HOT TOPIC: Best of the States

States of Innovation

28 New Governors On the Road to Recovery

Game Changers in State Government

10 Questions Former U.S. Sen. Alan Simpson

“We must tell New Mexicans the truth: Our financial house is a mess and it’s time we clean it up.”
—New Mexico Governor Susana Martinez

PLUS: A Celebration of Life for One of CSG’s Brightest Stars
CSG’s Innovations Awards Program, now in its 25th year, recognizes and shares big ideas and game-changing programs from our country’s best innovators … the states themselves. We invite you to be a part of this national forum by submitting your state’s successes.

Visit us online to learn more about the Innovations Awards Program, to review all award-winning programs since 2000 and to download the 2011 Innovations Awards application: www.csg.org/Innovations.

CSG’s 2011 Innovations Awards Program will consider submissions in the following categories:

**Infrastructure & Economic Development**
- Business & Commerce
- International Trade
- Transportation

**Government Operations & Technology**
- Administration
- Elections
- Information Systems
- Public Information
- Revenue
- Telecommunications

**Health & Human Services**
- Aging
- Children & Families
- Health Services
- Housing
- Human Services

**Human Resources & Education**
- Education
- Labor
- Management
- Personnel
- Training & Development
- Workforce Development

**Natural Resources**
- Agriculture
- Energy
- Environmental Protection
- Natural Resources
- Parks & Recreation
- Water Resources

**Public Safety & Corrections**
- Corrections
- Courts
- Criminal Justice
- Drug Abuse
- Emergency Management
- Public Safety

CSG’s Innovations Awards winners are determined exclusively by panels of state officials from each of CSG’s four regions. The 2011 Innovations Awards application is available at: www.csg.org/Innovations.

Contact: Nancy J. Vickers at (859) 244-8105 or nvickers@csg.org.
ON THE COVER
New Mexico Gov. Susana Martinez is one of 28 new governors who took office in January. Many of those governors are bringing new ideas to their states in these tough economic times. “No more shell games,” she said. “No more rosy pictures. We must tell New Mexicans the truth.” See story on page 26.

COVER PHOTO BY PETER OGILVIE

MARCH / APRIL 2011

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The Only Thing that Stays the Same is Change

Governing a state, even in the best of times, can be a challenge. Emerging opportunities and persistent needs compete for resources in the budget and space on the agenda. Institutions, like state assemblies and senates, are bound by tradition and custom and yet those institutions are constantly being reinvented with the infusion of new members.

It is this paradoxical arena in which state leaders are required to dream about, discover and deploy new ideas. It isn’t easy and in today’s increasingly polarized political context, solutions can be elusive. Regardless of the obstacles, state leaders remain incredibly resilient and persistent in finding new and better ways of delivering on their oath of office. This issue of Capitol Ideas is dedicated to what really matters for our members and the citizens they serve—results.

At the end of the day, state leaders are interested in making a difference, in advancing their agenda, and in creating change for the better. I am amazed by the ingenuity and creativity with which state leaders today are pursuing their jobs. Dedicated public servants in all three branches of state government are seizing the opportunity of the current fiscal crisis to discover new ways for government to do more with less. These are truly transitional times and CSG is excited about the role we can play in sharing these “capitol ideas.”

The Council of State Governments was formed in 1933 with the mission of helping accelerate the formation of a more perfect union. Our nation’s rich heritage of self-government has served it well and that heritage continues in the many new faces brought to offices in state capitols throughout the country as a result of the 2010 elections.

We play a role in advancing that tradition by making sure state leaders can learn from the experiences of other states. We do this through the publication of The Book of the States, through the dissemination of Suggested State Legislation, through our annual Innovations Awards, through our regional and national publications and meetings, and from online resources such as the CSG Knowledge Center. We work hard to help empower our members to turn ideas into public policy that makes a difference. We celebrate in this issue some of the leaders who have made change happen and in doing so have changed the game in their states (see page 32).

We know that budget issues are the focus of many current legislative sessions. The budget gap numbers are daunting. State tax collections, adjusted for inflation, are now 12 percent below pre-recession levels, and with 7.5 million jobs lost since the recession began, needs have not abated. Additional federal funds to help states balance their budgets are unlikely. States will need innovation, ingenuity and creativity to be successful in meeting these challenges. We stand ready to provide the information and insights necessary to help fuel promising new ideas.

In response to member feedback, CSG is converting our planned Summit on Growth and Prosperity into a virtual online event. We are planning a series of engaging webinars and online resources to help state leaders navigate the difficult policy choices they face. We will be focused on sharing information about how states are closing their budget gaps and strategies designed to allow states to accomplish more while spending less. We will also have sessions dedicated to helping leaders create jobs in their state and content devoted to helping state leaders know how best to spark innovation and economic growth. Watch the CSG website for details. We hope you will make some time to drop in on the Summit from the convenience of your computer.

On a final note, we mourn the passing of one of CSG’s brightest stars, Kathy Shanklin. She is remembered in a tribute on pages 42–43, and she will forever be remembered by those of us who had the chance to work with such a gracious and considerate professional. For more than 20 years, CSG was her second family and we miss her so dearly. She worked every day to help our members succeed and it is her example that inspires us to continue in her stead during these difficult times when our members need CSG most.

Very truly yours,

David Adkins
“Innovation is in the actions and the decisions and the methods and the operation of our government. ... States that are slow to adapt, states that are reluctant to adapt are going to be the states that lose.”

—Maryland Gov. Martin O’Malley at Governing Conference

“If we lose our competitive innovative advantage, we will not be the first country in the world again.”

—Montana Gov. Brian Schweitzer, 2011 CSG president, in an interview with Capitol Ideas magazine

“States need to concentrate on achieving New Economy success factors and providing the entrepreneurial resources and access that are critical to boosting competitiveness within the global marketplace.”

—Robert Litan, vice president of Research & Policy at the Kauffman Foundation, discussing the need for innovation during the release of the foundation’s New Economy state rankings

“The first step in winning the future is encouraging American innovation.”

—President Barack Obama in his State of the Union speech in January

“Courts serve the law, not the demands of special-interest groups. By serving the rule of law, courts protect the civil, political, economic and social rights of all citizens.”

—Iowa Supreme Court Chief Justice Mark Cady in his State of the Judiciary speech in January
New York Gov. Andrew Cuomo is seeing some unusual opposition parties joining forces to protest his proposal to cap property taxes in The Empire State, *The New York Times* reported. Cuomo said he wants to cap property tax rates—at 2 percent per year or the rate of inflation—because the taxes are a burden on both residents and businesses. Many groups have expressed their dislike of the proposal, including homeowners, anti-tax groups, educators, unions and school districts. The cap, they say, will mean higher costs for residents through more taxes and fees as schools and cities search for new sources of funding. They support property taxes that are, in part, based on income. Some business and community leaders have formed their own group to support the tax cap. They are spending at least $10 million in advertising to get their message out.

Fiscal policy experts said the evidence for the effectiveness of tax caps is mixed, *The Times* reported. Supporters say while tax caps don’t actually cut tax rates, they do slow the rate of growth. Opponents say they do nothing to relieve the tax pressure on the already-struggling middle class.
EPA Report: South Has Cut Release of Toxic Chemicals

A recent report by the Environmental Protection Agency indicates the Southern region released approximately 657 million pounds of toxic chemicals into the environment in 2009, a drop of 9.4 percent from 2008 levels.

