class such as economics. Some Michigan lawmakers want to require more of the state’s high schools. Under HB 5905, every school would offer a semester course in financial literacy; a companion measure (HB 5906) would allow students to then take this course in place of Algebra II or economics.

Iowa has required consumer education to be taught in high school since 1967 — the oldest such mandate in the country. Topics covered during the nine weeks of instruction include budgeting, debt, contracts, insurance, taxes, student loans, homeownership and identity theft. More recently, Illinois made personal finance a central part of its new K-12 academic standards in social studies — a move identified by Champlain College in its list of “great progress” made by states since 2013.

The Smart Ohio Financial Literacy Pilot Program, meanwhile, has been singled out by the Council for Economic Education. This university-led program develops instructional materials and teacher training to improve elementary-level instruction. Legislators created the program in 2016 (HB 391).

Under a more recent proposal in the Buckeye State, high school students would have to complete a semester of instruction in economics and financial literacy. HB 108 also would require Ohio’s public colleges and universities to issue an “informed student document” — details on what prospective students should expect in terms of costs, student debt and loan repayments. Wisconsin’s colleges and universities already must provide this kind of information. In addition, during a student’s first semester of enrollment, he or she receives financial literacy-related resources from the college. These requirements in Wisconsin are the result of a 2016 law (AB 744).

Article written by Tim Anderson (tanderson@csg.org), CSG Midwest publications manager and staff liaison to the Midwestern Legislative Conference Education Committee. Question of the Month highlights an inquiry sent to the CSG Midwest Information Help Line: csgm@csg.org or 630.925.1922
“A vast majority of Americans have not had that kind of betting at their disposal.”

The council is neutral on legalization, but it does advocate that states include certain provisions in any new law.

One is to adequately fund prevention and treatment services; the council recommends 1 percent of a state’s total gaming revenues (U.S. states currently fall very short of this figure).

“A person with an untreated gambling problem generates enormous health care and criminal justice costs,” Whyte says. “Every dollar you spend saves at least $2 in those costs.”

Secondly, the council recommends that states require sports-betting operators to implement “responsible gaming programs.” That includes training for employees, allowing problem gamblers to join self-exclusion lists, and setting limits on “responsible gaming programs.” That includes

“Question #2: What should be the state’s sports-betting tax rate?”

For operators, sports betting is much different than slot machines or table games: The outcomes are much less predictable, and profit margins are smaller.

“When you hear sports betting in the United States is a $150 billion industry, that is simply how much is bet,” Miller notes. “The sports book historically retains about 5 percent of that. So if you tax that [revenue from sports betting] too much, the sports book raises prices to make a profit. And people aren’t going to migrate [from the illegal market to the legal market] if the pricing isn’t attractive.”

And as Iowa Rep. Jake Highfill says, “If we don’t get people to come off the black market, is it worth richly doing this?”

He believes Iowa’s tax rate should be between 7 percent and 8 percent of revenue; that figure is similar to what has been introduced in Indiana (9.25 percent, under the 2018 legislation).

“As we’ve started to learn the dollars and cents a little more, there is a magic line of about 10 percent on the take,” Rep. Morrison says. “You ultimately can’t go over that line.”

Keith Whyte, executive director National Council on Problem Gambling

“Question #3: Should sports leagues and college sports teams get some piece of the profits?”

The council is neutral on legalization, but it does advocate that states include certain provisions in any new law. New Jersey is taxing at 8.75 percent for land-based sports betting, 13 percent for online wagering run by casinos, and 14.25 percent for online betting operated by racetracks.

One related question for states is whether a

**Per capita funding in Midwest for problem gambling services, 2016**

<table>
<thead>
<tr>
<th>State</th>
<th>Per capita funding</th>
<th>States with more funding</th>
<th>States with less funding</th>
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<td>$9.20 (MI)</td>
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Above 37 cents per capita — the average among the 40 U.S. states that report some level of public funding

Below 37 cents per capita — the average among the 40 U.S. states that report some level of public funding

Source: "2016 Survey of Problem Gambling Services" (Association of Problem Gambling Service Administrators and National Council on Problem Gambling)

According to the online publication Legal Sports Report, states that have already authorized sports betting have taken different approaches to taxation — for example, a rate of 6.75 percent in Nevada vs. 36 percent under Pennsylvania’s new law. New Jersey is taxing at 8.5 percent for land-based sports betting, 13 percent for online wagering run by casinos, and 14.25 percent for online betting operated by racetracks.

