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**THEN & NOW**

### 25 YEARS AGO

Maine was involved in a contested line-drawing event in 1839, but it wasn’t about redistricting. When the Revolutionary War ended, negotiators failed to clearly define the boundary between Maine and the British-controlled Canadian province of New Brunswick. Treasured timber in the disputed territory sparked conflict, and the situation became tense. Both sides gathered troops. In 1842, however, the bloodless Aroostook War was resolved peacefully, and the Webster–Ashburton Treaty was signed by Secretary of State Daniel Webster and British Foreign Minister Alexander Baring, the first Baron Ashburton. Maine acquired about two-thirds of the disputed land.


### DID YOU KNOW ...

Articles from the November/December 1986 issue of State Legislatures:

**TOO YOUNG TO DIE**

Teen suicide can be thwarted, say some lawmakers, if the warning signs are recognized and dealt with.

**THE PARTY'S OVER**

Political parties didn’t matter much to those choosing between candidates in 1986.

**STATES JUMP ON SUPER TUESDAY BANDWAGON**

Thirteen states will hold their presidential primaries, beginning in 1988, on the same day.

### WHOSE CAPITAL IS IT?

To find out, go to: www.ncsl.org/magazine

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“Budgeting: Politics and Power”

By Carol W. Lewis and W. Bartley Hildreth
Oxford University Press
384 pages; $44.95

Inside the Budget Process
Reviewed by Peggy Kerns

It’s tough out there in the budgeting world. Writing, reading, analyzing and voting on a state budget can be grueling, tedious and painful.

Carol W. Lewis and W. Bartley Hildreth, however, make this complex subject easier to understand. This is not a dry and deadly “how to” guide on different procedures in the various states, nor is it a boring, bombastic book on budgeting.

With depth and often humor, the authors tackle the subject in a substantive and nonacademic way. Although written primarily for the college classroom, the book is valuable for staff who crunch the numbers, budget committees who wade through the details, and elected officials who make the decisions. And it is particularly significant to help an often ill-informed public understand the politics and power plays that influence how budget decisions are made.

In addition to the text, each of the 10 chapters includes graphics, a case study, a tightly written thumbnail, website resources, questions for discussions and even an occasional cartoon. Snoopy appears in Chapter 1 sitting on his roof in the rain lamenting that “Every time there’s a good suggestion, someone brings up the budget.” How true.

Government budgets are built around values. Budget writers don’t start with a certain amount that must be spent. They start with the priorities of the elected officials, who were voted in to make public policy that reflects constituents’ interests.

These priorities then are overlaid with ethical considerations. Should more money go into education or highways? Should health care for the poor be cut to fund state employee pensions? Should corrections funding be focused on punishment or rehabilitation?

This is a book on understanding how budgets are developed. It’s about how budget committee members and elected officials think and make decisions when, faced with less money, they are forced to make uncomfortable choices among well-deserving programs.

The end result is that the reader, by understanding what’s behind budget-writing, may better respect the hard work and difficult choices awaiting elected officials each year.

Peggy Kerns directs the Center for Ethics in Government at NCSL. The authors of “Budgeting: Politics and Power” used material from the National Conference of State Legislatures and consulted with Kerns for the case study described in Chapter 6, “Spending Public Resources.”
Unemployment numbers are on everyone’s minds. In September, 13.99 million Americans were unemployed, down slightly from a year ago, when 14.75 million people were. The current unemployment rate of 9.1 percent, however, hasn’t changed much since April 2010, but is down slightly from September 2010, when it was 9.6 percent.

The number of long-term unemployed—those jobless for more than 27 weeks—is up from a year ago, from 6.15 million to 6.24 million. These people make up 44.6 percent of all the unemployed. And the number of people working part time because their hours were cut back or because they were unable to find a full-time job rose to 9.3 million.

Another 2.5 million people are “marginally attached” to the labor force, about the same as in 2010. These people looked for work sometime during the year, but not in the four weeks preceding the survey. Among this group, 1 million are “discouraged,” down by 172,000 from a year earlier. They have stopped looking for work believing no jobs are available for them. The other 1.5 million had not searched for work for reasons such as school or family responsibilities.

Government employment continued to fall and drag down the economic recovery. In just the last year, local governments lost 210,000 jobs, state governments 49,000 and the federal government 30,000. More than a half million public sector jobs have been lost since September 2008.

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ARIZONA REPUBLICANS CHOSE STEVE PIERCE to replace recalled Senator Russell Pearce as Senate president shortly following the election. Pierce won the leadership post by an 11-10 vote, defeating Pearce ally and Senate Majority Leader Andy Biggs. Pierce voted against five immigration bills sponsored by the former Senate president, including a measure to deny citizenship to children born of undocumented parents. But Pierce expressed support for Pearce, saying, “We’re going to continue the good things that Russell started. He did a wonderful job. He did not deserve what happened to him.” Senator Frank Antenori takes over as whip, Pierce’s previous position.

RUSSELL PEARCE, THE ARCHITECT OF ARIZONA’S CONTROVERSIAL IMMIGRATION LAW and president of the Senate, was defeated in a recall election Nov. 8 by a fellow conservative Republican and charter school executive. Jerry Lewis defeated Pearce, who had been involved in an ethics scandal and allegations of underhanded campaign activity, by 54 percent. Pearce accepted contributions of $1,025 from Fiesta Bowl officials and he was accused of accepting illegal gifts for tickets and trips to games, which he denies. His supporters reportedly put a third candidate on the ballot to try to divert votes from Lewis. Republican strategists say the Mormon Church played a role in the recall. Both Pearce and Lewis are members of the church and Lewis is a former bishop. He received the backing of church leaders because Pearce’s tough immigration stance was hindering the church’s outreach efforts to Hispanics and missionary efforts in Latin America.

PAUL SCOTT WAS YOUNG, HARVARD-EDUCATED AND THE FIRST BLACK REPUBLICAN ELECTED TO THE MICHIGAN HOUSE in more than 100 years when he won a seat at age 26 in 2008. In November, by 197 votes, he became the first lawmaker recalled in the state since 1983. Chair of the House Education Committee at a time the Legislature made big cuts to schools, Scott was the only one of several dozen lawmakers in both parties targeted for recall to lose his seat.

THREE MASSACHUSETTS LAWMAKERS have been deployed to Afghanistan and Iraq. Representative Harold Naughton Jr., a captain in the U.S. Army Reserves, left Fort Benning, Ga., in October for a 200-day tour in the Kandahar region of Afghanistan along the border with Pakistan. Representative Jerald Parisella, a major in the Army Reserve, was deployed to Iraq one month after his election to the House and is serving as a judge advocate general. Senator Michael Rush, a lieutenant in the Navy Reserves, was elected to the Senate last November after serving in the House and was deployed to Iraq in March.

THE NOVEMBER ELECTION MADE HISTORY IN THE NEW JERSEY LEGISLATURE. Three incumbents—all Republicans—were elected to the newly remapped 11th district, making it the first all female delegation. Senator Jennifer Beck and Assemblywomen Mary Pat Angelini and Caroline Casagrande won their seats in the first election after reapportionment. In New Jersey, voters elect one senator and two representatives from each district. In addition, four women of color—all Democrats—were elected to the Assembly: Marlene Caride, Angelica Jimenez, Gabriela Mosquera and Shavonda Sumter. With their election, the Legislature now has a record number of women of color—15.

ALSO IN NEW JERSEY, SENATOR LORETTA WEINBERG was chosen by the Democratic caucus to replace Senator Barbara Buono as majority leader. Buono decided right before the caucus met not to seek re-election to her post, reportedly because she did not have the votes and chose to step aside. Senator Stephen Sweeney will continue as Senate president and Senator Thomas Kean Jr. will continue as minority leader. In the Assembly, Louis Greenwald was chosen majority leader by the caucus to replace Joseph Cryan. Greenwald has been budget committee chair since 2002 and had the strong backing of South Jersey Democrats. Speaker Sheila Oliver continues in her post as does Republican Leader Alex DeCroce.

IDAHO REPRESENTATIVE PATRICK TAKASUGI, A TWO-TERM LAWMAKER, died in November after battling appendix cancer for three years. He was 62. Takasugi was director of the state Department of Agriculture for 10 years, serving under three governors before his election to the House. His campaign manager, Gayle Batt, served in his place during the 2011 session while Takasugi underwent treatment for his rare form of cancer. Governor Butch Otter said the state had “lost a great leader” following Takasugi’s death. He “gave selflessly of his time, energy and resources” in serving his constituents and the state, Otter said.

STATE LEGISLATURES
98,000 hardworking American men and women in every state

Providing unprecedented choice and variety

Supporting 13,000 labels of beer across the country

Helping new brewers get established and grow

Promoting safety and responsibility

Supporting the 21st Amendment & a state’s ability to oversee alcohol
More than 14 million workers are unemployed, and it’s taking them longer to find a job. According to the Bureau of Labor Statistics, 11 percent of workers require more than a year to land a new position.

Employers find themselves inundated with résumés for every opening. To quickly pare down the number of job seekers, some employers are posting advertisements limiting applicants to those who are currently or recently employed. Is this legal?

Although federal law prohibits discrimination in employment on the basis of race, color, religion, national origin or gender, employment status is not mentioned.

New Jersey became the first state to pass a law banning discrimination against the unemployed. Representative Celeste Riley, a sponsor of the bill, says she became aware of the problem when a colleague showed her an online ad prohibiting unemployed candidates from applying.

The bill was “simply the right thing to do for thousands of New Jerseyans who, through no fault of their own, found themselves without a job in recent years,” Riley said in a press release.

“Judging a person by whether they have a job is not the way to fill job vacancies. I want to see everyone judged on their skills and ability to do the job.”

New Jersey’s law, passed in March, prohibits advertising job vacancies that include current employment as a job qualification, or indicate applications will be accepted only from currently employed people or that applications from the unemployed will not be accepted. Violators face a $1,000 fine the first time, $5,000 for a second offense, and $10,000 for each subsequent offense.

Illinois, Michigan and New York have introduced similar bills this year that are in various stages of the legislative process.