Of the 3.8 billion pounds of production-related toxic chemicals generated in the South, 3.1 billion pounds were recycled, burned for energy recovery or treated, whereas the rest was disposed or released into the air, land or water, the report said. A 7 percent drop in reporting facilities coincided with the drop in toxic chemical releases, according to the Toxics Release Inventory.

The Toxics Release Inventory program has been working with states to increase participation in the State/EPA Exchange Network, which allows facilities to submit that information to both the EPA and the states simultaneously through the Central Data Exchange. The Exchange Network also helps the EPA, states, tribes and territories exchange environmental information more efficiently, and will streamline the acceptance and processing of Toxics Release Inventory data by both EPA and the states.

GOVERNOR’S RACE

Former CSG Chair Earl Ray Tomblin, the acting governor of West Virginia, will work with Secretary of State Natalie Tennant to schedule a primary and general election for governor this year. Tomblin temporarily replaced former Gov. Joe Manchin, who was elected to the U.S. Senate. The state’s Supreme Court ordered the special election to fill the vacancy within one year of Manchin’s departure, according to the Charleston Daily Mail. Tomblin will run for the office, as will House Speaker Richard Thompson, the chair-elect of CSG’s Southern Legislative Conference.

BUDGET GAPS

An analysis of Center on Budget and Policy Priorities data by the Council of State Governments’ Southern office, the Southern Legislative Conference, found Southern states cumulatively face the lowest estimated budget deficits for the 2012 fiscal year at $26 billion, or 23 percent of the U.S. total. The Eastern region faces the highest deficits, at $30 billion cumulatively, followed by the West ($28.6 billion) and the Midwest ($28.2 billion).

HEALTH CARE

West Virginia is rolling out a new demonstration project to provide health insurance to 10,000 uninsured workers for the next five years. According to The Charleston Gazette, 4 million people in the state are without insurance. Nationally, 46 million Americans lack health coverage.

RADON TESTING

Tennessee environmental officials are urging residents to test their homes for radon exposure, The Tennessean reported. The naturally occurring gas has been reported to seep into homes through crevices and openings in the foundation. The Environmental Protection Agency estimates that 70 percent of the state’s population resides in areas with a moderate to high risk of radon.

MILK BAN

Florida officials have suspended the debate in public schools over banning sugary beverages, specifically flavored milk, which experts say contribute to childhood obesity and diabetes. In a letter to the state Board of Education, Agriculture Commissioner Adam Putnam requested the delay to allow experts from the Department of Agriculture and Consumer Services, as well as the Department of Education, to engage in a dialogue and reach a new agreement.

EDUCATION STANDARDS

Georgia and South Carolina will join 43 other states and the District of Columbia in the adoption of Common Core State Standards in the subjects of English language arts and mathematics. The Augusta Chronicle reports that officials from both states agreed the new standards’ thoroughness and endorsement from other states contributed to the decision to adopt the measures.

To learn more about these and other developments in the Southern Region, visit: capitolideas.csg.org and www.scatlanta.org.
Early Education May Be Casualty of Budget Holes

As states struggle to close massive holes in their budgets, preschool programs and kindergarten may be among the early casualties.

State Rep. Randy Gardner plans to propose a bill that would scrap two of former Gov. Ted Strickland’s efforts to improve education in the Buckeye State—all-day kindergarten and smaller class sizes for kindergarten through third grade.

According to a report from the Dayton Daily News, the move may be popular with some school districts because no state money was budgeted to help districts deal with the need for more classroom space or teachers. New Gov. John Kasich has said he doesn’t support unfunded mandates.

In Iowa, legislators are considering eliminating all state funding for preschool for 4-year-olds, the Des Moines Register reported. This bill, which also cuts funding for family planning and smoking cessation programs, is expected to save $500 million over the next three years.

Iowa began phasing in a preschool program in 2007. In the four years since the program began, the state has spent an estimated $156 million.

Democrats in Iowa, the Register reported, called the bill a “job killer that picks on 4-year-olds.” Republicans countered they are in favor of financial aid for low-income families to help them pay for preschool services. They declared they were not Ebenezer Scrooges, the paper reported, and they were not, “taking away education from the Tiny Tims.”
MEDICAID SPENDING
The U.S. Supreme Court has agreed to hear three California cases that question how much states can cut Medicaid spending, the Los Angeles Times reported. In recent years, the California legislature has cut Medicaid payments to medical providers to reduce costs by billions. Providers have sued the state in federal court in each instance, claiming the cuts conflict with Medicaid law. The state has argued the providers have no right to sue and they also have no right to a specific payment.

PREASSUMED CONSENT
Colorado residents could be the first in the country to automatically be considered organ donors when signing up for a driver’s license, The Denver Post reports. Called “presumed consent,” the idea is common in Europe and has raised organ donation rates. In the United States, however, residents must opt in to organ donation by signing the back of their driver’s license. The Post notes that three states—Delaware, Illinois and New York—have considered and rejected similar legislation in past sessions.

REDEVELOPMENT BOOM
California cities were rushing to approve and spend redevelopment funding shortly after Gov. Jerry Brown announced he wanted to close redevelopment agencies and use those tax dollars to support core local services, The Sacramento Bee reported. Brown made the proposal to help close the state’s massive budget gap. The governor’s spokesperson said Brown hopes the money is being used to create jobs now.

DUI ON A HORSE?
“Can you be charged with DUI if you’re riding a horse?” A public service television commercial in Montana urges people who drink to rely on a sober friend for a ride home—in this instance, a horse, according to USA Today. One police chief has gotten a lot of calls since the ad started airing about whether it is legal to ride a horse drunk. The answer—it’s not illegal, though the police chief wouldn’t advise it. The chief was happy, though, that people are listening to the message.

FINANCIAL LITERACY
Oregon State Treasurer Ted Wheeler is sounding a call for Oregonians to learn more about financial literacy, the Statesman Journal reported. Wheeler, also a member of the state board of education, said he would ask educators to work financial literacy into math lessons. A recent survey shows four out of 10 families would be broke within a month if the major breadwinner became unemployed. “That is a clarion call, that is a big red flag,” Wheeler said.
The digital economy is shifting the way people interact with business. The old economy involved the transfer of physical goods and paper records, or interaction of people in person or by phone. The digital economy has increased the share of those transactions through digital electronic means. Since 1999, the number of online retail sales has increased as a share of total retail sales by 5 percent each quarter. The Kauffman Foundation report—2010 State New Economy Index—measured five aspects of the digital economy in its digital economy indicators. Several states have made progress in those indicators—online population, use of IT to deliver state government services, percentage of farmers online, broadband deployment and health IT. At right are the 5 biggest movers in 4 of the categories; a baseline had not been established for health IT.