**Five notable trends in gambling activity, legislation and laws in Midwest’s states**

**RISE OF LOCAL VIDEO GAMING IN ILLINOIS**

At the end of 2017, more than 6,300 locations in Illinois had video gaming terminals. Tax collections from these devices totaled $390.8 million, an increase of 119 percent from just four years ago. This increase is the result of a 2009 law allowing licensed bars, fraternal and veterans establishments, and truck stops to install up to five video gaming terminals. The state receives 30 percent of the revenue generated from these machines (one-sixth of that total goes to the host municipalities).

**MORE FOCUS ON FANTASY SPORTS**

Two years ago, Indiana became one of the first U.S. states with a law (SB 319) legalizing fantasy sports, charging a licensing fee for game operators ($50,000 plus a $5,000 annual renewal), and regulating this activity through its Gaming Commission. This summer, the Indiana Supreme Court heard arguments in a case that could have big implications for the industry, and sports betting in general. According to The Indianapolis Star, the question is this: Is a fantasy sports company required to pay players for the use of their names, photos and statistics, based on the terms of Indiana’s “right of publicity” law?

**EARLY ACTION ON LEGALIZED SPORTS BETTING**

In 2018, six states in this region (Illinois, Indiana, Iowa, Kansas, Michigan and Ohio) had at least one piece of legislation introduced to legalize sports betting. Among the major questions: Who gets authorized to conduct the sports betting (most of the bills say existing casinos in the state)? What tax rate should be imposed on these new gaming revenues, and should sports leagues and college sports teams get some piece of the profits? Should the legislation allow for gambling via the internet and on mobile devices, or should this activity be confined to in-person bets made at a casino?

**MICHIGAN’S MOVE ON INTERNET GAMBLING**

Michigan would become the first Midwestern state to legalize and regulate online gambling under a three-bill package (HB 4926, HB 4927 and HB 4928) approved in June by the House. The proposals would allow online gaming through existing land-based casinos, including tribal casinos that rework their compacts with the state. Casino profits from this internet gambling activity would be taxed at 8 percent under the House-approved measure. A handful of states outside the Midwest already have legalized internet wagering.

**MINNESOTA’S BIG JUMP IN CHARITABLE GAMBLING ACTIVITY**

Minnesota tops the nation in charitable gambling activity, with gross sales of more than $1.7 billion. Nonprofit groups (fraternal, religious, veteran and community organizations) sponsor various games in more than 2,700 bars, restaurants and other sites around the state. Between 2012 and 2017, charitable gambling sales jumped by 63 percent, driven in part by the Legislature’s decision six years ago to legalize electronic pull-tab games. Last year, North Dakota legalized the use of electronic pull tabs for charitable-gaming purposes (HB 1216).
portion of the sports-betting revenue should go to the NFL, NBA and other leagues, through what has been called an "integrity" or "royalty" fee.

Morrison had included such a fee in his 2018 legislation, but he doesn’t want one in next year’s version, in part because of what he has learned about the relatively low profit margins.

Highfill says that he would “never have an integrity fee in any bill that I run.”

Nationwide, Miller says, states appear to be turning against the idea of giving professional sports leagues or other entities a piece of the new revenue pie.

“The leagues fought and resisted [legalization], and if you’re a legislator, you say, ‘Now they want to be compensated?’” Miller says. “New Jersey was vocal about not including this kind of fee. That has spread to other states.”

Question #3: What should states expect in terms of new revenue?

States will gain revenue from legalized sports betting, but exactly how much is unknown. The fiscal note on Indiana’s legislation (HB 1325 and SB 405) estimated an increase of anywhere from $3.1 million to $18.8 million. In Iowa, Highfill says, “we think anywhere between $3 million and $15 million.”

