Budgets, education, technology and health care are dominating debate in state-houses across the nation. Ideas on infrastructure and the environment are being put forth by governors and legislators, while the issues of transportation, agriculture, corrections and international trade also are getting plenty of discussion. And with a presidential election that took a while to settle, lights going off in California and new census numbers out, election reform, energy and redistricting are all getting play in state capitols.

A review to scout for trends in governors’ state-of-the-state messages and legislative actions shows many states have similar challenges and priorities. Most notably, 21 states were facing budget concerns as of early March. Among them, Alabama, Michigan, North Carolina, Washington and West Virginia were looking at budget cuts. Michigan and West Virginia were considering cuts across nearly all state agencies. Alabama’s governor was calling for college-funding cuts to preserve K-12 education. Fourteen additional states (see sidebar) faced revenue shortfalls and funding gaps, while the governors of Delaware and Illinois acknowledged an economic slowdown. “All of us who have been governors a while have seen these roller coasters of state budget surpluses, and then not,” said California Gov. Gray Davis on NBC’s “Meet the Press.”

Many states have prepared for economic slowdown through rainy-day funds, which reflect state savings for shortfalls (see Inquiry Line, page 37). Arizona and Illinois were beefing up their funds, while Maine was looking to constitutionally protect its fund. Five states so far this year have bucked the “belt-tightening” trend and are providing tax relief to constituents. Iowa enacted $100 million in tax cuts, while Arizona, Georgia, New Jersey and Oklahoma were considering tax relief.

Education gets attention

Education tops state agendas as reflected in governors’ messages, and teachers are receiving attention nationwide. The perennial issue of increased and fair school funding was hot in Alaska, Idaho, Kansas, Massachusetts and New Hampshire. A bill providing for early retirement of teachers has Massachusetts legislators looking at accelerated teacher-preparation courses. Florida is doing more to retain teachers, while Arkansas, Colorado and Idaho are among states considering an increase in teacher salaries, incentives and signing bonuses. Many states trying to improve schools have looked toward developing education-accountability standards. Another trend in education got a new convert in Indiana Gov. Frank

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O’Bannon, who declared, “Our students must not only be good scholars but good citizens. That’s why we need to support character education.” Among other supporters is President George W. Bush, who called for tripling federal aid for such efforts in his address to the nation Feb. 27.

The growth of the knowledge economy also is pushing scholastic innovation. Delaware is focusing on increasing literacy, while California, Idaho, Indiana and others are trying to improve their math curriculum to meet new technology needs. Maine is implementing a plan to equip every seventh- and eighth-grader with computer access, while Kansas joins other states in getting all schools connected to technology networks.

Arizona, Arkansas and Idaho are among many states recognizing a new digital divide. Leaders say infrastructure is needed to bring technology to rural areas. Meanwhile, nearly all states recognize they must better deliver services to constituents over the Internet. Arizona, Delaware and Massachusetts are among the list of states increasing their technological capacity and Web-page service delivery.

Health care, environment

Planning for the Children’s Health Insurance Program or CHIP remains a major health-care item facing state legislatures and administrations. Arizona, California, Colorado and Kansas are funding and expanding health programs for both children and adults. Colorado and Maine are among states seeking ways to provide more affordable health insurance. Delaware has joined other states in looking at “Patients’ Right-to-Know” legislation. Massachusetts provided temporary relief to hospitals under distress from caring for the uninsured. In addition, funding increases were examined in the following health areas: elder care in Arizona, Florida and Kansas; mental-health care in Arizona, Connecticut, Indiana and Kansas; and care for the developmentally disabled in Florida, Indiana and Kansas among others.

State populations continue to grow, but leaders are keeping an eye toward smart growth, or growth that balances convenience and the environment with a plan for open space, schools and parks. Colorado, Delaware, Kentucky and Maine have engaged in urban planning that is anti-sprawl. Arizona, Massachusetts and Maine are among states specifically studying adequate and affordable housing, an essential element of growth planning. Maryland Gov. Parris Glendening, CSG president-elect, is creating a Governor’s Office on Smart Growth. “People will come to a single office and learn – almost immediately—if what they propose is indeed smart growth,” he said. “If not, we will work with them to improve the project. If it is, we can help them access supportive state programs.”

Natural resources are a concern for state officials nationwide. Preserving aquifers and providing rural water are on tap for Arizona and Kansas, while Kentucky is tackling solid-waste issues and Delaware is working for cleaner air. Maine is pioneering “Smart Production,” an initiative the governor said will start industries on a path toward zero environmental impact while increasing the state’s market competitiveness. Delaware pursued an “Environmental Right-to-Know” provision, a more timely notification of residents in the event of an environmental incident, while governors in Idaho and Florida addressed preservation and conservation in their state-of-the-state messages. Finally, support for farmers, agriculture and the subsistence way of life for native and other people dependent on fishing and hunting are key in Alaska, Idaho, Kansas, Kentucky and other states.
Fiscal shortfalls remaining

The 14 states still facing revenue shortfalls or funding gaps as of early March: Alaska, Arkansas, California, Colorado, Indiana, Kentucky, Louisiana, Mississippi, Missouri, Oregon, Tennessee, Virginia, West Virginia and Wisconsin. These are in addition to states that have already taken action on budget problems.

More hot issues

Alaska, Arizona, Idaho and Kansas are among states demonstrating a trend to increase spending on highway patrols. States continue other public-safety advances, too, such as anti-gang efforts in Arizona, a drug crackdown in Florida and consideration of added trial-court judgeships in Colorado. Increased efforts toward drug rehabilitation in Arkansas, California, Connecticut and New York reflect continued interest in this area, as does a Western Drug Policy Summit set in June in Boise, Idaho. Various states also are looking to decrease the blood-alcohol-content levels for driving under the influence from .10 to .08 to meet federal guidelines, including Maryland, Missouri and Oklahoma. Nebraska became the 19th state to reduce its level to 0.08 with approval of a bill Feb. 27.

Because many states are larger in size, economy and diversity than some small countries, it is no surprise that transportation and trade are high on state agendas. The governors of Arizona, Idaho, Illinois and Kentucky were among those who specifically said that the development of international ties and trade is critical. Getting around within a state is essential as well. Connecticut, Florida, Indiana and Kansas are pursuing road plans, and Maine’s governor said that while the state should continue to build roads, it must also decrease highway debt. Illinois residents are pressing for a “fix” to toll-highway problems, while the Maryland governor called for spending $750 million to beef up public transportation.

A scan of state news reports and governors’ addresses revealed other interesting issues such as the renewal of the lottery in Kansas, attempts to regulate slot machines in Arizona and efforts to withdraw Maine from the retail-liquor business. Alaska is the only state without a veterans’ home, and lawmakers were asked to approve one. Finally, with events such as the irregularities in the presidential election, the energy crisis and the publication of new census numbers, scouts of the state scene will find all three issues being addressed.

So what are states’ priorities for 2001? Arkansas Gov. Mike Huckabee said, “We (states) may have tighter budgets, but we (leaders) are elected to determine the priorities.” Huckabee said he determines priorities by examining the state’s constitutional responsibilities. Whether other leaders use this method or not, it looks as though many state officials are identifying similar priorities this year. As the year progresses, innovative responses to those trends in some states will be of value to everyone else.

CSG resources

For more on states and character education, see “Johnny be good,” State Government News, January 2000.

For more on states and technology, see the highlights for CSG’s Annual Meeting and State Leadership Forum, page 34, and “Bridging the digital divide,” SGN, October 2000; “Investing in a digital economy,” SGN, August 2000; and “Universal service?” SGN, April 2000.