Source: The Kauffman Foundation, 2010 State New Economy Index

The Kauffman report calculated indicator scores based on the aspects of a digital economy. The percentile rankings are based on the states’ scores on five indicators—online population, domain name registrations, e-government, online agriculture and broadband telecommunications.
BIGGEST MOVERS // BROADBAND DEPLOYMENT

1. Washington (1, 2010 Rank)
2. Nevada (2, 2010 Rank)
3. Texas (3, 2010 Rank)
4. Idaho (4, 2010 Rank)
5. Arizona (5, 2010 Rank)

BIGGEST MOVERS // E-GOVERNMENT

1. Washington (1, 2010 Rank)
2. Nevada (2, 2010 Rank)
3. Texas (3, 2010 Rank)
4. Idaho (4, 2010 Rank)
5. Arizona (5, 2010 Rank)

BIGGEST MOVERS // ONLINE AGRICULTURE

1. Washington (1, 2010 Rank)
2. Nevada (2, 2010 Rank)
3. Texas (3, 2010 Rank)
4. Idaho (4, 2010 Rank)
5. Arizona (5, 2010 Rank)

BIGGEST MOVERS // ONLINE POPULATION

1. Washington (1, 2010 Rank)
2. Nevada (2, 2010 Rank)
3. Texas (3, 2010 Rank)
4. Idaho (4, 2010 Rank)
5. Arizona (5, 2010 Rank)
1. Why was it important for the commission to be bipartisan?

“It’s bigger than politics. It’s a huge thing that we’ve never dealt with before. We’ve never had these kinds of figures. Everyone we talked to are experts and we used the actuaries of systems—Social Security, Medicare and Medicaid. We didn’t go for any high-blown bias on either side. We just pulled the actuaries in and 115 groups testified. They said, ‘It’s a serious problem here. My sakes alive.’ And before they left the microphone, they said, ‘Don’t touch ours.”

2. What role will the states play in addressing the problem?

“Many states have learned how to beat up and get it out of the feds. … We were all sent to Washington to bring home the bacon. Go get the money for the state, for the schools, for the highways, for the dams, for the crops. You name it. You go get it, and that worked. So we all got re-elected on that basis, but now the pig is dead; there ain’t no bacon to bring home.”

3. If some of these recommendations gain approval, what will states need to do to address the effects?

“Our governor here (in Wyoming), very able, a Democrat, just retired. About two years ago he said, ‘Cut everything 10 percent and you agency heads figure it out. You know where it is.’ Nobody bitched; nobody said anything. They just went about their business. They know exactly where the dead weight is. Every agency, every group, small offices—they know who is there and who isn’t cutting it. That’s what he did and that’s what the states are doing. … You can’t hope the federal government will stay alive so it can furnish money for the states.”

4. Do all recommendations need to be enacted for it to work? Is it all or nothing?

“If it were all or nothing, it would be like swallowing a basketball, so I don’t think they’re going to do that. They’re going to probably go at it incrementally just like they’re going to be forced to do with the ‘repeal’ of Obamacare. They’re never going to get that done as a flat-out repeal. … It would be very difficult to pass it as a single element.”

5. Are there things the states are doing that could apply to the federal government?

“You bet. Cut spending. You can’t do any better than that. That’s what the states have had to do. That’s what the federal government is going to have to do. It’s going to be painful. There’s no such thing as an easy way out of this, baby. Nothing. The states have set the tone—balanced budgets, gotta do it, gotta cut. So we put in there, we cut White House staff, congressional staff 15 percent. We freeze (spending) for three years. … You can’t leave one giant jackpot of money and pretend it’s not going to affect the states. Either the feds get control over themselves, or the states, … they ain’t seen nothing yet.”

6. These problems have been around and growing for quite a while. Why is it so difficult to address the problems?

“One of the reasons is that unfortunately, those of us in politics have worshipped the great god of re-election. When you do that you’re stymied. Into your office is the head of the AARP of Wyoming or Pennsylvania. … Erskine and I said we’re into this, … you get clobbered, but I’ll tell you we’re doing it for 14 reasons: He has eight grandchildren and I have six. Unless somebody gets off their ass and starts thinking about the younger generation, this is certainly not the greatest generation, … we who are over 80 or in our late 70s.”
Former U.S. Sen. Alan Simpson served as co-chairman, with Erskine Bowles, of the National Commission on Fiscal Responsibility and Reform, a bipartisan panel charged with studying and making recommendations on the nation’s fiscal challenges in this decade and beyond. The commission’s “Moment of Truth” report has drawn criticism and debate, but did not garner enough votes for consideration by Congress.

**7. What does the growing partisanship do to the ability to govern and make the decisions?**

“It’s a poisonous effect. It’s venom. We found the first few weeks of our meetings were simply sniping. … We said, it’s time to be citizens, even patriots if you will. … Now when we are into this terrible fix, you’re not members of any organization. You’re not members of the NEA or the NRA or the AFL-CIO or the whatever, whatever the right and the left and all the rest. You have to give that up. You’re an American citizen and this is where we are right now. If you’re just a member of the National Association of Realtors or the municipal league … and that takes precedence over your duties and obligations and the gut feeling of how you’ve got to do things as an American citizen, we won’t get our way out of it.”

**8. What do state leaders need to know about what they need to be doing?**

“They need to know the great milk cow in the sky has dropped dead and that it’s over. If they’re waiting for the next injection of some kind of funding from the feds to get the states propped up, they probably saw the last one go by with the last compromise, which added almost 1 trillion bucks to the deficit without any reduction in spending.”

**9. Have people realized the extent of the problem?**

“People say, ‘Where is the tipping point here when we suddenly slip?’ It won’t be two years or one. The tipping point will be coming in the next few months when they say, ‘You must increase the debt limit to $14 trillion, either $100, $200 or $300 billion. … It’s rising at billions a day. A lot of the new ones will say, ‘Wait a minute. I’m not going to vote for that. I came here to cut spending.’ Say, ‘Great, let me tell you pal, you can’t avoid this. If you don’t vote to extend the debt limit, then the full faith and credit of the U.S. could be in jeopardy and we might even have to shut down the government.’ And some of them are going to say, ‘That’s why I came here.’ And at that point, watch out.”

**10. What will happen if something isn’t done?**

“The do-nothing will leave their children and grandchildren picking grit with the chickens in 40 years, 50 years, without question. Everybody knows this. Look at the trustees’ report. They’re unanimous telling us what is happening with Social Security. Look at disability insurance. It’ll be gone in eight years because everybody has learned how to get at that one too.”

“We think we hit every nerve. If you didn’t hit every nerve, you put out a bunch of mush.”

—Former U.S. Sen. Alan Simpson

On the National Commission on Fiscal Responsibility and Reform recommendations

Read the full interview with Alan Simpson at capitolideas.csg.org.
As historic “laboratories of democracy,” states have been looked to for policy and program innovations, which after adoption in one state could be diffused to others, then institutionalized as national programs. Recent experiments in state laboratories have included welfare, elementary and secondary education, and health care reforms.

The Great Recession slowed the innovation pace and threatens to close some laboratories. Policymakers and public administrators are focused on cutting and capping programs and personnel, not on exploring new ideas or launching initiatives requiring new spending.