In a presentation this summer at The Council of State Governments’ Midwestern Legislative Conference Annual Meeting, Lisa Soronen, executive director of the State and Local Legal Center, said sports gambling should not be viewed as a “get-rich-quick scheme” for states. (CSG is a member organization of this center.) She noted that in 2017, Nevada’s tax collections on gambling totaled $875 million; of that amount, only $16.6 million came from sports betting.

“Out of our annual budget of $16 billion here in Indiana, [additional revenue] from sports betting will be a fraction of that,” Morrison says. “But if we can add, say, $20 million to the budget that wasn’t there before, it’s worthwhile.”

New Jersey is projecting an additional $13 million during the first full year of sports betting.

“This shouldn’t be sold as a game changer to states in terms of tax revenue,” Miller says. “Any state legislator is going to want to look realistically at this as they weigh the costs and benefits.

“The benefits are that you are going to get some new revenue, create some economic activity at your casinos. The drawbacks are that, given the demographics of people who bet on sports — mostly young people — you have issues of problem gambling that could develop.”

Question #4: How and where will people be able to bet on sports?

Most of the new laws and proposed legislation would run sports betting through existing, licensed gambling establishments such as casinos. Stand-alone sports betting operations are typically not authorized.

Though the clout of existing casinos cannot be overlooked in the reasons for this policy choice, Miller says, there are also good reasons behind it. Casinos already are licensed and regulated, he notes, with a history of running gambling operations with integrity. Some states’ constitutions and statutes, too, may make it more difficult to allow for sports betting by new entities.

One possible competitor to casinos, though, is state-run lotteries.

“They can say, ‘We already have a network of distribution set up, we can give the state more control over the profits and operations, and we can make it easier for people to participate,’ ” Miller says. “People could go the convenience store and place a sports bet on a machine, rather than having to go to a [gambling-based] property.”

Under a 2018 bill in Kansas (HB 2792), for example, sports betting could be done at the state’s lottery retailers.

“Regardless of the entities authorized to offer sports betting, states are likely to give bettors the option of wagering on smart phones and other mobile devices (after registering with a licensed gambling establishment).”

Under a 2018 bill in Kansas (HB 2792), for example, sports betting could be done at the state’s lottery retailers.

“‘When you legalize this activity and regulate it, you’re able to monitor betting habits,’ he says.

“So we’re actually going to be able to do a better job with the online format of identifying people with gambling problems.”

Iden believes the Michigan Legislature will legalize internet gambling by early next year, and he expects consideration of a law on sports betting to follow soon.

One major federal restriction remains regarding any type of mobile wagering, whether it’s on a sporting event or a game of pool: The Wire Act of 1961 bars interstate gambling.

Take this scenario as an example: Illinois legalizes sports betting, and a resident of the state registers with a casino in the state to place bets via his or her phone. The resident could not place a bet whenever he or she is outside the state’s lines.

Any expansion into interstate betting is going to require Congress’ participation,” Miller notes.

States do have the authority to decide who can bet (age restrictions, for example) and what games can be bet on.

Under the New Jersey law, wagers cannot be placed on collegiate athletic events taking place in the state or involving New Jersey teams. But Miller doesn’t believe this type of restriction will be duplicated in many other jurisdictions, including his home state of Iowa, where there aren’t professional sports teams and where wagering on university sports would likely be a big part of the betting activity.

### State of legalized gambling activity in Midwestern states

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<thead>
<tr>
<th></th>
<th>Riverboat casinos</th>
<th>Land-based casinos</th>
<th>Racetrack casinos</th>
<th>Tribal-owned casinos</th>
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¹ Activity is legal, but no horse or dog tracks are in operation.
² Minnesota does not have commercial casinos, but does have poker rooms at two horse racing tracks.
³ Gambling at Native American-owned casinos in Nebraska is limited to Class II gaming (e.g., bingo, pull tabs, and manual card games not played against the house).
⁴ Ohio allows for video lottery terminals at its racetracks.
⁵ South Dakota allows for Class B games only at its casinos and authorizes video lottery terminals at licensed establishments.

