#### TRENDS AND TRANSITIONS



# People & Politics



**CSL** President and Georgia Senator **Don Balfour** is making a bid for Congress. Balfour is seeking the seat currently held by retiring U.S. Representative John Linder, who announced in March that he is not seeking reelection after 18 years in Congress. Balfour was first elected to the Georgia Senate in 1992 and is chair of the Senate Rules Committee. Balfour says he will continue support for Linder's Fair Tax legislation that would repeal all corporate and individual income taxes, payroll taxes, self-employment taxes, capital gains taxes, estate taxes and gift taxes, and replace it with a revenue-neutral personal consumption tax. Other prospective candidates include Representatives Clay Cox and Jeff May, and former Christian Coalition Director and current state GOP Chairman Ralph Reed.

Griffith is challenging Congressman Rick Boucher, a 28-year veteran of the U.S. House. Griffith has served in the House of Delegates for 18 years. A practicing attorney, Griffith was elected majority leader by his colleagues in 2000.

enator **Shane Broadway** of Arkansas announced he will seek the Democratic nomination for lieutenant governor, following the announcement by current Lt. Governor Bill Halter that he will challenge U.S. Senator Blanche Lincoln in the May primary. A former speaker of the Arkansas House, Broadway has served in the Senate since 2003.

ohn Perez was officially sworn in as California's speaker in March. A former labor organizer and the state's first openly gay speaker, Perez presented his colleagues with a small rubber ducky with his name and the state seal imprinted on each. Perez has quite a collection—estimated in the hundreds—of the little waterfowl. He promised to appoint two Republican committee chairs in the Democratic-controlled Assembly. He also promised to ban text messages from lobbyists on the floor. He replaces Karen Bass as speaker,



Don Balfour

who is running for Congress and is being termed out of office.

he New York Senate in February expelled L Senator **Hiram Monserrate** following his conviction for misdemeanor assault against his girlfriend. Monserrate challenged the 53-8 ouster in U.S. District Court in Manhattan. His lawyer argued the Senate "conducted an unconstitutional usurpation of a Senate seat," and that the people who elected him were "disenfranchised and denied equal protection of law." The court denied Monserrate's request to block his expulsion, the first time a New York legislator has been expelled in nearly 100 years. Monserrate, a former New York City policeman, was convicted of slashing his girlfriend's face with broken glass. In June, he switched his allegiance to the Republicans in a coup that gave temporary control of the chamber to the GOP, leading to chaos in the chamber until he returned to the Democratic fold a week later. Monserrate is not giving up. He filed a petition to run for his seat, with some 5,500 signatures, in a special election. Stay tuned.

tah Senate Republicans have chosen Scott Jenkins, former caucus whip, as the chamber's new majority leader. Jenkins replaces former Senate Majority Leader Sheldon Killpack. Senator Wayne Niederhauser is the new majority whip, and Senator Pete Knudson replaces Niederhauser as assistant whip. Jerry Stevenson, a former mayor, was chosen to replace Killpack.

ouisiana Representative Nick Lorusso, a lieutenant colonel in the U.S. Army Reserve, completed a one year assignment as a deputy staff judge advocate and is back in the Legislature. In 2008, Lorusso sponsored an amendment to the state constitution allowing an appointed representative to temporarily fill the seat of a lawmaker called to military service. New Orleans lawyer Greg Ernst filled Lorusso's spot for the year.

Jowa Representative Roger Wendt, a driving force in education policy, is suffering from lung cancer and is not returning to the legislature. Wendt is considered an influential powerhouse on education issues. He is chair of the House Education Committee. Colleagues were tearful at the news, many of them shocked because Wendt had been working on legislation up until late February. Governor Chet Culver said Wendt's "life and career can best be thought of in terms of 'service to others.' For his life of service, I simply want to thank him, and to publicly recognize the tremendous impact he has had on the state we love."

Congress who cut his political teeth in the Michigan House of Representatives, announced he is retiring from office. The 76-year-old Ehlers was the first research physicist to serve in the Michigan Legislature and the U.S. Congress.

APRIL 2010 STATE LEGISLATURES 9

#### TRENDS AND TRANSITIONS

### Governments Work in the Clouds

Cloud computing is touted as a great way to save costs and improve work efficiencies in information technology. It provides access to computer resources over the Internet, so users don't need to purchase their own servers and software, and pay only for the services they use.

A growing number of government entities are examining the benefits of cloud computing to acquire the infrastructure and software they need while making operations faster, cheaper and more sustainable. Experts predict government IT shops can save on equipment, licensing, staffing resources, office space, storage and more. And, if state and local governments combine their purchasing power to acquire computer resources via the cloud, they can achieve even greater savings.

In September 2009, the federal government launched Apps.gov, a web-based storefront for federal agencies that makes it easy for them to get cloud services such as hosted e-mail, word processing, collaboration, website creation and more. Michigan plans to build a new data center that will provide cloud computer services to state agencies, local governments and schools. It's a particularly attractive option for IT agencies struggling to provide services after significant budget cuts, says Michigan Chief Information Officer Ken Theis. He expects "all levels of government in Michigan to benefit, by getting the most of our taxpayer dollars."

In Utah, where data center consolidation efforts have been underway for several years, Chief Information Officer Steve Fletcher says moving to the cloud is a natural next step. Utah's Department of Technology Services will offer software, platform and infrastructure services to state and local governments and schools through a hybrid cloud containing offerings hosted by the state and the private sector.