Yet, some state leaders have asserted, “a crisis is a terrible thing to waste,” and point to proposals and actions suggesting a resurgence of innovation interest:

» Reorganizing state agencies, boards and commissions to reduce personnel and energy costs, consolidate functions, and promote efficiency, effectiveness and customer service;

» Restructuring local government through state-encouraged city-county consolidation or collaboration, elimination of aid to small jurisdictions, and merger of small and rural school districts to achieve economies of scale and reduce personnel costs;

» Selling state buildings, facilities and toll roads to private companies, with lease-back provisions where appropriate;

» Outsourcing services like mental health, jails, workers’ compensation and information technology to nonprofit and for-profit providers;

» Revamping public employee pension systems;

» Providing regulatory relief such as prohibiting state agencies from promulgating regulations containing unfunded mandates; and

» Developing strategies to implement major national policy initiatives, including launching the next wave of K–12 education reforms triggered by the Race to the Top competition, and moving forward with plans to expand Medicaid enrollment, streamline eligibility and enrollment systems, and design health insurance exchanges pursuant to the Patient Protection and Affordable Care Act.

These examples underscore that some state leaders are looking beyond traditional cost-savings and cutbacks to balance budgets. They are considering steps to reshape governmental structure, refocus service delivery responsibility, and rethink the role of state government in the federal system.

This is an historic opportunity for the states’ innovation laboratories. But formidable challenges remain in the path of state innovators:

» As states emerge from the recession, pent-up needs—such as facility and infrastructure renewal and public employee salaries—will demand attention;

» States’ administrative capacity has been diminished by furloughs, retirements and layoffs without infusions of new talent to the managerial ranks;

» A retirement “tsunami” over the next few years could further erode managerial capacity and drain under-funded state pension systems;

» Rigid regulations and procedures, hierarchical command-control systems, and outmoded personnel, budgeting and management processes remain well-entrenched;

» Absence of rewards for risk-taking, creativity and discretion, coupled with a “fear of failure” mentality in public bureaucracies; and

» Insufficient federal leverage and funding to encourage and reward innovation and experimentation.

With significant federal domestic spending cuts likely, states will need to boldly innovate. The leadership challenge is to keep the “laboratories of democracy” open in hard times, capitalize on opportunities to reshape and reposition government structures, functions and finances, and build on the historic innovation reputation and record.
Those laboratories of democracy are at it again. States are coming up with new ways to do things—use technology, serve residents and save money. Finding new and better ways to do things isn’t always easy, but these ideas might help other states in their quest to be the best.
**Legislators Find an App for the iPad**

Some Virginia legislators of varying levels of technological savvy have traded in their laptops for iPads. The new gadgets are good reading devices, and the iBooks app allows lawmakers to read the text of bills and make notes. Plus, they don’t need yet another laptop for the floor since lawmakers generally have other computers at their disposal. The iPads just made sense because they better meet the specific needs of legislators, said Sharon Crouch Steidel, director of Information Systems in the House Clerk’s office.

“They are simple to use, intuitive, light, can be stashed in a briefcase or even a purse, and most importantly, are a technology solution that helps legislators as they go throughout the day,” Steidel said.

Legislators can access files that have been uploaded to the cloud by their staff, eliminating the need for thumb drives or paper copies of legislation. The iPad also brings a lawmaker’s multiple inboxes and calendars to one location.

The small group is part of a pilot project in the Virginia House and Senate. The House Clerk’s Office spent just under $20,000 for 25 iPads and accessories for 15 legislators and staffers. If the pilot is successful, the General Assembly could replace all the laptops given to legislators and save money—the iPad costs less than a computer. In addition, Steidel said, if lawmakers are more likely to use the devices, it is a better investment of technology dollars.

Virginia may be the first to replace laptops with iPads in the legislature, but likely won’t be the last. Colleagues around the country have contacted Steidel, eager to hear how the project is progressing. “This is where things are going,” says Steidel. “Get on board.”

—Jennifer Horne

**iTunes for Education**

Teacher professional development in California and Texas jumped into a new realm of technology with the launching of a dedicated area within Apple’s iTunes store. Educators can access lectures, lab demos and a wealth of educational content on iTunes U. All resources are free. Teachers not only have information at their fingertips from a variety of states, museums and other education-related groups, but they also can access it at their convenience.

**Trusted for Medical Care**

Democrats, Republicans, unions and municipalities in New Hampshire agree—retiree medical trusts are a good way to target the escalating medical costs for retired state employees. As the first state to formally endorse the benefit, New Hampshire allows workers to make tax-free contributions to accounts managed by their unions. The money is pooled together and invested, and both the investment returns and the distributions paid to retirees for health care expenses are tax-free. Total expected annual savings in health subsidies paid to retirees: $60 million.

**Highways on the Superhighway**

Kansas’s K-TOC, or Transportation Online Community, is a unique, state-operated online community devoted to transportation issues, the first such government-operated community of its kind. It’s a “meeting place for transportation-minded Kansans.” The community boasts a membership of 950 people, and has harnessed the power of online social networks by participating in discussion groups, posting blogs and files, and making comments about issues like highways and roads, transportation and the environment, bike and pedestrian issues, and traffic safety.

**Visits Verified by Voice**

Floridians can rest assured the home health visits Medicaid pays for in Miami-Dade County actually happened. That’s because nurses and home health aides must call into a voice-recognition system from the patient’s home phone at the beginning and end of each visit. The pilot project that started last summer also generates automated billings. The state gets a triple win: The project has improved the quality of care, generated administrative cost savings and helps prevent fraud.
[ OREGON & KENTUCKY ]

**EDUCATING IN THE CLOUDS**

Educators in a few states have their heads in the clouds … and that’s a good thing.

**Oregon** partnered with Google to provide free e-mail and online application systems for its K–12 public school districts. Google Apps for Education allows students and staff to communicate online as well as create e-portfolios and websites as part of the learning environment. The state expects to save $1.5 million each year on e-mail costs alone.

Those savings add up. Local school boards have had to cut staff, programs and services, said Susanne Smith, communications director at the Oregon Department of Education. The state has focused on new ways to regain lost resources.

“Google Apps for Education not only gives our classrooms much needed resources, but it gives our students experience with the very technology they’ll need to know when they graduate,” Smith said.

In **Kentucky**, more than 700,000 students, teachers and administrators use **Live@edu**, a no-cost suite of easy-to-use online services provided by Microsoft. The Bluegrass State broke ground in the early 1990s by mandating one e-mail system for schools across the state. That came after the courts declared the state’s method of public school funding was unconstitutional.

The state went a step further in unveiling **Live@edu** in 2010; it gives school districts not only e-mail capabilities, but also student data management, financial management and Internet.

David Couch, associate commissioner in the Office of Knowledge, Information and Data Services at the Kentucky Department of Education, said the 21st century communications and collaboration tools are a “tremendous success.”

The state expects to save $6.5 million as it transforms student learning in the state.

—Pam Goins

[ WASHINGTON ]

**SUSTAINING PRISONS, PRISONERS AND THE WORLD**

If you Googled “sustainable prisons” eight years ago, you wouldn’t have gotten one hit.

Now, said Dan Pacholke, deputy prisons director for **Washington** state, “you’ll come up with 1.4 or 1.7 million hits.”

Started in 2003, the Sustainable Prisons Project is a partnership between the Washington Department of Corrections and Evergreen State College in Olympia. The goal is to reduce the environmental impact of prisons and help both staff and prisoners learn more sustainable practices.