Source: American Gaming Association, Rockefeller Institute of Government and CSG Midwest research

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**“This shouldn’t be sold as a game changer for states in terms of tax revenue.”**

Keith Miller, law professor
Drake University

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Rep. Brandt Iden, a sponsor of the three-bill package, says this change in Michigan law would provide a greater layer of consumer protection for an activity that is already occurring, but minus state oversight.

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Minnesota Sen. Ann Rest

Lawmaker’s intellectual curiosity has taken her in a wide range of policy directions — with many legislative successes along the way

by Tim Anderson (tanderson@csg.org)

When it comes time to decide to run for reelection, Sen. Ann Rest always sits down and asks herself, “What are the pluses? What are the negatives?”

For more than 30 years, the positives have always come out on top.

“There aren’t many jobs that when somebody asks, ‘What do you do?’ You can say, ‘Things that interest me,’” Rest says. “I feel very blessed in that way. I have the luxury of pursuing legislative policies that interest me. It’s intellectually challenging and satisfying.”

“Sometimes those pursuits end in absolute failure. It simply doesn’t work out. But the biggest incentive for me remains being able to try.”

She’s had many successes along the way, and in a variety of policy areas — a reflection of her wide range of interests.

To name just a few of those accomplishments, Rest worked for more than a decade on getting the Minnesota Capitol restored, has become a regional leader on Great Lakes protection, and fought for improved accessibility for the disabled in state parks (wheelchair-friendly trails) and state buildings (including new assistive listening technologies at the Capitol).

But she’s most known for, and spent the most time on, state tax policy.

Before joining the Legislature, and after working as a high school Latin and English teacher, Rest was a certified public accountant. She would sometimes travel to St. Paul to drop off applications for income tax extensions, and curiosity brought her inside the state Capitol. “I watched the tax committee and then the floor session, and I said to myself, ‘I can do this.’”

She won a Minnesota House seat in 1984 (by less than 60 votes). Since then, Rest has been instrumental in major tax changes: for example, a working-family reserve account; nobody can spend it. We’ve also had reserve account; nobody can spend it. We’ve also had reserve account; nobody can spend it.

During a recent interview with CSG Midwest, Sen. Rest reflected on her time in the Legislature and looked ahead to 2019 and beyond.

Q: In your experience, what are some of the ingredients to making a legislature function, and to getting its members to work well together?

A: I think the most important thing a legislator can do is tell the truth — be direct and honest on what you propose or what you oppose. That leads to the best outcomes. Honesty and directness are certainly what I try to show my colleagues. It’s also important to be willing to be part of a team — whether that’s members of the same party or a different party. Work hard together on a bill, and then don’t feel the need for your name to be first on every bill that you’ve worked on.

Q: You’ve been in the Minnesota Legislature since 1985. Experience obviously has many advantages, but is there anything you and other longer-term legislators have to guard against?

A: You have to be willing to take on new ideas, face new challenges, and look for solutions that are going to fit for the future — not just tired, old solutions that worked 20 years ago but no longer do. We see that need to change and adapt all the time in the Legislature. For example, on economic development, some property-tax statutes that were great 20 years ago don’t work anymore. We can’t be clinging to ideas that don’t reflect the current reality. You have to be focused on the future, and in areas like transportation, you have to think out 20 years.

Q: So looking ahead to 2019 and beyond, what are some of the big challenges ahead for the Minnesota Legislature?

A: Some of it is maintenance in terms of fiscal stability. Minnesota just re-achieved a triple-A rating from two of the three big bond houses. That is outstanding news. Certainly we’ve been riding waves of economic prosperity, and that has helped. But we’ve also put in place some good, strong fiscal policies. We’re being responsible with our [budget] surpluses. For example, we’re setting aside one-third [of any surpluses] from our November forecast and putting it right into our reserve account; nobody can spend it. We’ve also had important pension [reform] legislation that passed and raised income taxes on the very wealthy.

Q: One area of big discussion in 2018 was how to adjust Minnesota’s tax policies in light of the recent changes at the federal level. Gov. Mark Dayton vetoed legislation earlier this year. Will those tax conformity issues be a high priority in 2019?