Two bills have also been introduced in Congress. HR 2501 would bar private employers with 15 or more employees from discriminating against the unemployed when posting job openings unless current employment status is a bona fide qualification for the job. SR 1471 would provide similar protections against discrimination but would cover both private sector help-wanted ads and federal job openings.

No formal studies have been done on help-wanted ads, either online or in print, to determine the extent of the problem. During a hearing at the U.S. Equal Employment Opportunity Commission last February, the Society for Human Resource Management testified there was no widespread exclusions of the unemployed in advertisements. The National Employment Law Project, however, found more than 150 such instances in national ads during a 30-day period earlier this year.

—Jeanne Mejeur
Revenue From Riesling

Several state legislatures have found ways to generate more revenue, not by raising taxes, but by raising their glasses—wine glasses that is. This year some states focused on changing their alcohol laws to boost sales and possibly attract more business. While 10 states raised taxes on alcohol in 2009 and 2010, only three did in 2011: Connecticut, Maryland and Oregon.

Tennessee and Washington passed laws allowing more places to hold liquor tastings, so consumers can sip products before buying. Washington’s law establishes a pilot program that allows state liquor stores to hold tastings throughout the year. The state also now allows shops to sell refillable jugs of tapped beer to go, known as growlers.

Tennessee’s bill was part of a package passed to attract a brewery to East Tennessee. Among other things, the new law allows restaurants, bars and liquor stores to offer free samples of spirits, including high alcohol content beer. Tasting laws passed in California, Michigan, New Jersey and Virginia last year.

According to the Distilled Spirits Council, at least 34 states allow tastings in bars and restaurants, and 22 states allow them in retail stores that sell spirits for off-premise consumption. Even more allow tastings of wine and beer.

Some states are lengthening the list of who gets to sell alcohol. This November, voters in Washington passed an initiative to rivatize liquor stores. As a result, state package stores will close, and grocery and warehouse stores will be able to sell liquor. The change is expected to generate millions more in state and local revenue.

A new Georgia law allows voters to decide whether to permit liquor stores in their communities to sell alcohol on Sundays. Many jurisdictions in the Atlanta area gave thumbs up to Sunday sales in November. Fifteen states have removed or relaxed prohibitions on Sunday sales of distilled spirits in the past nine years.

—Jan Goehring

Unusual Economic Indicators

It’s hard these days to discern whether the economy is in an upswing or a downfall. Here are some little-known economic indicators, pulled from various news, government and industry sources.

You know things are bad when:

1. **Men’s underwear sales tank.**
   When money is tight, so are underwear sales. Alan Greenspan watched this indicator back when he ran a consulting firm.

2. **People sell their cemetery plots.**
   People dig up every dollar possible when desperate.

3. **Mosquitoes menace many.**
   Lots of foreclosed homes = unkempt lawns and stagnant swimming pools = mosquito mating haven.

4. **Football blacks out.**
   NFL ticket prices make sellouts unlikely in hard times. Games are broadcast locally only if the stadium is sold out.

5. **Lipstick sales increase.**
   A little color is a cheap way to look and feel good.

Conversely, you know things are good when:

1. **Bowling becomes fun.**
   The resurgence of upscale bowling alleys—with velvet ropes, dress codes and a generous selection of drinks—may indicate things are rolling along well.

2. **Coffee sales resume.**
   Things are looking up when Starbucks once again becomes a necessity not a luxury.

3. **Bright colored ties are popular.**
   Studies show both men and women tend to wear bright colors when they’re feelin’ groovy.

4. **Skirt lengths hike up.**
   When consumer confidence is high, skirts are too.

5. **Orders grow for cardboard boxes.**
   When businesses are selling more, boxes are needed to house the products and ship goods to consumers.
Both political parties could find something to crow about in the results of the 2011 elections.

Democrats celebrated winning three ballot measures they cared intensely about in Maine, Mississippi and Ohio, retaining the governorship in Kentucky, and convincingly maintaining control of the New Jersey General Assembly.

Republicans retained the governorships in Louisiana and Mississippi, won a vote in Ohio on a ballot measure designed to be a referendum on the president’s health care plan, and achieved at least a tie, if not victory, in the contests for control of the Mississippi House and the Virginia Senate.

Measures Yield Mixed Results

The Maine and Ohio ballot measures were popular referenda, petition-driven efforts by citizens to overturn laws recently passed by the legislatures.

In Maine, the law in question did away with the state’s 38-year-old practice of allowing qualified citizens to register and vote on Election Day. Instead it required voters to be registered no later than the week before the election. It was championed by Republicans in the Legislature and opposed by Maine Democrats. Citizens voted for repeal by about a 60 percent margin. In Ohio, 61 percent of voters repealed a controversial new law passed by the legislature that weakened the bargaining rights of public employee unions.

In the biggest surprise of the night, Mississippi voters rejected a so-called “personhood” initiative by a 58 percent to 42 percent margin. Rejected by Colorado voters in 2008 and 2010, personhood amendments aim to define “person” as beginning at “the moment of fertilization, cloning, or the functional equivalent thereof.” The practical effects of this definition are unclear, and that ambiguity probably contributed to the downfall of Initiative 26 in Mississippi, which was widely expected to pass.

Ballot measure results weren’t all one-sided though. While voters in Ohio rejected limits on the bargaining rights of public employee unions, they also endorsed a symbolic rejection of the individual mandate requirement in the federal health care reform law. They also endorsed a symbolic rejection of the individual mandate requirement in the federal health care reform law. Ohio is the fourth state to do so, and at least another four will consider similar questions next year.

Mississippi voters sent a mixed message, too. They rejected the personhood measure, but approved a strict voter ID amendment to the state’s constitution. Mississippi becomes the 31st state to require voters to show ID at the polls, and the eighth state to do so in 2011.

Competition for Legislative Seats

In the state legislative elections, with returns still coming in at press time, Republicans appeared to have picked up at least eight seats to take control of the Mississippi House, and they increased their margin in the Senate by two seats. With Republican Lieutenant Governor Phil Bryant winning the state’s governorship, it means the Magnolia State will be under unified Republican control for the first time since the election of 1873.

In a series of expensive and hard-fought campaigns for the Virginia Senate, Republicans picked up two seats to tie the chamber 20-20. Lieutenant Governor Bill Bolling, a Republican, is likely to cast the tie-breaking votes that will allow the Republicans to organize the Senate and to win most close votes on policy issues. Republicans also netted six additional seats in the House of Delegates and assumed a commanding two-thirds super majority.

Democrats and Republicans fought to a draw in the New Jersey Senate, allowing Democrats to retain an eight-vote margin of control. Democrats picked up one seat in the Assembly and will have a 48-32 margin over the Republicans in the 2012-13 biennium.

In other noteworthy elections, a Democrat won a crucial special election in Iowa that would have tied the Senate if the Republican candidate had won. That left the Iowa Senate under Democratic control, 26-24. Two incumbent Republicans, Arizona Senate President Russell Pearce and Michigan Senator Paul Scott, were both recalled. Pearce, who was best known for championing tough immigration measures, was replaced by a fellow Republican. Scott was targeted for recall mainly because of positions on education legislation. His seat will not be filled until a February special election.

Counting the Mississippi House as Republican but the Virginia Senate as tied, Republicans now control 19 of the 22 chambers in the 11 Confederate states of the “Old South.” Nationally, Republicans control both chambers in 27 states, Democrats reign in 15, and seven are split between the two parties (Nebraska’s unicameral is nonpartisan). This is a high water mark for the Republicans not achieved since the pre-New Deal election of 1928.

—Karl Kurtz and Jennie Drage Bowser, NCSL
BAN ON BED TANS
California is the first state to prohibit the use of ultraviolet radiation tanning beds by anyone under age 18. Supporters said the increase in melanoma, the most deadly type of skin cancer, among young people required the complete ban. The previous law required only parental permission for children between the ages of 14 and 17. Melanoma is the No. 1 cancer killer of young women between the ages of 25 and 30, and second only to breast cancer in 30- to 34-year-olds. “Indoor tanning is especially harmful because of the intense and dangerous type of UV rays emitted from the tanning beds,” California Senator Ted Lieu said. “Moreover, the skin damage is cumulative, so the more exposure one gets younger in life, the worse the harmful effects will be.” Research, he says, shows those who use tanning beds before age 35 increase their lifetime risk of melanoma by 75 percent. The measure goes into effect on Jan. 1, 2012. John Overstreet, a spokesman for the Indoor Tanning Association, told the Associated Press that sunscreen sellers are behind the legislative push, and that it’s not been proved that tanning beds cause melanoma.

LISTERIA-MANIA
Listeria monocytogenes sickens nearly 1,600 people every year in the United States, killing about 250 of them, according to the Centers for Disease Control. It’s the third deadliest food-born pathogen. The outbreak this year from contaminated cantaloupes infected 139 people from 28 states, killing 29 of them, as of Nov. 1. State reporting of diseases to the CDC is voluntary and required at the state level only by state legislation or regulation. Although the list of diseases that must be reported varies by state, all require health care providers to report cases of listeriosis. The CDC’s Listeria Initiative is an effort to improve investigations of listeria outbreaks and clusters. The 40 participating states conduct prompt interviews with patients using a standard report form. The information is maintained in a central database.

ONE BALLOT, MANY LANGUAGES
Fewer jurisdictions in 2012 than in 2002 will be required to provide minority language assistance, as required by the Voting Rights Act. The Census Bureau recently released a list of 248 “covered” jurisdictions in 25 states, which is down from 296 jurisdictions in 30 states in 2002. Section 203 of the Voting Rights Act requires native language assistance for Hispanics, Native Americans, Alaska Natives and certain Asian language groups, a total of 68 languages. The requirement applies to elections in jurisdictions where more than 10,000 speakers (or more than 5 percent of all voting age citizens) are in a single minority language group and have limited English proficiency. Illiteracy rates for these limited-English citizens also are considered.