Sustainable Prisons has projects at four facilities, although ideas like composting and energy efficiency have spread throughout the system. At one prison, inmates work with the Washington Department of Fish and Wildlife to raise the endangered Oregon spotted frog, which is being reintroduced to the wild. At other facilities, prisoners are helping with research on bees, raising native prairie grasses and butterflies.

Pacholke said participating prisons hold monthly lectures on a variety of environmental topics. Prisoners work hand-in-hand with researchers and community college students. Pacholke and Nalini Nadkarni, a member of the faculty at Evergreen State College, co-direct the program.

The project has reduced water usage by 10 percent, solid waste by 35 percent and energy use by 13 percent. Not bad for a program now funded solely by grants and donations.

“Linking science with prisons is genius and I still believe that,” Pacholke said.

—Jennifer Ginn

[ MAINE ]

**DON’T FLUSH THAT MEDICINE**

Unused medicine in **Maine** doesn’t just get flushed. The state legislature in 2010 continued funding—$300,000 over two years—for a program to provide prepaid envelopes for disposal of unused medicines—no questions asked. A pilot program found 42 percent of the envelopes are used; controlled substances make up 17 percent of the returns. That’s prompting other states to look at Maine’s program as a way to reduce the growing problems of prescription drug abuse and water pollution from flushed medications.

© AP Photo/John Froschauer
[ ARIZONA ] ONLINE VOTER REGISTRATION

Americans perform many of their daily tasks online, and in a handful of states, they can also register to vote. Arizona was the first state to offer online registration, and eight years after its launch, the public has shown its approval—70 percent of registrations are now completed electronically. The state’s system comes with an added bonus: Because it is housed in the Motor Vehicle Division, voter and motor vehicle registrations are updated simultaneously.

[ NORTH DAKOTA ]

ECONOMIC SECURITY—NORTH DAKOTA BANKS ON IT

While other states grapple with a down economy, North Dakota has money to lend. The state operates the only state-run bank in the country. The Bank of North Dakota works for the state because it is able to proactively distribute residential, student and business loans in consideration of the public interest and the profits generated by the bank are redirected to the state’s general fund.

“We do what it takes to enhance economic development in the state of North Dakota. We are frequently seen as the correspondent bank of choice,” said Robert Humann, the bank’s senior vice president of lending.

The efficacy of the bank is bolstered by North Dakota’s unusually prosperous economy—the state is running a surplus when many states are struggling to make ends meet.

Even in this prosperous context, which to a limited degree obscures the bank’s contribution to the state’s fiscal health, the bank has produced some clear deliverables. It has sent more than $350 million in profits to North Dakota’s general fund since 1997 and responded to a flood crisis by setting up a disaster relief fund to establish loans for farmers and businesses. The bank also has been able to function as a “rainy day” fund for the state.

Other states—including Hawaii, Illinois, Massachusetts, Virginia and Washington—have considered bills to create state banks.

—Nathan Dickerson

[ MICHIGAN ]

UNDER A CLOUD … IN A GOOD WAY

Michigan state government is going to the cloud to revolutionize the way it does business. And it’s taking steps to make sure that cloud doesn’t produce a rain of problems. The state developed an innovative “government cloud” that consolidates data centers, information and telecommunications. With such consolidation comes potential security risks, but Michigan has taken a pre-emptive stance, developing comprehensive policies, procedures and strategies to ensure that critical and essential government functions continue in the event those risks become reality.

[ NORTH CAROLINA ]

THE BRDSNBZ

North Carolina educators specializing in adolescent pregnancy prevention launched the BrdsNBz text line in 2009 to engage teens on their turf and respond to individual questions quickly and confidentially. With a $5,000 investment and judicious use of existing staff resources, BrdsNBz was the first to use anonymous text messaging to answer sexual health questions within 24 hours from youth across an entire state.

BANK OF NORTH DAKOTA

Eric Hardmeyer is president of the Bank of North Dakota in Bismarck, the only state-owned bank in the nation. Officials in other states are studying whether a state-owned bank could help improve their economies.

© AP Photo/Dale Wetzel
**[ VIRGINIA ]**

**MOBILE LEARNING**

Kids like their apps. That's one reason Virginia partnered with Apple as part of the 2010 Virginia Mobile Learning Apps Development Challenge. As part of the contest, developers will create educational iPod, iPad and iPhone applications covering world, U.S. and Virginia history and geography. The winning application will receive $10,000. This initiative is an effort to make learning fun and explore how these new technologies can complement the classroom experience.

**[ NEW YORK ]**

**GETTING SMART WITH LABOR**

The New York Department of Labor is using a very brainy program to help unemployed workers find a job that fits their unique knowledge, skills and abilities. SMART 2010 uses artificial intelligence to scan resumes for keywords and themes, and compares that information with local job openings to suggest matches to job seekers. To date, more than 65,000 resumes have been submitted to the system and around 16,000 workers have found a job thanks to SMART 2010.

**[ NEW JERSEY ]**

**TRADERS TO TEACHERS**

With the economy still struggling and job creation remaining slow, New Jersey has developed a creative program to move unemployed Wall Street traders to the classroom as teachers. The pilot program, launched in September 2010, is viewed as a win-win for both the economy and the state’s public school system. An initial class of 25 people went through the accelerated three-month program, receiving certificates to teach math upon completion of the class.

**[ KENTUCKY ]**

**GOING GREEN FOR GREENBACKS**

Sometimes you have to spend money to save money. The Green Bank of Kentucky makes loans of $50,000 or more to state agencies to help pay for projects that reduce energy usage, lower operating costs and make state buildings more energy efficient. The low-interest loans may be used for new construction, upgrades, retrofitting and administrative costs. The amount agencies must repay is tied to how well the projects actually reduce energy consumption.

**[ ALASKA ]**

**A NEW KIND OF DENTAL CARE**

Rural Alaskans no longer have to use a string and doorknob to fix an aching tooth. New dental therapists are successfully treating patients in remote villages accessible only by air or water, where dentists are usually available only one week a year. Modeled after training used for decades in New Zealand, the Dental Health Aide Therapy program trains high school graduates for two years, followed by a practicum that lasts until the dentist decides they are ready for certification and independent practice.

**[ IDAHO ]**

**A PRICELESS I-T JEWEL**

Anything that helps ease workflow and promote enhanced transparency in government must be a gem. Actually, that’s what Idaho calls its government electronic management system—GEMS—which uses in-house expertise at a fraction of the privatized cost. The seamless GEMS provides an integrated access point for Idaho’s Code and Session Law, helps legislators draft and track legislation, manages information flow between legislators and staff, manages legislative calendars and daily journals, updates the Idaho Code, produces all publications and automatically updates the legislature’s website.

DENTAL THERAPISTS

Dental health aide therapists like Stephanie Woods serve residents in the remote villages of Alaska.

© AP Photo/James Mason
[WEST VIRGINIA] NO SCHOOL? NO PROBLEM!
A snow day in West Virginia doesn't have to mean lost learning time. Learn21, a website created in 2010 for students in grades K–12, offers interactive games, virtual field trips and video lessons in math, science and social studies. With a few clicks of the mouse, students can keep up with their lessons even if wintry weather cancels school for extended periods.