A: That will be the biggest challenge for us in the 2019 session, and it won’t end there. We’ll be thinking about the changes they made [at the federal level], and how that’s going to impact Minnesotans. We’ll need to be careful but bold on the decisions we reach.

Q: One other big change is the new authority of all states, including Minnesota, to require remote sellers to collect online sales taxes. You’ve worked on that issue a long time, inside Minnesota and across state lines via the Streamlined Sales Tax Governing Board. How big is this change going to be?

A: It’s going to be a major step forward. It means that our Main Street sellers — the big guys like Target and Best Buy, but also places like a local hardware store — are not subsidizing the remote sellers anymore. That starts for us on October 1. And I guess that’s another reason to stick around the Legislature, because sometimes you have to be here for a while to see things you’ve been working on get done. That’s true of the online sales taxation, and certainly true of our restoration at the state Capitol.

Q: In other areas, too, such as being a founding member and past chair of the Great Lakes Legislative Caucus, you have devoted yourself to working across state lines. What value do you find in this?

A: I’ve found that it really becomes very much about bipartisan collaboration in those settings. There is a true common goal, even if there are different ideas on how to reach it. At times, there can be more of a willingness to pursue those common goals and look for results. So it’s another level of satisfaction when sometimes you might get discouraged because the issue in your legislature doesn’t seem to be making any progress. You can work on issues and get ideas from folks from Michigan, Ohio or wherever.

“The most important thing a legislator can do is tell the truth — be direct and honest on what you propose or what you oppose. That leads to the best outcomes.”
Iowa pays a water bill

New law provides more funding to control nutrient runoff into state’s waterways, meet 45 percent reduction goal for Mississippi River basin

by Iowa Rep. John Wills (John.Wills@legis.iowa.gov)

Iowa and other states in the Mississippi River basin have been the focus of national attention lately due to soil nutrients that drain to the Gulf of Mexico.

Efforts in Iowa to reduce and limit the amount of nutrients that are delivered to the Gulf have been numerous, and they began with two years of work led by the Iowa Department of Agriculture and Land Stewardship, the Iowa Department of Natural Resources, Iowa State University and others.

The U.S. Environmental Protection Agency’s 2008 Gulf Hypoxia Action Plan calls for our state, along with others along the Mississippi River, to develop strategies to reduce total nitrogen and phosphorus loads to the Gulf of Mexico by at least 45 percent. Guided by that plan, our state leaders and Iowa State University announced in November 2012 the development and release of the Iowa Nutrient Reduction Strategy for public input.

The strategy was then, as it is today, a science- and technology-based approach to assess nutrients delivered to Iowa waterways and the Gulf of Mexico. It outlines voluntary efforts to reduce nutrients in surface water from both point sources, such as wastewater treatment plants and industrial facilities, and nonpoint sources, including from farm fields and urban areas.

In 2013, this strategy was officially adopted as the state’s plan of action to limit nutrient runoff — in an evidence-based, reasonable and cost-effective manner.

For the past three years, the Iowa Legislature has struggled to find the right pathway to bolster our efforts in support of the Nutrient Reduction Strategy. Earlier this year, we took a major step forward.

How to pay for a multi-year effort?

SF 512 was passed at the start of our 2018 legislative session and signed into law by Gov. Kim Reynolds on Jan. 31; it provides significant, long-term funding to support implementation of the Nutrient Reduction Strategy.

The new law dedicates $282 million over 12 years for water quality and soil conservation — $156 million to address point sources of water pollution and $126 million for nonpoint sources.

SF 512 does not supplant or change any of our state’s existing programs; rather, it simply enhances our Nutrient Reduction Strategy.

We firmly believe that incentivizing participation is a much better strategy to gain buy-in from those in the field, rather than overly burdensome regulations. This is the same approach that Iowa has taken to address other watershed challenges throughout the state.

In 1980, for example, all but six of Iowa’s trout streams needed restocking in order to sustain a trout population. But we worked together, via local watershed projects, to keep excess sediment, nutrients and bacteria out of the water coming into these streams. The result: Today, we have more than 45 naturally reproducing trout streams in Iowa, a great accomplishment.