BELL CURVE FOR CIVICS
States recently were graded on how well they teach civil rights history by the Southern Poverty Law Center. Looking at various aspects of a state’s education standards and curriculum on civil rights history, only three—Alabama, Florida and New York—received an “A.” Sixteen states have no state requirements to teach civil rights history, but leave it to local officials. Thirty-five states received an “F.” Most of the states that earned a “C” or better are in the South.

CAPITAL LACKS CAPITAL
The city council of Harrisburg, Penn., the state capital, voted in mid-October to file for Chapter 9 municipal bankruptcy protection. The petition cited “overwhelming debt,” as the reason and that the city was in “imminent jeopardy” from creditor claims. State lawmakers passed legislation shortly thereafter allowing the governor to declare a financial emergency and requiring the city’s leaders to obey a financial plan drawn up by his appointee. The plan, released in early November, includes freezing spending on discretionary programs and on hiring, restricting overtime, and limiting capital projects. It also calls for increasing the cost of parking tickets and business fees, and cutting city employee positions. Chapter 9, enacted in 1937 following the Great Depression, has been used about 600 times by various cities, according to the Associated Press.
The Battle of the Bugs

Invasive species—alien plants, animals, diseases, parasites—are not only threatening our environment and human health, but also are eating away at state and local budgets, according to the National Invasive Species Information Center. Take, for instance, the Asian emerald ash borer. It probably hitched a ride on an airliner, was first spotted near the Detroit airport in 2002, and has now destroyed tens of millions of ash trees across Michigan and the Midwest. In nine years, it has spread to 15 states and two Canadian provinces, according to emeraldashborer.info. Along with its foreign cousins, the ash borer is costing local governments $1.7 billion in expenditures and $830 million in lost residential property values every year, according to a study by the U.S. Forest Service. Invasive.org puts the total number of these invaders at 2,789, costing the United States as much as $138 billion annually. Much of the cost of fighting the various pests is borne by state and local governments.

Tenacious Turtles

Loggerheads, green sea turtles and leatherbacks are making a comeback. Recent nesting numbers in Florida are a reason to celebrate; they were either improved or stabilized from previous ones. Both leatherback and green turtles are classified as endangered, which means they are in danger of extinction. Loggerheads are classified as only threatened. The Florida Wildlife Commission attributes the improvements, at least in part, to major conservation efforts over the past few decades. “It’s important people keep obeying turtle nesting regulations and obey laws that prohibit going near sea turtle nests,” Carli Segelson, Florida Wildlife Commission spokesperson, told the Palm Beach Post. About 2,300 sea turtle nests were washed away during Hurricane Irene.

Golden Idea

Utah lawmakers have voted to make gold and silver legal currency, making their state the first to do so. The law creates a depository for precious metal coins that consumers can use in exchange for a debit card that will draw on the coins’ value. Representative Brad Galvez sponsored the bill in part as a message to Congress that the current system isn’t working. “We’re too far down the road to go back to the gold standard. This will move us toward an alternative currency,” he told the Associated Press. The law exempts the sale of gold and silver coins from the state capital gains tax, but doesn’t require businesses to accept the coins. The Gold Standard 2012 project, backed by American Principles in Action, is promoting the gold standard with state lawmakers to create “a new standard of value that balances trade flows and gives our currency an intrinsic worth,” according to its website.

President Richard Nixon formally abandoned the gold standard in 1971.

No Triumph for Teachers

The Idaho Legislature passed legislation this year that limits several teacher protections, including collective bargaining and the use of seniority in layoff decisions. It also establishes merit pay for teachers, limits teacher contracts to one year, and shifts some money from salaries to classroom technology. The Idaho Education Association challenged the law in district court. Judge Timothy Hansen upheld it as constitutional, and wrote in his 18-page decision that the law’s provisions furthered legitimate purposes, “one of those purposes is returning decision-making power to local school boards.” The education association plans to appeal the decision, according to the Associated Press.

4 U

Just a couple of years ago, “texting” was first used to transmit small donations to international disaster relief efforts. (Remember the 2010 earthquake in Haiti?) These texted donations were available to agencies virtually instantaneously, and donors loved the speed at which they could act on their charitable impulses—a win-win. California officials now have decided to permit donations to be texted to political campaigns in the same way, another first-in-the-nation for the state. Now it’s up to campaigns and phone-plan carriers, who will set up the donation systems. Text donations will be treated just like other donations in terms of campaign reporting requirements.
By WILLIAM H. FREY

Slow growing immigration, aging baby boomers, a growing population of Latinos and the beginning of a “cultural generation gap” are all part of the mosaic created by the 2010 census.

The national head count this time around was a much scaled down version of earlier censuses—only 10 questions were asked of each resident. And the old 50-plus item “long form” questionnaire, sent to a sample of residents, was eliminated.

Yet, by providing “just the facts” about the nation’s population size, along with its age, race and household makeup, the latest decennial count offers an authoritative, in some cases astounding, look at a country that has undergone sweeping demographic shifts.

Those shifts will direct the reshuffling of political lines occurring now as states finish the redistricting process, which follows every census. Some states are losing representation in Congress, while others, Texas in particular, will be gaining. Less apparent is how state policymakers will address these shifting demographics that may require changes in everything from schools to the workforce to health care.

Slow Growth

Although many Americans have the image of the United States being overrun by people, especially immigrants, the population growth rate registered for the previous decade was a tepid 9.7 percent, far below the 13.2 percent in the 1990s and even lower than the recession-plagued 1980s. To see a slower growth rate, we have to look back at the Great Depression when growth was a mere 7.3 percent.

Two things account for this. First, the immigration wave petered out in the last half of the decade as the economy started to sputter. The 1 million-a-year immigrant pace that characterized the 1990s and early 2000s has fallen sharply in recent years. But the greatest long-term generator of slower national growth is the aging of our population and a commensurate decline in the birth rate. Our median age is now 37.2 compared with 32.6 in 1990. Yet our national growth of almost 1 percent a year is far more robust than more geriatric nations such as Germany and Japan. And in some parts of the country, growth hasn’t slowed at all. Nevada and Arizona continued to lead with 2000-2010 growth rates of 35 percent and 25 percent, respectively, despite dramatic late-decade slowdowns.

Michigan, the only state to see a population decline, lost 0.6 percent of its people.

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Percentage Growth of Age Groups, 2000-2010


Still Going South

Sun Belt states in the South and West have consistently gained population and political clout from their Northeast and Midwest counterparts. Since the 1980 census, the Sun Belt has held a majority of people and congressional seats. It now contains 60 percent of the population and will hold a 263-to-172 seat advantage in the 113th Congress. Even in the Sun Belt, however, the demographic trend has shifted.

From 1950 to 1990, California, Florida and Texas accounted for two-thirds of all Sun Belt congressional seat gains. In the 2000 census, however, the “big three” states commanded only five of the 12 seat gains, and, only six of the 12 gains from the 2010 census. For the first time since statehood, California did not gain any seats, while nearby states—Arizona, Nevada, Utah and Washington—each gained one. If the recent mid-decade, bubble-induced migration from California to these more affordable neighbors had continued, the Golden State might actually have lost a seat.

Despite this dispersion within the Sun Belt, Texas wound up the big winner in the 2010 reapportionment sweepstakes. The Lone Star state gained four congressional seats, more than any other state. It led the nation in numeric growth for the first time ever. California held that honor for 80 years. As growth rates of Sun Belt high flyers such as Arizona, Florida and Nevada plummeted over the past three years, Texas held its own because of its relative immunity to extreme housing and job market downturns. It also benefited from the intake of Hurricane Katrina evacuees from Louisiana. They may have cost Louisiana a seat, the only Sun Belt congressional loss, and added one to Texas.

Minorities and Growth

The first decade of this new century represents a sharp pivot from last century’s America and our future, with respect to race and demographics. In contrast to a time when we were a largely black-and-white nation with robust population growth, the country now offers a juxtaposition of an aging white population with burgeoning, “new minority” Latino and Asian populations.

The following statistics tell it all: Of the 27.3 million added to our population between 2000 and 2010, only 2.3 million were Anglos, representing a little more than 8 percent of the growth. This compares with a 20 percent contribution by Anglos in the 1990s, with even higher rates in earlier decades. This time around, the Latino population accounted for well over half the gains, with the next largest contribution coming from Asians. So while Anglos still make up 64 percent of our population, our nearly 10 percent growth as a country would be more like 4 percent were it not for Latinos and Asians.

The combination of Latinos, Asians and people who identified as multiracial accounted for all or most of the growth in 33 states. Not only were they leading contributors to Florida, Texas and California, but also to Iowa, Nebraska, Ohio and Pennsylvania, states struggling to grow at all. They are dependent on new minorities for their demographic survival. Michigan was the only state to lose population.

Perhaps most important to our nation’s future is the shift in the child population. During the last 10 years, there was an absolute decline of 4.3 million Anglos under age 18, as well as a somewhat smaller decline of black youths. Latinos, Asians and to a lesser degree multiracial children contributed all of the growth in the number of children. This is perhaps more telling about our nation’s future than any other statistic.

Race/Ethnic Shares

Reversal for Blacks

The shifts in black populations within the country represent a reversal of past patterns of the last century: the Great Migration from the South to the North and the large concentration into segregated city neighborhoods.

The first reversal took hold in the 1990s, but continues in full force: an African-American shift back to the South. Economic progress, cultural ties and an emerging black middle class have driven greater numbers of African Americans to prosperous Southern cities such as Atlanta, Dallas, Houston and Raleigh at the same time black populations in Illinois and Michigan showed net losses for the first time. About three-quarters of the country’s black growth last decade took place in the South, compared with 65 percent in the 1990s.

Especially new this decade is a “black flight” away from large cities. Among the 30 largest cities with high African-American concentrations, 19 showed losses in their black populations. This loss was greatest in two black magnets of the past: Detroit and Chicago. But Atlanta, Dallas and Houston felt it, too, as black residents moved to the suburbs.

A new generation of African Americans spurn the segregated city neighborhoods of their parents and grandparents and are following earlier generations of whites to the suburbs. The Census confirmed that segregated neighborhoods are declining; 92 of the 100 largest metropolitan areas showed such declines.