Colorado also plans to pursue cloud computing, but will use private sector clouds rather than creating a government cloud. John Conley, Colorado's Statewide Internet Portal Authority director, predicts significant savings on software licenses for e-mail, instant messaging and office productivity tools.

There are some concerns about the security and privacy of information stored on cloud servers that are not under the control of the government entity responsible for the data. Several leading cloud firms are working to make sure their products meet federal information security standards.



## **Prescription Drug Costs Easier to Swallow**

Until just recently, the growth of prescription drug costs appeared to be slowing down. In January 2009, a federally sponsored study calculated the annual growth of prescription drug spending at 4.6 percent, lower than any other major health care sector and the lowest level in 45 years. In a surprising reversal, however, an analysis published in November 2009 showed that medication prices were rising about 9 percent by the end of 2009.

Last year, lawmakers were once again busy addressing prescription drug laws, with 84 new measures enacted in 32 states. For the first time in a decade, however, there was little activity aimed at expanding state subsidies or discount programs for those lacking prescription drug coverage or insurance.

Eight states tightened regulations on pharmaceutical benefit managers and addressed issues of marketing drugs and privacy of prescription records. Nine states passed laws about the reuse and redistribution of unused medicines. And eight states changed their laws on Medicaid pharmaceuticals. For example, Texas barred conflicts of interests for members of their Medicaid drug review board who also have contracts with manufacturers. Utah Medicaid required more advance documentation of the medical need for drugs judged "non-preferred." North Dakota regulated Internet pharmaceutical sales by requiring a face-to-face visit with a prescriber.

Thirty-one states reported spending less in 2007 than in 2006 on prescription drugs through Medicaid even though drug use was up. This slow-down was seen as a hopeful sign for policymakers worried about keeping health care affordable, both to patients and public and private insurers. The cause for the slow-down is well-documented and includes:

- ◆ Use of generic drugs, which cost between 30 percent and 80 percent less than brand-name products.
- ◆ Patents expiring on about 10 widely used medications, resulting in a flood of low-priced similar competitors.
- ◆ Large retail chains' high-visibility "\$4 generic drug" discount programs that cut costs among lower-priced products.
- ◆ Slower growth in prescription drug prices, averaging just 1.4 percent in 2007, compared to 3.5 percent in 2006.
- ◆ States' use of preferred drug lists, prior authorization, supplemental rebate programs and multi-state purchasing pools.

For 2010, pharmaceutical legislative trends may shift again, in the face of federal health debates and continued state budget pressures.

**CHECK OUT** NCSL's Prescription Drug 2009 Enacted State Laws for information on other new laws at www.ncsl.org/magazine.

10 STATE LEGISLATURES APRIL 2010

## BUY LOCAL GAINS MOMENTUM

any state procurement laws require that in-state or regional businesses be given preferences, which often allows bids to be slightly higher than their out-of-state competitors. In-state preference laws historically applied only to construction contracts. During these tough economic times, however, states are increasing the variety of in-state preference categories to local businesses that sell motor oil and fuel, cars, office supplies, tree seeds, milk and meat products, printing, casino services and lottery equipment, and to those that provide agricultural aircraft pilots, travel services, rodeo and livestock shows and much more.

Alaska, Arkansas, California, Georgia, Iowa, Nebraska, Wisconsin and Wyoming, as well as Guam, provide one of the more recent preferences—for in-state or regional artists creating public displays of art. Unlike most other types of procurement law, in-state preference requirements for art are recommended, but not required. This is probably because of the subjective nature of art. Arkansas, for example, requires that, if "all factors are equivalent," preference should be given to Arkansas artists.

The economic downturn may not be the only reason in-state preferences have been expanding. States have also responded to the recent trend of "going green," and 21 states offer preferences to local manufacturers who use recycled or recovered products. Most of these states allow state agencies to choose bids from vendors who have used recycled materials if the total cost of the bid is within 5 percent of a comparable bid. Maine, Minnesota and South Dakota offer a 10 percent range when recycled materials are to be used in the winning contract proposal.



## FAITH OF STATE LEGISLATORS

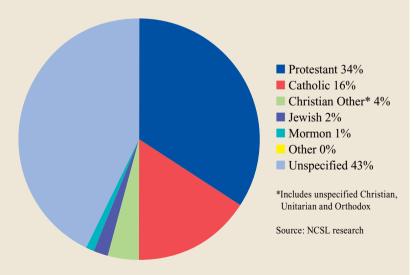
An NCSL analysis about the religious affiliation of state legislators from their publicly available biographies in 2008 shows about one-third of all state legislators are Protestants and, when combined with Catholics, make up half of lawmakers. Forty-three percent of legislators did not report their religion, since there is no standard requiring it.

However, 80 percent or more of state legislators in Alabama, Florida, Kentucky, Mississippi, Virginia and West Virginia listed their religion. Fewer than 40 percent did so in Arizona, California, Hawaii, Nevada, Oregon, Utah and Washington.

There were more than 10 Jewish legislators in three states: Florida, Maryland and New York. Mormon legislators were concentrated in Idaho, Utah and Wyoming. And, across the country, three legislators reported being Buddhist, three Muslim and two Hindu.

**CHECK OUT** an interactive map on state lawmaker demographics at www.ncsl.org/magazine.

#### **RELIGIOUS AFFILIATION OF STATE LEGISLATORS, 2008**



APRIL 2010 STATE LEGISLATURES 11