We can use these smaller watershed examples to inform our work in meeting the goals of our statewide Nutrient Reduction Strategy. This is what SF 512 is designed to do.

It took three years and a lot of effort from various stakeholders to get this legislation across the finish line, but it will make a huge difference in keeping our waterways clean for future generations. But as I stated in my floor comments this year during debate on the bill, this isn’t the end of the discussion in our effort to preserve natural resources.

In fact, within three weeks after SF 512 was passed, a second piece of legislation (HF 2440) was passed and signed into law on May 16 that improved on our measure by giving access to SF 512’s money to communities whose water supplies are not affected by nutrients, but, perhaps, by total suspended solids, or whose proposed projects will improve water quality. It also allows industries listed in the Iowa Nutrient Reduction Strategy to tap that funding for runoff reduction projects.

We are continuing to work together in a bipartisan manner on additional future legislation.

Water quality is a very emotional issue, as everyone knows the importance that water holds in our lives.

While many liked SF 512’s various provisions, it was difficult to craft a bill that was “loved by all.” For some, the bill went too far; for others, it didn’t go far enough. The important thing for many people was that we are able to continue our support for the Nutrient Reduction Strategy — and strengthen it with some much-needed additional funding.

With the passage of SF 512, the future of water quality efforts in Iowa is bright and will continue to be a priority issue for us. We firmly believe that the Nutrient Reduction Strategy and SF 512 are just the beginning of this critically important conversation, not the end of those discussions.

Rep. John Wills was elected to the Iowa House in 2014 and was elected as a House Assistant Majority Leader in 2015.

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.

We firmly believe that incentivizing participation is a much better strategy to gain buy-in from those in the field.
CSG MIDWEST NEWS & EVENTS

BILLD graduates 24th class of legislators from Midwest

Thirty-five state and provincial lawmakers are the latest graduates of the Bowhay Institute for Legislative Leadership Development. BILLD is geared toward legislators in their first four years of service and is the top leadership program of its kind in the Midwest. More than 800 legislators have graduated from BILLD since its inception in 1995. CSG Midwest runs the program, with the University of Minnesota’s Humphrey School of Public Affairs serving as an academic partner. Here is a state-by-state list of this year’s graduates:

- Illinois — Reps. Carol Ammons and Theresa Mah and Sens. Dale Fowler and Paul Schimpf
- Iowa — Reps. Shannon Lundgren and Ras Smith and Sen. Waylon Brown
- Kansas — Reps. Brenda Dietrich and Jarrod Ousley and Sen. Lynn Rogers
- Michigan — Reps. Sara Cambensy, Eric Leuthesser, Jim Tedder and Tenisha Yancey
- Minnesota — Reps. Dario Anselmo and Randy Jessup
- Nebraska — Sens. Suzanne Geist, Lou Ann Linehan, Michael McDowell and Dan Quick
- North Dakota — Reps. Jim Grueneich and Karla Rose Hanson and Sen. Scott Meyer
- Ohio — Reps. Catherine Ingram and Emilia Sykes
- South Dakota — Reps. Oren Lesmeister and Sue Petersen and Sen. Raymond Neisha
- Manitoba — MLA Janice Morley-Lecomte
- Saskatchewan — MLA David Buckingham

The 2018 BILLD Fellows Class

Three of the Midwest’s legislative leaders — Minnesota Speaker Ron Ryckman Jr., North Dakota House Minority Leader Corey Moll and Kansas House Speaker Ron Ryckman Jr. — discuss legislative strategies during this year’s BILLD program.

Great Lakes Caucus pilots policy institute

A pilot initiative of CSG Midwest is aiming to improve basinwide collaboration and spur policy advances on issues of interest to the binational, nonpartisan Great Lakes Legislative Caucus.

The initial focus of this newly established policy institute is on efforts to eliminate lead from drinking water. Funding for this pilot project is provided in part by the Joyce Foundation.