Aging and “Younging”

Our population is aging everywhere. Last year, all 80 million baby boomers had passed at least their 45th birthday, and the oldest began turning age 65 this past January. The over 45 age group grew 18 times faster than the rest of the population during the last decade. Topping that growth were the 55-to-64-year-olds, whose numbers increased by 50 percent.

These national numbers vary across states, of course. Although all states are aging, only 27 are also “younging.” Nationally, the under-18 population grew by a mere 2.6 percent. Moreover, the child population declined in 23 states, mostly in the Northeast and Midwest, but also in Alabama, Alaska, Louisiana, Maryland, Montana and West Virginia.

Yet, among the 27 states that gained children over the decade, eight states—Arizona, Colorado, Georgia, Idaho, Nevada, North Carolina, Texas and Utah—saw their child populations grow by more than 10 percent.

Cultural Generation Gaps

The growth of the young “new minorities” contrasted with the aging of the white population can be associated with a new kind of generation gap.

The 2010 census showed that among infants, almost half—49.8 percent—are minorities, and a quarter of these are Latinos. Contrast that to the population age 85 and older, which is 85 percent white with blacks the dominant minority. Granted these are extremes, but they reflect the emerging “cultural generation gap.”

Issues important for young minorities—comprehensive immigration reform, improved public schools and affordable housing—contrast with the concerns of boomers and seniors, such as health care and Social Security. This “gap” is currently widest in states with the greatest number of young minorities—Arizona, California, Nevada and Texas. As these young people grow up, they will influence education, the workforce and housing, and will sharpen the differences between young and old in the competition for public resources.

The 2010 census has highlighted the fact that, while it is growing more slowly, the country is on the cusp of great change.

States that are becoming more racially and ethnically diverse tend also to be the fastest growing, and where the population is aging more slowly. This includes areas beyond the Sun Belt and toward the Southeast and Mountain West. This new growth is propelled strongly by Latinos and Asians and, in the case of much of the South, a resurgent growth of blacks. All these changes will affect public policy and politics in states that are gaining more political clout at the national level.

See an interactive census map at www.ncsl.org/magazine
Aging baby boomers heading for retirement, a growing Latino population, swelling ranks of the poor, and a steady flight to cities and suburbs from rural areas all are trends evident from the 2010 census that will have political and policy implications for state lawmakers.

Some are obvious. Both political parties have been concerned for years about attracting the growing ranks of Latino voters. Others may not be so obvious, such as how the burgeoning numbers of older voters will respond to cutbacks in public spending.

And there are policy implications, some of which are still coming into focus as lawmakers digest the 2010 numbers and consider how they may affect their state.

**Older Boomers**

An aging population means an aging state workforce. That translates into a growing demand on state pension funds; more workers retiring, many of whom may be supervisors; and a need to recruit top-notch younger workers to take their places.

As well, public employees are, on average, older than the general population, and many have the opportunity to retire with pensions by age 60 or 65. This varies widely from state to state. California, for example, reported in March 2011 that 23 percent of the permanent civil service workforce was 55 or older, and another 17 percent was between 50 and 55. In New York, officials say by 2015, 44.5 percent of current state employees will be 55 or older. Even in Utah, the state with the youngest median age, 21 percent of state workers were 55 or older in 2010.

Older workers may be inclined to stay on the job a few more years if national trends hold true. People over 65 who were still working hit a low point at 12 percent in 1998, but now it’s above 16 percent.

There are other reasons, however, that an aging population can put a strain on states. Medicaid, the joint state-federal health plan, costs nearly $400 billion a year; 67 percent of that money goes to provide long-term care for the severely disabled and the elderly. Buried in the census data is this germane piece of information: Those age 80 and over represent 10 percent of the older population and will more than triple from 5.7 million in 2010 to more than 19 million by 2050. These are the folks most likely to end up receiving help from Medicaid for long-term care.

**Children**

The census found there was a decline of 4.3 million Anglo children over the past 10 years. Those under age 18 grew only 2.6 percent over the decade, and declined in 23 states. In the 27 states that gained children, almost all the increase was among minorities, especially Latinos. The most remarkable demonstration of that may be in Texas, which gained nearly 1 million children; Latinos accounted for 95 percent of the gain.

A growing number of those Latino children are living in poverty. There are 6.1 million poor Latino children in the nation today, compared with 5 million Anglo children and 4.4 million African-American children living in poverty, according to the Pew Hispanic Center.

The data have policy implications, including what sort of programs to support for new parents and preschool children. Research indicates preschool programs are particularly helpful for children from lower-income households who may be at risk for doing poorly in school. They also are at greater risk of mental health problems and illnesses such as asthma, hypertension, heart disease and diabetes.

Some believe states need to support programs for parents, such as home visiting and participation in child care and preschool classrooms. Such programs may help address the achieve-
Poverty

The Census Bureau reports an additional 2.6 million people slipped into poverty last year, bringing the number of Americans living below the official poverty line to 46.2 million, or 15.1 percent, the highest level since 1993. (The poverty line in 2010 for a family of four was $22,314.)

Medicaid is under particular pressure because of the rising level of poverty. Medicaid enrollees increased by 7.6 million people or 17.8 percent since the start of the recession, but the growth rate shows signs of slowing. Enrollment growth peaked in the period from June 2008 to June 2009, according to the Kaiser Commission on Medicaid and the Uninsured. Despite this slowdown, Medicaid exceeded 50 million people for the first time in the program’s history in 2010.

The increased demand for Medicaid is accompanied by the rising number of Americans without health coverage—up from 49 million in 2009 to 49.9 million last year. The huge number of people without health insurance is largely attributable to the loss of jobs, a decline in employer provided coverage and cutbacks in benefits as health costs rose. The percentage of the nonelderly who had health insurance through their employers fell from 69.3 percent in 2000 to 58.7 percent in 2010, according to the Employee Benefit Research Institute.

Education

As the growing numbers of young Latinos enter school, state policymakers recognize their educational success is critical to providing states with a well-educated workforce and ensuring economic vitality. Improving college graduation rates has become a national and state focus to meet future workforce demands and stimulate the economy. And college graduation rates of Latinos—the largest and fastest growing minority group in the nation—is a specific focus. While the aging boomer population is largely Anglo, the rapidly growing younger population is largely Latino. Support for Social Security and Medicare for the older population will rely on a well-educated, competitive Latino workforce.

More than one in five K-12 students is now Latino. The number of Latinos enrolling in college is increasing rapidly—24 percent within the last year. This is good news, since Latino adults have the lowest educational attainment of any U.S. population group. Only 19 percent of Latinos have a degree, compared with 26 percent of African Americans and 42 percent of Anglos.

Simply enrolling in college, however, does not guarantee graduation. Only 36 percent of first-time, full-time Latino students earn a degree within six years, compared with 49 percent of Anglos.

For the United States to rise to the top of the world in the percentage of college graduates, the nation needs to graduate an additional 13.4 million students, including 3.3 million Latinos, by 2020.

Increasing the number of Latino college graduates requires a coordinated effort, including providing more preschool, middle and high school college counseling. Dropout prevention programs, simplifying college admission and transfer, and improving college affordability will also help Latino kids achieve a college education.

Rural vs. Metro

One of the most dramatic demographic shifts of the past century has been the transformation of the country from largely rural to largely urban. In 1910, 72 percent of the country lived in rural areas. Today, only 18 percent do. Everyone else lives in a city or suburb. The population in rural counties, in fact, is growing at less than half the rate of metro counties, and the most isolated rural counties—those farthest from metro areas—are not growing at all; they have declined by 1.4 percent since 2000.

This decline means less clout for rural issues in statehouses. The laws and issues that most affect rural areas—agriculture, water, natural resources and rural infrastructure development—have fewer voices to advocate for them. Laws that uphold the freedom to farm, the right to hunt and fish, and water allocation and transportation, and those that provide money to preserve rural schools and maintain country highways may lose support as fewer legislators are elected from outside metropolitan areas.

Former Arizona Senator Jake Flake once said the reason he formed a rural caucus was to educate urban legislators about rural needs. “We don’t have enough caucus members to force anything, but we can enlighten our colleagues as to what is needed for the rural parts of the state.” More statehouses may need such caucuses to understand rural needs.

State lawmakers will clearly face serious challenges in the next decade as they grapple with the national demographic changes revealed by the census. The growing number of elderly people and the poor will strain state pensions and Medicaid budgets. Education policy at every level will need to meet the needs of Latino students, and a population increasingly concentrated in cities and suburbs will likely be at odds with the dwindling number of people in rural areas.
The last thing America needs is more EPA regulations that would saddle our families and businesses with higher energy costs. If these heavy-handed EPA regulations aren’t fixed, over 180,000 Americans will be thrown from jobs every year. And the average American family will have $270 less annually to spend.

Democrats and Republicans in the U.S. House of Representatives have told the EPA to hold their horses. What we need now is for President Obama to rein in his EPA before these regulations destroy more jobs, raise energy costs for all of us and increase the risk of blackouts, jeopardizing the reliability of our electricity.

Visit AmericasPower.org to learn what you can do to protect your job.

State lawmakers are reforming sentencing laws and correction policies across the country. They have two key objectives: Quickly cut state spending on corrections and ensure public safety is protected in the future.

With one in 100 American adults behind bars and one in 31 under correctional supervision, many lawmakers are questioning traditional assumptions about prison and rehabilitation. Recent studies and reforms show states can be smarter on crime and easier on taxpayers. Many new policies not only look to hold offenders accountable, reduce crime and victimization, but also to be sensitive to corrections costs.

A recent NCSL work group looked at this issue and developed seven principles of effective state sentencing and corrections policies.

Principle 1. Make sentencing and corrections policies fair, consistent, proportionate and with the opportunity for rehabilitation.

States have modified drug sentencing laws, including allowing many nonviolent offenders to be under community supervision and receive substance abuse treatment. Since 1973, New York has had some of the nation’s toughest mandatory sentences for drug offenses, referred to as the Rockefeller drug laws because they were signed into law by then-Governor Nelson Rockefeller. Over several years, the New York Legislature has revised the penalties for nonviolent drug crimes, expanded eligibility for treatment, and, most recently, allowed some offenders sentenced under the Rockefeller laws to apply for resentencing.