[UTAH] WATCHING OVER THE ROADS
Utah has installed 17 road condition monitoring, low-cost Web cameras at remote locations throughout the state. The solar-powered camera system uses high-speed wireless communication and infrared sensors to broadcast video from distant, dangerous mountain passes and other problem areas. The system allowed supervisors this winter to quickly determine whether an area needed to be plowed rather than automatically sending a plow to investigate. Officials estimate an annual savings of more than $200,000.

[ILLINOIS] A DIFFERENT KIND OF WELCOME CENTER
You typically see a welcome center when you cross the state line. The Illinois Welcome Center serves those crossing an international line.

The center opened in 2007 as a one-stop multi-agency service center to assist immigrants and refugees. More than 2,000 immigrants have accessed services and information about social services, health care, education and employment, among others.

Because it serves immigrants and refugees from many countries, the center has access to multilingual interpreters and translators.

The services and programs provided are "empowering immigrants with the tools necessary to become contributing community members" and makes "immigrant integration a deliberate, strategic priority," Silvia Villa, director of the Welcome Center, said in the program's application to the CSG Innovations Awards.

This effort was a collaboration between nine state agencies and works with the faith-based community and other nonprofit organizations. The Illinois Welcome Center is located in North Riverside and has a satellite office in Melrose Park with the Mount Carmel Community Center.

In addition to providing daily services, the Welcome Center also hosts Welcoming Days, a comprehensive resources fair that provides information and access to state services for local residents. Villa wrote. The Welcoming Days events have served 4,000 people.

The center was established as part of an executive order based operation, and tutors are located throughout the country. Since first going online, HomeWorkAlabama.org has served more than 95 percent recommend the service.

“it's based on the old chat system," said Rebecca Mitchell, director of Alabama Public Library Services, which operates the program. "The student will write the question. … The tutor will come back and say, 'Tell me what you know.' And from that point they do a dialogue back and forth. It's more of a Socratic method of learning."

Occasionally, students find the tutoring sessions, which average slightly more than 20 minutes, unhelpful. Mitchell says while tutors will assist students with a problem, they will not give the student the answer. However, feedback left by students following their tutoring sessions shows more than 95 percent recommend the service.

HomeworkAlabama.org, which costs approximately $500,000 per year to operate, is funded equally by state and federal funds. The online service is currently run by tutor.com, a New York-based operation, and tutors are located throughout the country. Since first going online, HomeWorkAlabama has exceeded 50,000 tutoring sessions per school year.

It initially limited tutoring help to students in grades 4–12, but has expanded to include early grades and adult learners. Mitchell said she hopes to receive enough funding to expand it to serve students on weekends in the future.

—Tim Weldon
**[VIRGINIA]**

**VALET FOR BUSINESS GROWTH**

In today’s global economy, businesses with an international presence have a competitive advantage. Virginia’s VALET program is a public/private partnership designed to help the state’s companies expand their international business. Each year, the program provides capital resources and professional services to 25 qualifying companies. Companies that have completed the program have experienced an 88 percent increase in international sales on average.

**[OHIO] COMPUTER TRACK**

Computers can do it better than humans. For the first time, an Ohio hospital is reporting communicable diseases by electronically extracting data from health records and sending it to the state health department. Using open-source software tested in Massachusetts, the hospital’s all-electronic process maintains patient confidentiality and produces more accurate and much faster reports. For commonly reported gonorrhea and chlamydia, the hospital estimates saving $5,000 annually, which translates to $7 million nationally.

**[NORTH CAROLINA]**

**FAST CHECKING FOR SERVICES**

Day or night, North Carolinians can use the Internet to check their eligibility for government programs. NC FAST—Families Accessing Services through Technology—will replace 19 legacy computer systems in nine program areas. Initially, people can complete food stamp applications online, but must print and then mail, fax or deliver them to the local county social services office. Eventually the system will allow electronic submission of applications for a range of services, including food stamps, disaster assistance and Medicaid.

**[KENTUCKY & OHIO]**

**A GOOD DRUG DEAL**

Kentucky and Ohio have begun sharing data between their prescription drug monitoring programs in an effort reduce abuse and ensure drugs are being used properly. While 43 states have or are in the process of developing prescription monitoring programs, this initiative represents the first effort to share prescription drug data on an interstate basis. A model interstate compact, developed by CSG’s National Center for Interstate Compacts, was based on the Kentucky and Ohio model and aims to replicate the agreement on a national level.

**[ALASKA]**

**TAKE YOUR KID TO WORK ... EVERY DAY**

Alaska legislative staff employees don’t have to travel far for child care. Their children get prime parking at a legislative branch-operated child care center in a newly renovated office building next to the Juneau capitol. Year-round preference is given to legislative branch employees’ children. During the 90-day lawmaking session, three spaces in the infant, toddler and preschool rooms are available for legislators’ children. If the legislature’s schedule requires parents to work, no worries: Special holiday and late hours are provided.

**DRUG TRACKING**

Westerville, Ohio, pharmacist Jarrett Bauder sometimes becomes suspicious about a customer having a prescription filled for painkillers. Ohio and Kentucky are piloting a project to share prescription information across state lines. 

© AP Photo/Kiichiro Sato
[ WYOMING ]
TELE-Hearings

Wyoming is the 10th largest state, but has the second smallest population density, so traveling to Cheyenne is not always convenient. Enter the great leveler—technology. The legislature remodeled its main legislative meeting room to tap into the state’s extensive video conferencing system—35 sites in 23 communities. Legislators may participate in committee meetings from their districts or obtain testimony remotely. Last year, the system was reserved for one day each week to hold statewide public hearings on bills. Officials expect even more use this year.

[ SOUTH DAKOTA ] SMART HUNTING

South Dakotans don’t need to wonder if they’re over the line when it comes to hunting. They can just check their GPS unit or smartphone. The state developed GPS maps of public hunting lands and makes those map files available on its website. Since the mapping system was developed in 2009, it has helped nearly 5,000 hunters in locating, scouting and hunting South Dakota’s public lands.

[ VIRGINIA ]
SAVING BABIES

The Virginia Department of Health is taking a hard look at why so many of its youngest residents don’t make it to their first birthday. The state has a variety of wraparound programs that are reducing that rate. Among them, the Saving Babies program gives grants and flexibility to the health districts with the highest infant mortality rates. Health officials identify the highest-risk women, educate them on preterm labor and preconception health, and coordinate the care of private and public health providers.

[ ALABAMA ]
PARK THE ENERGY COSTS

Resorts, hotels, cabins and cottages at Alabama State Parks are trying to maintain costs through an energy efficiency program launched by the Alabama Department of Conservation and Natural Resources. Johnson Controls, a firm that specializes in increasing energy efficiency for buildings, is managing the initiative. The upgrades will focus on conserving water and energy used for lighting, as well as improving insulation. The agency expects to save $9.1 million in energy costs over 15 years.

[ INDIANA ]
CUTTING PRISON COSTS, INCREASING SAFETY

Indiana’s prison population grew by more than 40 percent in the last 10 years—three times faster than any neighboring state—but the state’s crime rate declined only slightly.