Two web-based meetings were held over the past two months, and a select group of legislators then convened in Erie, Pa., in September for a two-day workshop that included expert speakers, roundtable discussions, and development of a draft policy statement and action plan.

The caucus is seeking funding partners to help sponsor a full-fledged policy institute in 2019 — a three-day, intensive working session to be held in a Great Lakes jurisdiction.

The caucus’s Executive Committee has identified nutrient pollution as the specific focus for the 2019 institute based on its assessment of the need for coordinated regional action and the likelihood of reaching consensus on the issue. A select group of 20 to 25 legislators representing all 10 Great Lakes jurisdictions would be invited to attend.

The 2019 institute will produce an action plan that identifies new policies or practices that legislators could adopt to facilitate effective, regionwide action to reduce the impact of polluted runoff into the lakes and their tributaries, as well as the resulting negative impacts on water quality.

The caucus counts more than 200 state and provincial legislators as members. CSG Midwest provides staff support to this group. Membership is free and open to any lawmaker representing the eight U.S. states and two Canadian provinces in the Great Lakes region. Services include:

- an annual gathering (held this year in Erie, Pa., in conjunction with the pilot initiative),
- in-person and web-based policy training,
- advocacy efforts on behalf of the Great Lakes, and
- a quarterly newsletter as well as state and federal legislative trackers.

Please contact Lisa Janairo at ljanairo@csg.org for more information.
CSG National Conference agenda covers current, future challenges

MLC Executive Committee will meet and formally install officers for 2019

The Midwestern Legislative Conference’s Executive Committee will meet during The Council of State Governments’ 2019 National Conference, Dec. 5-8 in Covington, Ky., to conduct business and formally install its officers for 2019. Illinois Sen. Elgie Sims will take over as MLC chair; Michigan Sen. Ken Horn will become first vice-chair, while South Dakota Sen. Gary Cammack becomes second vice-chair. Indiana Sen. Ed Charbonneau becomes immediate past chair. The MLC Executive Committee will meet on Saturday, Dec. 8 — the final day of the five-day meeting at the Northern Kentucky Conference Center, across the Ohio River from Cincinnati. Other conference highlights include scheduled sessions on future electricity needs and the electric grid, the impact of marijuana on state budgets, the struggle to find early care, the “logistics economy,” and how states finance opioid treatment.

The conference’s keynote speaker is Ohio native J.D. Vance, author of the No. 1 New York Times best-seller, “Hillbilly Elegy: A Memoir of a Family and Culture in Crisis,” who will speak on Friday, Dec. 7, during the opening luncheon. Vance grew up in Middletown, Ohio, and joined the U.S. Marine Corps. He served in Iraq during the second Gulf War. He went to the Ohio State University and Yale Law School. “Hillbilly Elegy” juxtaposes his upbringing with questions about people’s responsibilities for their own misfortunes. Currently a resident of Columbus, Ohio, Vance is a contributor on CNN.

Former astronaut Story Musgrave headlines the CSG 2018 Toll Fellows graduation luncheon on Saturday, Dec. 8. A Marine Corps veteran, he has 17,700 hours in aircraft and, as a parachutist, has more than 500 free falls to his credit. He also holds six academic degrees, including an M.D. Selected by NASA as a scientist-astronaut in 1967, he worked on design and development of Skylab, and later on the design and development of extra-vehicular activities during the Space Shuttle program. He also flew on six shuttle missions between 1983 and 1996, and is the only astronaut to fly on all five shuttles.

Country music star Carly Pearce headlines “An Evening at the Newport Aquarium” in Newport, Ky. (Covington’s eastern neighbor), on Thursday, Dec. 6. Registration for the CSG 2018 National Conference is open; register online at www.csg.org. Rooms are available at the CSG National Conference rate through Nov. 7 at the Embassy Suites RiverCenter (call 800-362-2779 or book online at group.embassysuites.com).

CSG officers for 2019

Illinois Sen. Elgie Sims
Michigan Sen. Ken Horn
South Dakota Sen. Gary Cammack
Indiana Sen. Ed Charbonneau

CSG Policy Academies to cover science, addiction, sports betting and infrastructure innovation

The CSG 2018 National Conference, Dec. 5-8 in Covington, Ky., features four day-long CSG Policy Academies, which are open to all conference attendees.