This year in Kentucky, the General Assembly established new drug quantity thresholds to distinguish drug users from more serious drug traffickers. Increasingly, state policies call for broadly screening felony defendants for substance abuse, diverting some to community supervision and sending others to secure treatment.

“For possession offenses, we always just locked them up and they come back out in the same position, with the same problems as before, but now they also have a criminal record,” says Kentucky Senator Tom Jensen. “By deferring prosecution and providing an opportunity for treatment, there is a chance to turn your life around and avoid that record.”

Principle 2. Have a sentencing rationale that is clear and purposeful, and make related policies logical, understandable and transparent.

States that have successfully reduced the growth in prison populations and its associated costs have worked specifically on reducing the high rates of recidivism. More than 40 percent of parolees nationwide return to prison within three years for new crimes or violating the terms of their release, according to the Pew Center on the States.

Faced with a growing prison population and projections that Texas would need at least $2 billion in the next five years for prison construction, lawmakers in 2007 identified and focused on the key issues leading people back to prison or keeping them there: breaking rules, a shortage of substance abuse and mental health treatment programs, and a low parole approval rate. Instead of spending $523 million on new prisons, the Legislature used $241 million to expand treatment in prison and community settings; establish maximum parole caseloads; limit the length of probation for drug and property offenses; and pay local agencies to supervise and punish those who violate probation and parole rules. These reforms saved $443 million during the 2008-2009 biennium and allowed the state to spend more money to reduce the number of people who return to prison.

“By reducing prison populations and shifting the focus from how many people can we lock up to reducing crime and recidivism rates, we are achieving safer streets and communities at a lower cost to taxpayers,” says Representative Jerry Madden of Texas.

Donna Lyons directs NCSL’s Criminal Justice Program.
Principle 3. Make available a continuum of options, including prison space and community programs.

States are increasing the options available for suitable offenders, both to get more for their money and to ensure prison space is available for the most dangerous criminals. Community supervision options—electronic monitoring, residential programs and problem-solving courts—are far less costly than putting someone in jail or prison and usually provide more supervision than traditional probation or parole. Substance abuse and mental health treatment, both residential and in the community, often can address issues that lead people to commit crimes. Increasingly, states are allowing courts and agencies to tailor supervision based on a person’s treatment needs and likelihood of committing another crime.

In 2010, state leaders in North Carolina, concerned about a 10 percent increase in prisoners forecast by 2020, considered how to improve community supervision and make the best use of treatment resources. The resulting Justice Reinvestment Act passed by the General Assembly this year requires supervision for everyone released following a felony conviction.

“Approximately 15,000 people who would have walked out of prison with no accountability now will be supervised and held accountable for following the law,” says Representative David Guice of North Carolina. The legislation was designed, he says, to balance the dual goals of increasing public safety and reducing spending on corrections.

The law allows rule violations—such as missing appointments or drug tests—to be addressed with sanctions such as electronic monitoring or strict curfews rather than prison time. The law also calls for focusing supervision and treatment on people with the highest risks and needs. It offers incentives for prisoners to participate in programs and supports diverting some people convicted of drug felonies to community treatment.

“If we do not deal with the underlying issues and provide treatment and supervision for offenders coming out of prison,” Guice says, “we’ll see them at the front door of the courthouse again.”

Principle 4. Require policies to be resource sensitive, and costs and benefits to be measurable.

Lawmakers want proof that programs to reduce crime actually do. To help guide policy and budget decisions, Oregon, a pioneer in evaluating the success of corrections programs, has data on nearly all of its prison programs and almost two-thirds of its community-based programs. The Illinois Crime Reduction Act of 2009 similarly requires the gradual move to evaluating all policies to be sure resources are used only for services and programs that effectively reduce recidivism and improve the success of parolees when they are released from prison.

In Kansas, officials set a goal in 2007 of reducing by at least 20 percent probation rule violations that often send offenders back to prison. Local probation agencies established intensive supervision of offenders who are at the greatest risk of not complying with requirements.

“Within a couple of years, we had data from the Department of Corrections reporting a 25 percent decrease in revocations,” says Representative Janice Pauls of Kansas. “Not only did we exceed the goal set, but the Legislature also established benchmarks and required program data that help us identify and build on results-based policy.”

Kansas lawmakers modified their goals this year, giving grant preference to counties with a 75 percent supervision success rate or a 3 percent annual improvement in that rate.

“We want to keep the bar high, keep the carrot there to make sure funding yields continued improvement in community supervision,” says Pauls.

Principle 5. Use justice information as a foundation to guide decision making.

Good policy requires good information. States have been improving their data collection, analysis and technology on criminal justice trends and costs to craft policies that produce results and lower costs. Lawmakers are adopting the concept of “justice reinvestment,” reducing spending on corrections and reinvesting savings in programs that have demonstrated they increase public safety and hold offenders accountable.

Arkansas legislators and other officials analyzed the state’s sentencing and corrections data to develop the Public Safety Improvement Act, passed earlier this year. They believe the reforms will reserve prison space for the most dangerous criminals, strengthen community supervision, and distinguish drug users from career criminals. New reporting requirements, data collection and performance reports also were required under the act.

“One of the things I learned as part of this process was that we did not have a good system for collecting and compiling the information we need to make decisions,” says Senator Jim Luker of Arkansas.

State officials expect the new law to save $875 million in prison construction and operating expenses through 2020.

“It requires patience,” Luker says. “We won’t know results and trends overnight, but we will have information so we know and can continue what is working.”
**Principle 6.** Allow policies to reflect current circumstances and needs.

In many states, felonies are based on outdated definitions. In some states, for example, stealing a $500 laptop could be a felony. In many instances, however, that $500 limit was set years ago and never adjusted as the price of consumer goods increased.

Since 2000, nearly half the states have adjusted monetary thresholds for theft. Arkansas’ recent act included raising the felony threshold from $500 to $1,000 to reduce the number of felony convictions for low-level crimes. It also created a new felony class for theft with a value of less than $5,000. In Colorado, recent changes require the Division of Criminal Justice to consult with state economists and recommend changes to the threshold amount to the General Assembly every five years.

Of the 24 states that enacted “three strikes” sentencing laws in the early 1990s, at least 16 have made notable changes. In particular, states have eliminated or narrowed life without parole penalties and replaced mandatory sentences with sentencing ranges. South Carolina last year eliminated mandatory minimums for drug offenses below trafficking, but added certain violent crimes to those that require the inmate to serve 85 percent of the sentence.

“The 2010 reforms were balanced,” says Senator Gerald Malloy of South Carolina. “Violent and career criminals belong behind bars, and for a long time, and the expense of locking them up is well justified. We recognize other nonviolent, lower-level offenders also fill our prisons and that there are other, more effective approaches for dealing with them.”

**Principle 7.** Include strategies to reduce crime and victimization, and use available resources.

Efforts to reduce crime do not necessarily begin and end in criminal justice systems. They also can include prevention, family services, health, labor, and other state policies and agencies. Many legislatures are elevating the importance of transition supervision and assistance for inmates when they’re released into the community. Florida lawmakers require local communities to provide services for housing, health care, education, substance abuse treatment and employment for recently released offenders.

To help parolees find a job after they are released from prison, in 2010 Massachusetts reduced the number of years required before conviction records can be sealed, gave employees more access to the state’s criminal records, and improved the data in those records. The policy also prohibits an employer from requiring information on criminal records on initial job application forms. Having a job increases an ex-offender’s ability to find housing and health care, support a family, and comply with court-ordered debts and restitution.

“This gives a foot in the door to qualified applicants who otherwise would be overlooked in a competitive hiring process,” says Massachusetts Representative Michael Costello. “We really believe employers should have an accurate picture of a prospective employee, and that people with a record shouldn’t automatically be denied a shot at a job.”

A national survey last year for the Public Safety Performance Project of the Pew Center on the States found strong public support among registered voters for the types of sentencing and corrections reforms currently being undertaken in the states. Pew reports 91 percent of those surveyed agreed or strongly agreed with the statement: “It does not matter whether a nonviolent offender is in prison for 21 or 24 or 27 months. What really matters is the system does a better job of making sure that when an offender does get out, he is less likely to commit another crime.”

This is the real return we want on our corrections dollar, says Madden.

“We all know the environment we are in, trying to manage government resources and meet fundamental requirements of public safety,” he says. “We haven’t always done that so well, but increasingly we have information and opportunity to do it better.”

Drug abuse and the criminal justice system are inextricably entwined.

As much as 80 percent of what states spend for prisons, parole and probation is for offenders involved with drugs. Most of that money is spent on building and operating prisons, according to a study by the National Center on Addiction and Substance Abuse at Columbia University.

While only 20 percent of inmates in state prisons are serving time for drug crimes, 53 percent of them are considered substance abusers.

In recent years, a number of states have examined their drug sentencing laws to identify people who can benefit from community-based alternative programs so prison space can be reserved for the most serious criminals. Lawmakers have studied inequalities in sentencing, revised the hierarchy of serious drug offenses and placed a greater focus on treatment.

The efforts are aimed at creating a better system for drug offenders and saving states money that can be used for other programs.

**Updating the Code**

Delaware’s drug code, like those of other states, was a complex web of laws that had been revised over the last 30 years. Mandatory minimum sentences had been increased, others decreased or eliminated, and drug weight thresholds modified.

In 2011, Delaware lawmakers authorized a complete revision of their drug sentencing laws, a move supported by a task force of legislators, police officials, defense and prosecuting attorneys, judges and a local advocacy group.

Delaware Senator Liane Sorenson believed that to avoid incremental success and “to avoid a battle each year in the General Assembly, the stakeholders should work together rather than against each other.”

The overhaul aimed to address the “inherent inequalities [of drug sentencing laws] and the impact on communities and the prison system,” says Delaware Representative Melanie George, primary sponsor of the legislation, and to “narrowly identify, as a matter of public policy, who we want to be in jail and who needs treatment and deserves to be a contributing member of society.”

