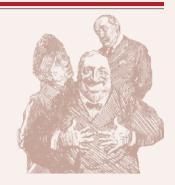


People & Politics



rizona Senate President Russell Pearce, who has risen to national prominence for his illegal immigration legislation, is facing a recall election Nov. 8. Petition organizers collected 3,000 more valid signatures than needed. Pearce is a former judge and deputy sheriff who was first elected to the Arizona Senate in 2008, having served in the House since 2000. He is the author of a controversial law requiring law enforcement officials to ask for documentation from anyone detained and suspected of being an illegal immigrant. It sparked a suit by the U.S. Department of Justice, and a federal judge has issued a preliminary injunction against the bill. Last year Pearce sponsored a birthright citizenship bill that failed in the Senate following pressure from the business community. He will face charter school executive Jerry Lewis at the polls.

tah Representative Julie Fisher has resigned from the Legislature to become director of the Utah Department of Community and Culture. First elected in 2004, the thirdterm Republican was appointed to the position by Governor Gary Herbert to guide the agency through major restructuring and severe budget cuts. Herbert said Fisher "not only understands the state's stewardship role in preserving our unique and invaluable cultural identity, she also appreciates our accountability for every tax dollar, as well as the need to examine service models in a meaningful way." Fisher was vice-chair of NCSL's Labor and Economic Development Committee and chaired a committee to review conference by-laws.

Three Ohio House members have moved to the Senate, and House Republicans have selected two women and a man to replace them. Margaret Conditt is a former township trustee who replaced Bill Coley when he left the House to take the Senate seat of Gary Cates, who left for a position with the Ohio Board of Regents. When Senators Karen Gillmor and Jimmy Stewart left the Senate for other opportunities,

David Burke and **Troy Balderson** moved from the House to fill their seats. **Dorothy Liggett Pelanda** is an attorney who replaced Burke, and family farm owner **Brian Hill** took Balderson's seat.

Costello II replaced 14-year veteran Dan Reitz who resigned his seat mid-term. Costello was among seven candidates vying for the southern Illinois seat. A financial adviser, Costello says his father, U.S. Representative Jerry Costello, warned him that politics "can be a dirty business." But the new lawmaker says it's "in my blood." Costello is a former police officer who served in the first Gulf War.

ashington Senator Phil Rockefeller stepped down to accept an appointment to the Northwest Power and Conservation Council by Governor Christine Gregoire. Representative Christine Rolfes was named to his seat.

Alabama Representative **Owen Drake**, 75, died in June following a long battle with cancer. Elected in 2010 to a second four-year term in the House, Drake received a standing ovation when he returned to the chamber during the closing days of the session. His illness caused him to miss much of the session, but "he wouldn't even let a painful and exhausting battle with cancer keep him from tending to his constituents' needs," said Speaker Mike Hubbard. Representative Allen Treadaway said it was important for Drake, even though he was extremely ill, to be with his colleagues. "For him there was an overwhelming sense of pride that he got to do that one last time." Governor Robert Bentley, who served with Drake in the House, set the primary date to replace him at the end of August.

here will be other clerks in the Senate, but no one with his exact style—no one with

that Tom Sheridan voice," Connecticut Senate President Pro Tem Donald Williams said following the death of clerk of the Senate. Tom Sheridan died at 62 after battling cancer for more than a year. He was diagnosed the day after the 2010 session ended, and served through this year's session. "This whole session was one long profile in courage for Tom Sheridan," Williams said. He and Senate Majority Leader Martin Looney visited Sheridan on the day of the special session, a few days before he died. A graduate of Amherst College and an attorney in private practice, Sheridan came to the Senate for 20 years to call the members to the chamber and read the consent calendar so quickly members had a hard time keeping up with him. "His knowledge of procedure and his ability to keep business moving in the Senate was unparalleled. He was tremendous at what he did," said Williams. "He was quite literally the voice of the Connecticut state Senate. Everyone knew that booming voice."

n North Dakota, state and American flags \perp flew at half staff from sunrise to sunset the day of Senate Majority Leader Bob Stenehjem's funeral. Remembered as a generous, strong leader whose contributions to the state are "immeasurable," Stenehjem, 59, died in Alaska when the SUV he was riding in lost control and overturned. He had been on a halibut fishing vacation. An avid fisherman who believed plaid shirts went with everything, Stenehjem joined his two brothers in the legislature-believed unprecedented-when he was elected to the Senate in 1992. He became majority leader in 2001. "North Dakota lost a tremendous leader. ... He had a heart of gold and a real passion for what he did," said former minority leader Senator David O'Connell. Stenehjem was "a great asset to the North Dakota legislature," according to Governor Jack Dalrymple, adding his "warmth and friendliness will be sorely missed." Stenehjem is credited for helping bring oil development to Indian reservations.