Wednesday, Dec. 5

• Promising Approaches for America’s Addiction Crisis, covering the opioid crisis, science of addiction, and states’ responses.
• States Place Their Bets, which will examine the impacts of the U.S. Supreme Court’s decision in Murphy vs. National Collegiate Athletic Association, which allows states to legalize sports betting. This policy academy will examine the economic (and other) impacts of legalized sports betting, including opportunities and obstacles to interstate cooperation.

Thursday, Dec. 6

• The Intersection of Innovation & Infrastructure, looking at how technology — especially automated vehicles and ride-sharing services — is impacting and spurring innovation in transportation infrastructure and affecting urban planning.
• Using Science to Inform State Policymaking. For more information, and links to posted agendas, please visit csg.org.
Illinois boosts its hiring of individuals with disabilities

The number of people with disabilities working for the state of Minnesota has risen considerably over the past four years, reflecting a concerted effort across agencies to improve outreach, recruitment and hiring practices.

The latest state figures show that 7 percent of the workforce has a disability of some kind — the goal set by Gov. Mark Dayton in a 2014 executive order. “We need a state workforce that reflects the diverse populations we serve,” Minnesota Management and Budget Commissioner Myron Frans says.

Minnesota established two initiatives to reach its 7 percent goal. The first program, known as “Connect 700,” gives Minnesotans with disabilities opportunities to demonstrate their skills through on-the-job, trial work experiences that last up to 700 hours. The Supported Worker Program, meanwhile, offers people with disabilities integrated employment opportunities with up to 50 full-time positions within various state agencies. These positions can be shared by up to three people with disabilities.

Nationwide, people with a disability are much more likely to be unemployed — an average of 9.2 percent in 2017, compared to 4.2 percent among individuals without a disability.

Expert-led councils will help shape Michigan’s infrastructure future

A trio of recently enacted bills in Michigan aims to help legislators take a longer, systematic view of how to meet the state’s infrastructure needs.

According to Gov. Rick Snyder, his state is the first in the nation to implement this type of coordinated effort to manage drinking water, wastewater, stormwater, transportation and private utilities.

HB 5335, for example, creates a Michigan Infrastructure Council — policy experts who will develop a 30-year, overarching infrastructure strategy for the state. The council also will create an asset-management database to assess Michigan’s infrastructure, investment needs and priority areas. Every year, the council will make funding recommendations to the Legislature and governor. The two other bills create separate councils focused on the state’s water (HB 5406) and transportation (HB 5408) infrastructure needs.

According to National Association of State Budget Officers data, states as a whole have been investing more in capital projects. The 5.7 percent increase in capital spending between fiscal years 2016 and 2017 marked the largest jump in a decade. This trend is largely the result of more outlays for improvements to the transportation infrastructure, which accounts for close to 66 percent of state capital spending.

Ohio establishes grants, training requirements to improve school safety

Ohio has become the latest state in the Midwest to address school safety through a mix of new laws and funding.

Under HB 318, signed into law in August, a $12 million grant program will be established for schools to pursue training in a number of areas, from how to deal with an active shooter to how to help students with mental health issues. Over the next few months, too, the Ohio Department of Public Safety will conduct studies of school security in order to ensure the proper infrastructure is in place to keep students safe.

One particular emphasis of Ohio’s new law is school resource officers. HB 318 establishes new qualifications and training requirements for these police officers working inside schools, while also specifying the type of services that they can provide (for example, fostering problem-solving strategies and contributing to emergency management plans).

Earlier this year, Wisconsin lawmakers established a $100 million school-safety grant program (AB 843). Other recent actions in the region include Iowa’s SF 2364, which requires schools to pursue training in a new qualification for school resource officers. HB 318 establishes a $12 million grant program will be established in Ohio.

In the previous edition of this section, an article about a training program for school resource officers contained incorrect information. The program was called Connect 700, not Connect 70. The Bridging the Gap program for school resource officers was Connect 700, not Connect 70.


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