A major provision of the 2011 act was restructuring drug offenses into three main categories—simple possession, possession of large amounts, and drug dealing—reflecting the seriousness of the drug crimes. Aggravating factors—such as resisting arrest by force or committing the crime in a school zone—were established that, if present, increase the penalties.

“We increased penalties for offenders dealing in large amounts of drugs or who are violent,” George says, “on the theory that they are the ones who cause the most harm to the community.”

The new structure also reduces penalties for possessing small amounts of drugs. “We wanted to give the people who were hurting themselves and not others the opportunity be a productive member of the community,” George says.

Sentencing ranges were set for each crime class that relaxed mandatory sentences and gave “some flexibility back to judges by allowing them to weigh the spectrum of issues related to a crime and not just the weight of drugs,” says Representative Greg Lavelle.

Previously, penalties were based solely on the weight or amount of drugs the person possessed at the time they were arrested.

Since many offenders received stiffer penalties because they were in a school zone when they were arrested, drug-free school zones were decreased from 1,000 feet to 300 feet and possession in this area became an aggravating factor rather than a stand-alone offense. It was found that the previous drug-free school zone law had a disproportionate effect on minorities in cities where it was difficult not to be within a school zone.

Alison Lawrence tracks criminal sentencing issues for NCSL.
“With few areas in the city outside such a ‘school zone bubble,’ the law logically posed very little incentive for drug offenders to move away from schools,” Sorenson says.

“This law is a major step forward for Delaware,” she says, “and reflects some of the same evidence and philosophy that we are seeing in states such as New York with the repeal of the Rockefeller laws, and on a national level with the leveling of crack/cocaine sentencing disparities.”

New Jersey lawmakers addressed this same “urban effect” problem in 2009. A study commission created by the Legislature found more than 95 percent of people jailed for a crime in a drug-free zone were either African American or Latino. The commission recommended changing the law to permit judges to waive or reduce, in certain circumstances, the mandatory prison term required for drug-free school zone offenses.

Turning Toward Diversion

In Colorado, a tight budget and a growing awareness that substance abuse and mental health treatment can effectively reduce recidivism prompted state policymakers to focus on drug treatment instead of prison for some drug offenders.

“Our budget crisis brought the matter to light by causing us to more thoughtfully consider the taxpayer’s ‘return on investment’ for those being incarcerated for drug possession and use,” says Senator Ellen Roberts. “We knew we needed another way to make improvements to slow or stop the revolving door of prisoners being released only to return shortly for a drug offense similar to the one originally committed.”

Colorado has targeted lower-level drug offenders—convicted of use and possession offenses—as suitable for community-based treatment in lieu of prison. Lawmakers decreased felony and misdemeanor classifications in 2010, shortening the sentences of some and sending fewer offenders to prison. The savings from housing fewer prisoners are reinvested in drug treatment programs.

“Rather than have cost savings be returned to the general fund,” Roberts says, “we set in statute a requirement that some of the cost savings must go to the drug offender treatment fund to attempt to get to the individual’s root problems and reduce the likelihood of recidivism.”

Colorado adopted two other measures in 2011 to reduce prison sentences for people convicted of low-

By The Numbers

138%
Increase in the arrest rate for possessing or using drugs from 1980-2009.

77%
Increase in the arrest rate for selling or manufacturing drugs from 1980-2009.

20%
State inmates serving time for a drug crimes.

53%
State inmates who meet the medical criteria for substance abuse.

2%
U.S. adult population that meet the medical criteria for substance abuse.

14%
Inmates with a history of recent drug use who received treatment while in prison.

33%
Those in state prisons who stole to get money for drugs.

78%
Drug offenders with a prior criminal sentence.

80.5%
Amount of states’ corrections budgets spent on adult substance abusing offenders.
level drug crimes. One increased the opportunity for parole, and the other removed some possession offenses from habitual offender sentencing laws.

“We have taken a measured and deliberate pace in this reform because we don’t want to overwhelm the treatment system,” says Senator Pat Steadman. He notes low-level drug dealers who are selling to feed their own addiction also may be strong candidates for community-based treatment in the future. “I like to call this a ‘win, win, win’ for public safety because we’re reducing the cycle of crime, for taxpayers because we are making smarter use of their resources, and ultimately for the individual because they will get the help they need,” he says.

Other states are exploring and have enacted similar policies. Earlier this year, Kentucky lawmakers adopted a comprehensive criminal justice reform act that included some key changes to the state’s drug sentencing laws.

The act created drug quantity thresholds for trafficking offenses that lowered penalties for smaller amounts of drugs while maintaining prison sentences for the larger amounts. The new law even requires, in some circumstances, that people convicted of possession serve their sentence on probation. The idea is to keep lower-level offenders out of prison and jail “if they do what they are supposed to do toward recovery,” says Kentucky Representative John Tilley. “We’re recognizing addiction is a disease of relapse.”

The reform package, slated to save the state $42 million a year over the next decade, requires some of the savings from fewer incarcerations to be spent on drug treatment programs.

“One of the main complaints we have from judges, prosecutors and defense attorneys throughout the state,” says Tilley, “is that when they identify somebody who clearly needs treatment, they either can’t find a bed or a program for that person.”

In Kentucky, it costs nearly $22,000 a year to incarcerate someone, or an average of $3,000 for six to nine months of community-based treatment.

“You can see,” Tilley says, “the potential here for dramatic savings.”
Four Leaders on Distractions, Downturns and Tough decisions

"I firmly believe the best social program is employment. It was apparent that we needed to chase jobs, not revenues."

SENATOR TONYA SCHUITMAKER
Michigan Senate President Pro Tem

SL: What’s the greatest challenge you’ll face in the 2012 session?

Schuitmaker: We need to continue working together to help this state move forward. The residents of Michigan are our first priority, and we need to keep them in mind as we introduce legislation and move Michigan toward a prosperous future.

SL: Were you surprised by the challenges you faced in the 2011 session?

Schuitmaker: I wasn’t surprised. Michigan has lost more than 850,000 jobs in the past nine years, making it clear that something had to change. I firmly believe the best social program is employment. It was apparent that we needed to chase jobs, not revenues.

SL: In working on the budget, what was your top priority?

Schuitmaker: I knew we needed to make tough decisions and make serious reforms to how our government operates and the amount of money we spend. We are delivering substantial reforms to reduce unnecessary regulations and improve the economic climate to create jobs and improve the quality of life for Michigan families. In the first seven months of the session, we dramatically transformed the landscape of Michigan into a pro-jobs, pro-small business, pro-growth state.

SL: How do you work with the other party?

Schuitmaker: We keep communication open and professional. Yes, there can be big philosophical differences on what the priorities should be due to the economic situation, but that does not take away from the fact that there are a lot of wonderful, service-minded individuals working in the Legislature. The range of issues we work on is daunting. Since Jan. 1, the governor has signed 127 bills into law. Of those, 54.2 percent of the legislative votes were unanimous by both the Republicans and Democrats. Even though we have our differences, there is wholehearted agreement more than half the time.

SL: What advice would you give to the next leader?

Schuitmaker: Do your homework. Be active in your community and listen to your constituency. It’s a lot of hard work, but it is so rewarding to be a part of the democratic process and to make a positive impact in Michigan.

"The best message we can send is that it’s possible to tackle the toughest problems in a way that underscores the thoughtfulness and fairness of our democracy."

SENATOR DONALD E. WILLIAMS
Connecticut Senate President

Williams: The challenges were significant but expected. We knew we had a large projected deficit for the next biennium, and closing that gap was a top priority. At the same time, we focused on fighting for economic improvement and job creation in the face of a national and global recession. We had greater success this past session compared with the last two years, in part because of a productive working relationship with the newly elected Democratic governor, Dannel P. Malloy.

SL: In working on the budget, what was your top priority?

Williams: Finding the right balance of budget cuts and revenue increases to do the least amount of harm to Connecticut’s economy. We made our tax code more progressive and approved deep spending cuts, but avoided slashing municipal aid, education funding and resources for economic development. The goal was to preserve the investments necessary for economic recovery.

SL: What are you doing to promote respect for and participation in representative democracy?

Williams: Our country is under significant pressure today as it was during the Depression of the 1930s. At that time, the world was in upheaval, our economy was devastated, and families suffered. Some people questioned whether our system of government had the flexibility and strength necessary to survive. There are many similarities in today’s problems. Our constituents want us to get things done. The best message we can send is that it’s possible to tackle the toughest problems in a way that underscores the thoughtfulness and fairness of our democracy.

SL: What do you do in your spare time?

Williams: Right now I’m reading about the abolitionist movement and the decades leading up to the Civil War. I miss Tony Hillerman—his mystery novels set in the Southwest are favorites. Music is an important stress-reliever, as is getting outdoors for hiking and exercise. Striving to maintain outside interests is important. It’s not healthy to be all-consumed by politics.

SL: What do you wish you had known before you became a leader?

Williams: That we were about to go into the worst economic crash since the Great Depression. How we climb out of this downturn is the greatest challenge of our generation, and there is always more research you can do. I’ve worked with my colleagues to understand and communicate the changed economic circumstances for our state and country and to help create the pathways for retaining and creating jobs.
Tough Decisions

SENATOR
SHAN S. TSUTSUl
Hawaii Senate President

SL: Seven new members were elected to your chamber. How did they do?
Tsutsui: With the support of experienced staff and veteran members, the new members learned quickly and contributed greatly. Each had fresh ideas and was eager to implement them quickly. Their enthusiasm helped to make my job as Senate president successful because, when faced with a severe budget shortfall, the new members were quick to collaborate with senior members of the Senate. They shared the same dedication and resolve to assist and improve the lives of those in the community.

SL: How challenging was the 2011 session?
Tsutsui: Being entrusted by my colleagues to be the voice of the Hawaii Senate was daunting, especially as the state struggled through an economic downturn that saw declining revenues while fixed entitlement costs continued to rise. There were many unanticipated challenges—further increases in the budget shortfall, dealing with the economic aftermath of the tsunami in Japan, as well as many new challenges that come with being Senate president. Ultimately, my colleagues and I were able to unite and stand firm as a body, which allowed us to focus on ensuring the passage of a balanced budget.