6 STATE LEGISLATURES SEPTEMBER 2011

State of Pensions

wenty-six state legislatures have made significant changes to their retirement systems so far this year. Over the last two years, 39 states in all have enacted substantial revisions to at least one state retirement plan.

About offset the state of the state retirement plan.

With just two exceptions (Michigan and Utah), state lawmakers have revised rather than replaced traditional defined benefit pension plans.

Legislation on pension reform, as of the end of July, was pending in Massachusetts and Ohio, and the governors of California and New York had proposed changes that were likely to be considered later in the year or in 2012.

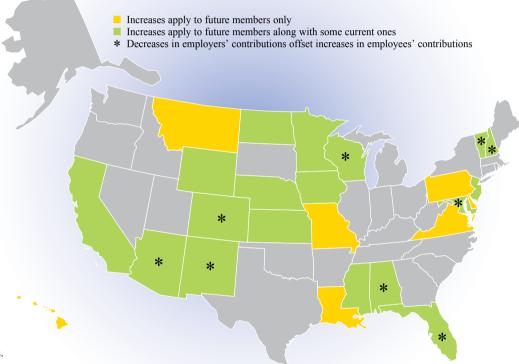
The changes include:

INCREASING EMPLOYEE

contributions. Sixteen legislatures increased employee contribution amounts this year, and nine did so last year. The increases apply to all current employees in 18 states and only to new employees in seven states. In nine of these states, contributions by employers were reduced, reflecting a trend toward equalizing employee and employer retirement contributions. (See map.)

FINDING EQUILIBRIUM

About a third of the states that have increased employees' contribution requirements have offset them by lowering employers' contribution levels, at least temporarily. This continues a trend toward equalizing employer/employee rates.



Source: NCSL, July 31, 2011

CHANGING ELIGIBILITY RULES. Twenty-three legislatures

have increased age and service requirements for retirement for state employees, teachers or both in the past two years. In most states, the new rules apply only to people hired after the effective date of the legislation. Most of the changes move the age of retireme

apply only to people hired after the effective date of the legislation. Most of the changes move the age of retirement closer to 65 and increase the amount of service credits required to retire early. Twelve states have also increased minimum eligibility requirements, called vesting, by three to four years.

MODIFYING HOW BENEFITS ARE CALCULATED. This year, five states—Florida, Hawaii, Maryland, Montana and Vermont—have lengthened the time period for figuring average salaries, upon which benefits are based. Eight states—California, Iowa, Illinois, Louisiana, Michigan, New Jersey, Utah and Virginia—made similar changes last year. In most cases, the change was from a person's highest 36 months to the highest 60 months. Florida changed its provision from the highest five years to the highest eight. All these changes apply only to people hired after the effective date of the legislation.

REVISING AUTOMATIC BENEFIT INCREASES. Seventeen states have reduced their automatic cost-of-living adjustments (COLAS) in the past two years. Six of the nine legislatures that made changes this year will apply the new rules to future retirees, while the other three decided to apply the changes to current employees as well.

OSL ONLINE

For a complete report on state pension actions, go to www.ncsl.org/magazine.

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TRENDS AND TRANSITIO<u>ns</u>



FREEDOM TRAIL

The Mercatus Center at George Mason University, a market-oriented think tank, has ranked states based on their "public policies that affect individual freedoms in the economic, social and personal spheres." New Hampshire, the "Live Free or Die" state, came out on top, while the Empire State came in last, according to the center's criteria. It considered more than 150 policies, from alcohol to taxes, education to utilities and everything in between.

1. New Hampshire	26. South Carolina
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2	South	Dakota	27	Michigan
۷.	Soum	Dakota	21.	Michigan

3. Indiana 28. Arkansas

4. Idaho 29. Montana

5. Missouri 30. Vermont

6. Nevada 31. Pennsylvania

7. Colorado 32. Kentucky

8. Oregon 33. Maine

9. Virginia 34. Minnesota

10. North Dakota 35. Louisiana

11. Florida 36. West Virginia

12. Oklahoma 37. New Mexico

13. Iowa 38. Connecticut

14. Texas 39. Delaware

15. Georgia 40. Washington

16. Tennessee 41. Illinois

17. Kansas 42. Ohio

18. North Carolina 43. Maryland

19. Alabama 44. Alaska

20. Utah 45. Rhode Island

21. Wyoming 46. Massachusetts

22. Arizona 47. Hawaii

23. Nebraska 48. California

24. Mississippi 49. New Jersey

25. Wisconsin 50. New York

Investing in Children Early

ucking a national budgeting trend, early childhood appropriations didn't get the squeeze this past year despite tight state economies. Early care and education funding was stable, and pre-kindergarten and home visiting programs even received increases nationwide, according to a recent survey by NCSL.