As in 14 other states, Gov. Mitch Daniels and state leaders are looking at a Justice Reinvestment approach, which seeks to avert unnecessary prison growth and better handle offenders coming into the system. The state could use an estimated $1.2 billion in savings to invest in valuable public safety initiatives that reduce recidivism, making Indiana’s neighborhoods safer in the process.

Research by the CSG Justice Center identified three significant drivers of prison growth and recidivism:

- One-size-fits-all drug sentencing laws have led to even minor, nonviolent drug offenders’ spending more time behind bars than some violent and sex offenders.
- Probation and parole agencies are not well coordinated; people sentenced to community supervision are routinely monitored by multiple agencies, wasting valuable resources and undermining public safety.
- People with substance use disorders, mental health issues or little education have limited access to programs that reduce their likelihood of reoffending.

Legislators are considering a bill that would address those issues.

“These policies would help Indiana make sure that lawbreakers are sentenced in a smarter way, one that matches their true danger to society,” Daniels said. “We can be tougher on the worst offenders and protect our citizens more securely.”

The CSG Justice Center’s Justice Reinvestment Initiative is a partnership with the Public Safety Performance Project of The Pew Center on the States and the Bureau of Justice Assistance, U.S. Department of Justice.

—Robert Coombs
[ UTAH ]

LESS IS MORE

The Utah Department of Technology Services has found a way to improve its network performance while saving money. The agency consolidated 35 data centers and a majority of the state’s 1,864 servers into two data centers. The move has reduced the total runtime for state payroll from 39 hours to 3.5 hours, and the department estimates the initiative will lower the cost to support the state network by about $4 million a year. Utah’s Data Center Consolidation Initiative is also a key part of a plan to create a computer “cloud” infrastructure to serve state and local governments in Utah.

[ MASSACHUSETTS ]

SMOKING CESSATION PROGRAM SAVES MASSACHUSETTS MONEY

It seems like a no-brainer—get people to stop smoking and save on health care costs.

In 2006, Massachusetts began comprehensive smoking cessation coverage for Medicaid enrollees. The state made available a full package of all FDA-approved medications to quit smoking and behavioral counseling and promoted them through radio and transit ads. It also was aggressive in its outreach to consumers and health care providers.

The efforts have paid off. More than 75,000 people—40 percent of Medicaid patients who smoked—used the benefits to try to quit smoking. The smoking rate among Medicaid enrollees dropped 26 percent in two and a half years. The risk of heart attack hospitalization fell by 46 percent for Medicaid enrollees who used a smoking cessation benefit.

“By making a comprehensive smoking cessation benefit available to MassHealth (Medicaid) members, we have significantly reduced the number of expensive hospitalizations—helping people lead healthier lives and saving taxpayer dollars,” Gov. Deval Patrick said in a press release.

Other preliminary results suggest declines in maternal birth complications and emergency room use for asthma. A study is looking at the cost savings, but the state expects it to be significant.

Massachusetts Medicaid Director Terry Dougherty expects savings from a decrease in spending for tobacco-related illnesses.

“Given that these costs are truly avoidable, introducing the benefit has both a personal impact to our members and frees up funds for other necessary purposes,” Dougherty said.

—Ann Kelly and Debra Miller

[ MISSOURI ]

A DIAMOND IN THE ROUGH ROAD CONGESTION

The Show Me State is showing a lot of other states how to not only reduce congestion and improve safety, but also save money and time with a type of highway interchange new to the U.S.

The state in 2009 built a Diverging Diamond Interchange, or Double Crossover Diamond as it is sometimes known, at the intersection of Interstate 44 and Missouri 13 in Springfield. It’s designed to give cars turning left uninterrupted access to the highway through their own ramps by channeling traffic temporarily to the opposite side of the road.

Before the interchange was reconfigured, motorists often saw backups of a mile or more during daily peak travel times, according to the Missouri Department of Transportation’s Don Saiko.

“(Now they) no longer have to wait in backed-up traffic; they are able to move through this interchange quickly,” Saiko said.

The new interchange has reduced crashes by 50 percent. The state was able to build it in one-fourth the time and at one-third the cost of another type of interchange.

Saiko said he’s spoken to state transportation officials and consultants in 35 states that are looking to duplicate the successful interchange.

“There has been widespread interest, … especially as many state (departments of transportation) across the country are facing tough economic times and seeing a dramatic decrease in funding,” he said. “These agencies are looking for ways to improve traffic flow with decreased funding. (The diamond interchange) is one way this can be done if it’s the right solution.”

—Sean Slone

[ NEVADA ]

GOT AN OPINION?

People love to share their opinion. So for the last few sessions, Nevada has given residents the opportunity to sound off on different proposals that have come before legislators. The Nevada Legislature’s Online Opinion Poll allows residents to sound off on proposed legislation. During the 2009 regular session, more than 26,000 citizen votes were cast on more than 600 bills. The vote tallies help legislators gauge the reaction of residents who will be impacted by their decisions. Sorry … there’s no wagering system on legislation yet.

[ GEORGIA ]

A PENNY FOR YOUR ROAD

Georgia voters in 2012 will have the opportunity to decide whether to approve a penny sales tax increase to fund transportation projects selected by a regional board in their part of the state. Officials see it as the only hope for finding new transportation revenue in the years ahead. Policymakers believe regional transportation referenda may prove more politically popular than statewide funding initiatives, since voters would know the money is only going for roads they use regularly.
Governors who took office in January know they will face many challenges as states continue to pull themselves out of the Great Recession. While there’s little wiggle room for innovation, these men and women know they’ll be responsible for leading a transformation in their state governments as policymakers strive to do more with less and address the growing challenges facing the states. But their outlook is not just grim. Everyone from Iowa Gov. Terry Branstad and California Gov. Jerry Brown—both of whom previously served their states as governor—to brand new governors shared insights into how they’ll govern in their inaugural, state of the state and other addresses.

“Our third strategy is to foster a culture of entrepreneurship where all of our four-year universities operate business incubators that support startup enterprises of all kinds.”

—North Dakota Gov. Jack Dalrymple

“We will need to reach deep to our roots, those of strength yet compassion, steadfastness yet innovation. And most importantly, we will need to solve our problems—TOGETHER—by pursuing with great urgency not Republican ideas or Democratic ideas, but good ideas that know no political master or agenda.”

—Connecticut Gov. Dannel Malloy
“Great teachers should be rewarded. Poor teachers should be removed. ... We need a testing program that is administered in a way that will measure students and teachers alike in a manner that clearly identifies both success and problems.”

—Wyoming Gov. Matt Mead

“My only purpose, my only passion in all of this has been to lift Ohio, to make us competitive again, and to create jobs for our families. Because when our families have jobs, they have hope. They have dreams. And they have strength.”

—Ohio Gov. John Kasich

“Great teachers should be rewarded. Poor teachers should be removed. ... We need a testing program that is administered in a way that will measure students and teachers alike in a manner that clearly identifies both success and problems.”

—Wyoming Gov. Matt Mead

“Snyder: Reinventing Michigan

Gov. Rick Snyder is prepared to spearhead the “reinvention of Michigan.”