SL: What was your top budget priority?
Tsutsui: Ensuring that we continued to support education and human service programs for our youth and most vulnerable constituents. The Legislature developed a balanced biennium budget to address a declining revenue landscape using two guiding principles: identify and support programs and services that are core and essential to the functioning of state government and make strategic investments in people and programs that encourage long-term economic growth, lower long-term future costs, and provide meaningful and efficient public services.

SL: How do you work with the other party?
Tsutsui: The Hawaii Senate is unique because the minority party is composed of only one senator. However, the minority still plays an integral role in shaping legislation by sitting on all 14 of the Senate’s standing committees. Although partisan politics is portrayed nationally as a mudslinging contest, in Hawaii, the level of transparency and cooperation abounds. While the minority may not always prevail, his concerns are always carefully considered instead of simply being shut out. The Hawaii Senate also is unique because there is the constant struggle between Oahu legislators and those from neighbor islands. Oahu has 18 senators while the neighbor islands, of which I am part, are represented by only seven.

SL: Is it tough to promote respect for government today?
Tsutsui: Getting members of the public to have confidence in their legislators means the Senate allows members of our community to be involved in drafting legislation that represents the interests of all. From A to Z in the legislative process, I believe collaboration among not only fellow legislators but also members of the community—and not only the vocal majority—is the way to promote respect for democracy.

REPRESENTATIVE WILLIAM “BILL” O’BRIEN
New Hampshire House Speaker

SL: What’s the greatest challenge facing you in the 2012 session?
O’Brien: Placing a constitutional amendment on the ballot to ensure local control of education funding. For the past 15 years, the state has been subjected to numerous lawsuits that have enabled the courts to direct education dollars. Our primary interest is to give the voters a chance to support keeping our school decisions and funding at the local level.

SL: You had a huge number of new members following the 2010 election. How did that affect your job?
O’Brien: When New Hampshire entered the 2011 session, more than 40 percent of the House members were new. This group represents a talented cross-section of the state, but any freshman group this size brings with it new challenges of getting these members up to speed quickly so they can maximize the value they add to the legislature. This is more pronounced in our state, where there is limited support staff, and volunteer legislators are paid only $100 a year. Nonetheless, this group has had a major impact on legislation and helped shape a strong, fiscally conservative agenda.

SL: What was your top budget priority?
O’Brien: After more than 100 tax and fee increases in the previous four years that added a growing burden to the backs of our job creators and citizens, the new legislature’s top priority was to pass a balanced budget that did not raise any taxes or fees, and used realistic revenue estimates. This was especially challenging considering the loss of federal stimulus funding, but we were able to pass a budget that reduced state general fund expenditures by nearly 18 percent, increased no taxes and no fees, and maintained level funding for primary and secondary education.

SL: What advice would you give to the next leader?
O’Brien: Have a clear plan of what you want to accomplish and never lose sight of the big picture goals. It’s tempting to follow the day-to-day aspects of politics and soon realize you have made no headway toward the transformative changes you believe are necessary to improve your state. Always remember distractions destroy more agendas than organized opposition.

SL: What would you be doing if you weren’t in the legislature?
O’Brien: Since New Hampshire has a volunteer legislature, none of us is too far removed from our other careers and interests. We are all prepared to go back to our homes and jobs at any time. In my case, I would go back to my law practice.

These interviews have been edited for length and clarity.

For earlier interviews with legislative leaders visit www.ncsl.org/magazine.
The clouds of high costs haven’t darkened the solar promise.

BY GLEN ANDERSEN

The sea of solar panels at the Blue Wing Solar field near San Antonio, Texas, spans 114 acres and silently produces enough emissions-free electricity to power 1,800 homes.

The field, the third largest solar photovoltaic installation in the United States, is expected to produce electricity reliably for 30 years. So why did the utility choose solar?

“CPS Energy has worked to include solar power in our generation portfolio in an effort to expand our low-emission resources,” says Richard Peña, senior vice president of energy development at CPS Energy, which purchases the energy generated at the site.

Utilities across the nation—in response to government incentives, mandates, their own goals and customer interest—are increasing the amount of solar electricity in their portfolios. The United States has some of the richest solar resources in the world, with enough potential to supply the nation’s electricity needs many times over.

The challenge is tapping that resource efficiently and at a cost that will be comparable with conventional electricity prices.

“Today, we have a very diverse fleet that includes nuclear, coal, natural gas, wind, and small amounts of solar and landfill gas,” says Peña. “Our bills remain among the lowest of major cities across the country, and we continue to look for ways to ensure diverse energy resources, because it’s proven to be in the best interests of our customers and community.”

State lawmakers have been helping enlarge both residential and utility solar markets through tax rebates, renewable energy requirements and financial assistance. Those who support incentives cite a number of reasons.

“Solar systems are quick to install, use a fuel that’s free, generate electricity during peak demand, need no water, and are extremely versatile in where they can be used,” says Texas Representative Drew Darby. “Texas needs to use every homegrown resource we can find. We have a lot of gas, we have a lot of wind, and we have a whole lot of sun.”

Ohio Senator Kris Jordan, however, thinks state policies promoting the use of solar are not needed. Jordan, who introduced a bill to roll back Ohio’s clean energy requirements, says the “mandate unnecessarily distorts the energy market and forces power companies to use expensive new technologies that have been shown to drive up energy costs.”

Booming U.S. Market

Despite the high-profile bankruptcies of a few U.S. solar companies this year, by most measures the solar market is healthy and growing. It increased 67 percent, from $3.6 billion in 2009 to $6 billion in 2010, and the rapid growth continued through the first two quarters of 2011. Although solar contributes less than 1 percent of the nation’s electricity needs, nearly 9 percent of all new electrical generation capacity installed this year is expected to be solar.

One of the drivers for solar is the ease and speed at which installations can be built. Compared with conventional power plants, solar facilities can be built much more quickly, since they can be spread out in many different places and located near where energy is used—rooftops, fields, parking structures and highway medians. The lack of emissions also makes them much easier to site than a fossil fuel-driven power plant.

Until 1999, the United States led the world in solar panel production, although it now produces just 6 percent of the world’s panels. China, which produced just 1 percent in 2001, has lever-
aged strong government support to become the world leader, now producing 54 percent of the global shipments of solar panels. China’s government mandate for 20 percent renewable electricity by 2020, supported by extremely low-interest loans from government banks and other solar incentives, has made China not just a leading exporter, but also No. 1 for solar capacity installed in 2010. The United States is now fifth.

The U.S. solar energy industry is rising again, however, competing on a global scale and increasing its global share of the solar market. Last year, the nation exported $1.9 billion more in solar equipment than it imported. Solar technology is one area where the United States enjoys a trade surplus with China. To challenge the competition in a rapidly changing market, U.S. manufacturers are developing high-quality, internationally certified solar panels using highly automated processes.

**Cost of Solar**

Electricity costs from new utility-scale solar projects built in 2011—including the federal government subsidy—were about 11 to 12 cents a kilowatt hour and are expected to fall to about 8 cents by the end of 2012, which will make them cost competitive with natural gas in some regions. Rooftop-mounted solar costs about 13 to 19 cents a kilowatt hour, while electricity from new coal and gas plants is 7 to 12 cents, and 7 to 10 cents respectively. Wind is 4 to 8 cents a kilowatt hour. Without federal subsidies, utility scale solar would cost about 15 to 17 cents a kilowatt hour.

Less expensive systems and streamlined installation drove down solar costs by 17 percent in 2010 and another 11 percent in the first six months of 2011, according to the Lawrence Berkeley National Laboratory. There is still much room for price drops. In Germany, streamlined regulations and a larger solar market make the cost of rooftop solar about 40 percent less than in the United States.

In states with the most aggressive requirements for solar and other renewable energy, electric rates have increased by 1.4 percent or less. Many states cap the rate increase from renewable requirements at 1 percent to 4 percent, according to the Lawrence Berkeley National Laboratory. These cost increases do not account for future energy security risks. Solar power can provide utilities and homeowners with a hedge against increasing prices since, after installation, solar electricity prices are not subject to rising fuel costs.

### Comparing the Cost of Energy

This comparative look at the costs of conventional and renewable energy per megawatt hour includes financing, operating and fuel costs. The range of prices for individual fuel sources reflects the varying costs of siting, permitting, land and construction costs. The cost of renewable energy includes federal incentives.

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<th>Fuel Source</th>
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<th>Conventional</th>
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<tr>
<td>Rooftop Solar</td>
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<td>Ground Solar</td>
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<td>Gas Combined Cycle</td>
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Source: Lazard Inc., 2011
Policy Drives the Industry

State and federal policies have spurred much of the demand and market growth, which has driven innovation and increased economies of scale, resulting in steadily decreasing prices. The federal government offers a 30 percent tax credit for purchase of solar energy equipment through 2016. As part of the American Recovery and Reinvestment Act, businesses and homeowners can choose to receive a 30 percent cash rebate instead, although this option expires at the end of 2011.

State policies to support solar and other renewable sources are seen by some policymakers as a way to level the playing field. “The thing that distorts the energy market the most is monopolies,” says Representative Tom Murry of North Carolina. “I want to see real competition and innovation, and encouraging innovation can be part of the incubator [for the industry].”

The role of state policy in pushing the market is significant. The top seven states for solar installations all have major incentives and were responsible for more than 80 percent of the growth in 2010. Incentives include tax rebates, renewable electricity requirement, financing options and grants.

Twenty-nine states require utilities to sell a certain percentage of electricity from renewable resources by a specified date. Colorado, for example, requires 30 percent of the electricity sold by investor-owned utilities to come from renewable sources by 2020.

Since these requirements tend to prefer the lowest cost renewable energy, which usually is not solar, 16 states have specific requirements for solar or on-site energy generation. Policymakers in those states reason the benefits of local generation—such as quick deployment, lack of transmission requirements, and a lowering of peak electricity demand—are not captured in the market price. Still, as solar prices drop, solar projects are more competitive with wind and other renewables. Although much of solar capacity has been installed in sunnier states, New Jersey’s aggressive policies made it second in the amount of solar installations in 2010.