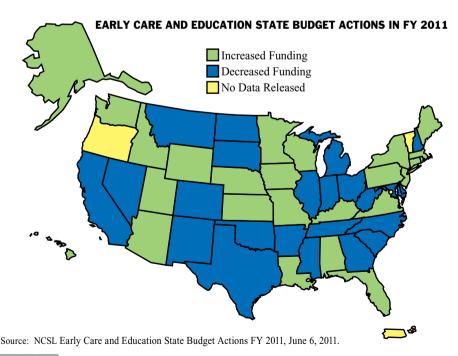
In FY 2011, overall state appropriations to early care and education (prekindergarten, child care, home visiting and early childhood initiatives) were up almost 1.5 percent, as well as investments in programs for infants and toddlers, early childhood mental health care, and public-private partnerships.

States were able to draw on federal American Recovery and Reinvestment Act (ARRA) funds, including money appropriated to the federal Child Care and Development Block Grant, and the education and fiscal stabilization funds. Most of the ARRA funds went to child care, with smaller amounts for prekindergarten and home visiting programs. Fewer states allocated these funds in FY 2011 than in FY 2010, probably because those states spent more of these federal funds in FY 2010 to avoid cuts.

A big surprise this year was that a third of the states boosted prekindergarten funding by \$394 million (which comes entirely out of state general funds). Survey findings from the past few years show some states have increased investments in prekindergarten every year.

Lawmakers also showed their support for home visiting programs that connect trained professionals with prospective and new parents during pregnancy and the first three years of a child's life. These programs help reduce child abuse, improve child health and development, and identify potential problems early. Of the 40 states reporting some type of home visitation program, 27 increased funding. In FY 2010, they were the hardest hit segment of state early education budgets in terms of percentage cuts, at 10 percent.

Child care funding, however, was a challenge for states. Almost half made cuts totalling \$244 million.



SL ONLINE

For specific information by category and 50-state profiles from FY 2008 to FY 2011, go to www.ncsl.org/magazine.

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Sharia Law Assailed



ome state lawmakers and their constituents are concerned about the influence of Islamic law (Sharia) in America. In 2010, legislators in Louisiana and Tennessee passed laws prohibiting the use of foreign or religious law in state courts. In Oklahoma, voters passed an amendment to the state's constitution forbidding state courts from using any element of Sharia law in state courtrooms. A federal judge blocked the law, however, on the grounds that it targeted the Muslim community and potentially violated the establishment clause of the First Amendment.

In response to the ruling, Representative Sally Kern introduced a redesigned bill that would have prohibited any court action based "on any law, rule, legal code or system that would not grant the parties affected by the ruling or decision the same fundamental liberties, rights, and privileges granted under the United States and Oklahoma Constitutions." It died in committee, however, over concerns about its constitutionality.

"It's a non-issue. It's not happening," Oklahoma Senator Andrew Rice told The Edmond Sun. "It's meant just to sort of gin up anxiety and fear, and it's too bad it's going on at the Capitol." Opponents believe these laws are creating hostility against Muslims and encouraging intolerance, hate and bigotry.

More than 20 legislatures this year have debated similar bills banning the use of any religious or foreign law in courtrooms and any application of it when it conflicts with state or federal constitutions. Only Arizona has passed its legislation this year.

The issue also has found its way into the presidential campaign. In July, Michelle Bachmann and Herman Cain signed a pledge to reject "Sharia Islam and all other anti-woman, anti-human rights forms of totalitarian control."

A GROWING GAP

he bursting of the housing market bubble in 2006 and the recession that followed have taken a far greater toll on the wealth of minorities than whites, according to a new report by The Pew Research Center.

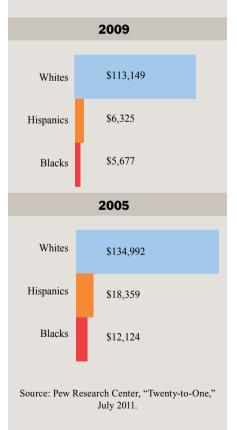
The wealth gap between whites and minorities is now the widest it's been in 25 years—roughly twice the size that existed then. Whites now have, on average, 20 times more new worth than African-Americans and 18 times more than Hispanics.

From 2005 to 2009, Hispanics' inflationadjusted median wealth fell by 66 percent, African-Americans' by 53 percent, and whites by 16 percent.

The Pew Research Center analyzed data from the Survey of Income and Program Participation, by the U.S. Census Bureau.

WEALTH GAPS WIDEN

Median net worth of households by population group, for 2005 and 2009, adjusted to 2009 dollars.



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