Murry introduced a bill to double North Carolina’s solar requirement. “There’s a recognition that the cost of solar has gone down and that we could double the requirement without additional cost.”

The proposed legislation builds on an existing solar requirement that has been surpassed and has created remarkable job growth, Murry says. He notes the incentives are temporary. “Costs will go down for everybody, and incentives are only needed until there is cost parity.”

Darby authored legislation in Texas that would have provided solar rebates, though it did not pass. “There are very few forms of electric generation that can be installed quickly, require no environmental permitting, and use no water.”

Darby also saw potential economic benefits in the policy that far outweighed the costs. “There are hundreds of companies all over the world looking to spend billions of investment capital in the solar industry. We had companies such as Barclays Capital, GE Financial Services, Union Bank, and Citi ready to invest if the legislation would have passed,” he says. The bill also would have created up to $6 of private investment for every $1 of rebate, while generating up to $480 million in sales tax, Darby says.

One challenge with solar energy is that the upfront cost of the components is quite high. If financed—as part of the cost of a mortgage, for instance—the cost of residential solar power can be reasonable because the amount saved on an electricity bill can be greater than the loan payment, depending on the location, local solar incentives and other factors. To help, many states offer low-interest financing as part of the utility bill or...
financing through special property tax assessments. This allows municipalities to use bonds so homeowners can install solar on their houses and repay the loan through monthly payments added to their property tax or to their electric bill, depending on the program. The tax option, called property assessed clean energy financing, has been authorized in 27 states, although it is on hold because of the concerns of federal housing administrators and mortgage backers Fannie Mae/Freddie Mac.

“Solar will not replace nuclear power or other baseload power, but will help meet peak energy needs,” says Murry. “It’s all part of the mix.”

The Sun Always Rises

Solar power’s intermittent nature can present a challenge and add cost when integrating it into the electric grid. System operators must balance energy supply with demand continuously every day as consumption rises and falls because of the changing needs of industrial, office and home users, and to deal with equipment failures and power outages. A cloud can cause a dramatic drop in solar output, requiring immediate response from the system. Still, new grid technologies and planning allow solar to be integrated without significant cost, according to the experience of many utilities across the nation and analysis by Lawrence Berkeley National Laboratory.

Although sunshine is intermittent, improvements in solar fore-casting have made it easier to plan for changes in output and incorporate solar power into the energy mix. Although it isn’t always available when needed like natural gas, coal, hydropower and some other generation sources, solar can reduce the electricity load at peak times of the day when the cost of meeting energy demand is highest, diversify the mix of energy sources and reduce fuel consumption, which drives down fuel prices and energy costs.

Subsidies and the Free Market

The explosive growth in solar, and the state policies that promote it, have not been championed by all. Some feel the cost of solar could drive up electricity prices, placing extra burdens on ratepayers.

“When it comes to mandating the use of more expensive energy sources that cannot stand on their own, that doesn’t make economic sense, and that should not be something we force on our families and businesses,” says Ohio’s Jordan.

Darby disagrees. “Policymakers in Texas have consistently supported incentives to help industry that is homegrown and utilizes Texas’ natural resources for decades,” he says. “The oil and gas industry has been the primary beneficiary of those incentives, and I don’t believe they have distorted the market.”

All large U.S. energy industries receive subsidies, despite the fact that many are mature, competitive technologies. The federal government awarded $3.4 billion for clean coal research and construction under the stimulus bill. Clean coal technologies also receive billions of dollars in federal loan guarantee. Nuclear energy and natural gas also receive significant support from taxpayers in the form of research dollars, loan guarantees and tax credits.

States also provide incentives: Maryland, Ohio, Virginia and West Virginia, for example, provide a $3 a ton coal tax credit to corporations that burn coal mined these states. This tax credit is worth nearly $45 million a year in West Virginia and more than $70 million a year in Ohio.

Solar subsidies are declining; states that offer incentives and rebates have decreased them by 60 percent since 2004. These subsidies will continue to decline as solar becomes more competitive in more electricity markets in the next few years. Some are predicting parity in some regions with current electric rates between 2013 and 2015.

“Cost will go down for everybody,” Murry says, “and incentives are only in place until there is cost parity.”

Sunset on Solyndra

The bankruptcy in August of Solyndra, a solar panel maker in California, received significant media coverage. It does not, however, indicate so much a failure of the U.S. solar industry as much as the success of competition in driving down prices.

Solyndra manufactured panels from copper indium gallium selenide, a nonsilicon technology. While the technology was expensive, it was competitive in 2008 when silicon prices were high. When the cost of silicon supplies dropped, so did the price of silicon solar panels, leaving Solyndra’s more expensive technology behind.

The question as to whether government analysts in 2008 should have known that silicon prices would plummet, and whether Solyndra misled the government, are different questions and have no bearing on the overall health of the industry in the United States. There are ongoing congressional investigations into the government’s handling of Solyndra.
“Every generation of professionals has a different relationship with the politicians who have the power.”

Richard Ravitch served as New York lieutenant governor under David Paterson and is co-chairing the new Task Force on the State Budget Crisis with Paul Volcker, former chairman of the Federal Reserve.

The task force is examining budgets and budget processes in California, Illinois, New York, Texas and Virginia for structural budget gaps and to encourage transparency. Ravitch expects the task force to issue a report in mid-2012.

SL: How did you become involved with the task force?
Ravitch: I was concerned [as lieutenant governor] about the sustainability of the budget practices many states are engaged in, because they are using the proceeds of borrowings and the proceeds of assets they sell to balance their budgets. That cannot continue infinitely. I learned other states have worse problems than New York, and everybody’s problems differ because constitutional and statutory frameworks are not identical. These are issues that should be more relevant to the discussion in Washington about cutting the federal budget.

SL: There have been a number of other studies on state budgets in individual states. What’s the advantage of this new study?
Ravitch: We’re focusing on five states, not because we are more interested in those states than other states, but because our focus is to get data that are not generally available. You don’t see this sort of study come out of the state budget directors’ association. They don’t sharpen the distinction between the use of borrowed money and the use of the proceeds of asset sales. What constitutes revenue isn’t defined.

SL: How can policymakers apply the results of this study?
Ravitch: We have two audiences, professional people in state government [and elected officials]. The people at
the budget division in the state of New York, for example, are a terrific group. But every generation of professionals has a different relationship with the politicians who have the power. When the professionals say to the politicians, “I am going to scream like hell if you do something I think is wrong,” that produces different governmental results than when the professional people acquiesce no matter what it is the politicians want to do.

SL: So some of your effort is to provide a deeper context for people?
Ravitch: I want the next generation of politicians to be able to say—when we have a good year again—“Let’s not cut taxes or increase benefits.” These are very complicated issues that haven’t really been vented.

SL: You feel this will help bring that out?
Ravitch: It’s not that we are going to say the solution is to double taxes or cut benefits or not repay debt. We’re going to lay out all the options, all the legal issues and I certainly think, informally, there is consensus about greater transparency. The point is that understanding this must penetrate the political system. There has to be an awareness. As the federal government works through all the massive budget cuts it’s going to do, one should be conscious of the impact that will have on state or local budgets.

SL: Do you see key structural problems in the state budgets so far? It sounds like you see spending one-time pots of money and borrowing money as problems.
Ravitch: I’m not against borrowing unless you use your borrowing capacity to cover operating debts. The terrible consequence of that is you have no resources to maintain your infrastructure. This is one of the great threats looming out there that is very difficult to measure. One reason we are studying only a few states is that we really want to dig into this kind of problem. In the United States, 85 percent of all infrastructure expenditures are made by states or instrumentalities of states.

SL: Are you looking at how states are going to prepare for what may be inevitable reductions in their federal discretionary programs?
Ravitch: We hope that we’ll affect the thinking as states finalize their budgets next spring.
“It's a great day in South Carolina. How may I help you?”
—Any South Carolina state government employee, upon answering the phone, on new orders from Governor Nikki Haley, in The Economist.

“We know that there will be cuts. What we are asking is that cuts to state budgets be proportional to everything else that's on the table.”
—New Hampshire Representative Terie Norelli, NCSL president-elect, to the Super Committee on Deficit Reduction during a visit by state lawmakers from around the country, in Stateline.

“The much-maligned potato is actually a very affordable, nutritious vegetable. The issue is really in the preparation.”
—U.S. Senator Susan Collins, Maine, leading the pro-potato forces in the Senate against the U.S. Department of Agriculture’s efforts to limit the tubers in the federal school lunch program, in USA Today.

“Despite the need for tourism, we are not going to become Las Vegas or New Orleans.”
—Utah Senate President Michael Waddoups, defending the Legislature’s new restrictions on bars and alcohol, in USA Today.

“There’s life after the Legislature, I might add.”
—Ron Beitelspacher, co-chair of Idaho’s citizen redistricting commission and a former state senator, about the possibility of losing a seat because of the redrawn legislative districts, in the Spokesman Review.

“If you're cutting $1 billion from education, there is no sacred cow. A 3 percent contribution, that's pretty moderate. It was a good pension reform, but it was difficult.”
—Florida Rep. Ritch Workman, sponsor of the law that requires state and local government workers to contribute 3 percent of their salaries to retirement benefits, in The Tampa Tribune.

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America relies on nuclear energy for 20% of our electricity and nearly 70% of our carbon-free electricity production. Professionals like Katie Higgins at Constellation Energy Nuclear Group (CENG) work every day to make certain that this source of electricity is both clean and safe.

America’s nuclear power plants exceed already stringent federal safety standards through the use of multiple safety systems that layer precaution on top of precaution. And with our electricity needs expected to grow 24% by 2035, advanced nuclear energy plants, with state-of-the-art safety systems, must be built. Nuclear energy is a low cost and reliable energy source that produces electricity around the clock.

As America works to reduce greenhouse gas emissions, we need to use more low-carbon sources of electricity such as wind, solar and nuclear energy. Providing affordable electricity and ending our dependence on foreign energy sources cannot be achieved without nuclear energy playing a significant role in a balanced energy portfolio.

For more information on safe nuclear energy, go to safetyfirst.nei.org