Speaking to a crowd during his Jan. 1 inauguration, Snyder impressed upon residents that they are at a turning point.

“This election was a point of realization. It was the point where we understood that the old ways don’t work. It is time to start a new era in our state’s history. If we stayed on this current path, we would continue to go downward,” he said.

Snyder stressed the importance of eliminating divisiveness and implementing inclusivity. He said he believes the reinvention of Michigan cannot leave anyone behind. “We need to put party and geography aside and come together as Michiganders to reinvent our state,” he said.

To reinvent the state, Snyder believes Michigan must commit to at least four objectives: being a globally competitive leader in innovation, creating more and better jobs, creating a bright future for young people and working together while not leaving anyone behind.

Snyder said he will not shy away from high expectations placed on him and his administration. “It is also time to be bold,” he said. “I’ve been cautioned by many that expectations are already too high. We shouldn’t walk away from high expectations. It is time to deliver on high expectations. We need to stop accepting the status quo.”

Snyder talked of looking beyond traditional methods in order to obtain the needed results.

“We can only achieve extraordinary things if we aspire beyond traditional thinking,” he said. “The old unbelievable needs to become the new achievable—new expectations for our lives and the lives of our children.”

—Heather Perkins
“I will also reallocate funds from the Hawaii Tourism Authority to basic government services such as environmental protection, improvements to public facilities, and advancing culture and the arts. The amount we are spending in the name of marketing Hawaii has grown disproportionate to the amount we need to spend on Hawaii’s own infrastructure, social as well as physical.”

—Hawaii Gov. Neil Abercrombie

“There are many challenges that we must address as we move Alabama forward. But creating jobs is the key to addressing all of these challenges. … We must acknowledge that job creation is everybody’s business and that state government needs an attitude adjustment.”

—Alabama Gov. Robert Bentley

“There are many challenges that we must address as we move Alabama forward. But creating jobs is the key to addressing all of these challenges. … We must acknowledge that job creation is everybody’s business and that state government needs an attitude adjustment.”

—Alabama Gov. Robert Bentley

“The only path to better days is paved with new private sector jobs.”

—Florida Gov. Rick Scott

New Mexico’s Martinez: Clean Up State’s Financial House

“No more shell games. No more rosy projections. We must tell New Mexicans the truth: Our financial house is a mess and it’s time we clean it up,” Gov. Susana Martinez, the straight-talking new governor of New Mexico, said in her State of the State address.

Martinez said she will start in her own house, literally, as she fights to improve the state’s financial situation. She had cut the budget at the Governor’s Mansion by 55 percent, including the elimination of two personal chefs.

“At a time when New Mexicans are struggling to make ends meet, their governor should not be leading a life of privilege,” said Martinez.

She also announced dramatic cuts on the administrative side of the governor’s budget, pledging to cut all salaries in her cabinet by 10 percent. Outside her cabinet, Martinez has promised to reduce spending by cutting the number of political appointees on the payroll by at least 20 percent.

“To protect priorities, we must do away with the waste and excess that has defined the past and whose absence will improve our future,” said Martinez.

Among the priorities high on the new governor’s list are education, job creation and increased ethical standards and lobbying reform. In addition, the former prosecutor has pledged to get tough on crime by expanding DNA testing and calling on the legislature to “repeal the repeal” by reinstating the death penalty.

—Krista Rinehart

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—Hawaii Gov. Neil Abercrombie
Brown: ‘No More Smoke and Mirrors‘ in California

California Gov. Jerry Brown found himself in a familiar spot during his Jan. 3 inauguration.

Some might question why Brown would want to hold the office again after previously serving as governor from 1975 to 1983. But Brown wanted everyone to know that he is up for the challenge. The governor drew laughter from onlookers during a line in the oath about assuming the office without mental reservations. After stating the line, he repeated for emphasis, “really, no mental reservations.”

After taking the oath, Brown spoke of the three principles that will guide him through his administration.

“First, speak the truth. No more smoke and mirrors on the budget. No empty promises. Second, no new taxes unless the people vote for them. Third, return—as much as possible—decisions and authority to cities, counties and schools, closer to the people.”

The governor prepared Californians for the harsh reality of the fiscal crisis. Brown acknowledged that the budget he planned to present to the legislature would be painful and difficult choices and decisions will need to be made.

Brown said the challenges that face the state today are not unlike those that faced his predecessors. “It is sobering and enlightening to read through the inaugural addresses of past governors,” he said. “They each start on a high note of grandeur and then focus on virtually the same recurring issues—education, crime, budgets, water.”

The governor concluded by describing the problems the state faces as conditions. “… What we face together as Californians are not so much problems but rather conditions, life’s inherent difficulties. A problem can be solved or forgotten but a condition always remains. It remains to elicit the best from each of us and show us how we depend on one another and how we have to work together.”

—Heather Perkins

California's Oldest Governor

California Gov. Jerry Brown, at 72 the oldest governor in the state’s history and the oldest currently serving governor in the nation, was formally inaugurated Jan. 3, 2011, the 28th anniversary of the end of his last term in office. Brown was 37 when he began his first term in office and was the sixth-youngest governor of California when he served from 1975–1983.

“We must do better in Oklahoma. Too many children are dropping out of school. Too many students are ill-prepared for college. Too much money is spent on administration and not enough money is spent on educating our students.”

—Oklahoma Gov. Mary Fallin

“Certainly, this is not my first time at the deficit rodeo… Our goal is to redefine the role of government to match what the people of this state can afford.”

—Colorado Gov. John Hickenlooper
“Last week our administration physically moved the Department of Alcohol and Other Drug Abuse Services from a privately leased space to offices sitting empty in a government-owned building. This simple act will save the people of South Carolina $700,000 over the next four years. And it’s just the beginning of the commonsense savings you’ll see as we analyze the property that the state owns and leases.”

—South Carolina Gov. Nikki Haley

“I intend to lead by example. The agencies under the control of the governor will be cut by at least 10 percent. The governor’s office will be cut 10 percent overall. Every member of my cabinet has agreed to cut his or her salary by at least 10 percent. And I will be cutting my own salary by 15 percent.”

—South Dakota Gov. Dennis Daugaard

“A civil state means a fair safety net to provide for basic human needs, swift and fair judicial proceedings, humane prisons, well-run police and fire departments, good roads and bridges, and customer service versus consumer suffering at our state agencies and departments.”

—Rhode Island Gov. Lincoln Chafee

Shumlin Wants Vermont to Go ‘Where Others Dare Not Go’

Vermont Gov. Peter Shumlin isn’t waiting to see where Congress ends up on the health care debate; he wants to go where no state has gone before.

“I call upon Vermonters to join together with the common purpose of our state once again leading where others dare not go: universal, affordable, quality health care that follows the individual and is not tied to employment,” Shumlin said in a recent budget address. During his inaugural address, Shumlin noted that in just 10 years, Vermont health care costs have more than doubled to the current rate of more than $5 billion annually. Shumlin asserts getting health care costs under control is vital to Vermont’s ability to come out of the current financial downturn in a position to compete in tomorrow’s economy.

“Let Vermont be the first state in the nation to treat health care as a right and not a privilege,” he said.

Shumlin challenged opponents to provide data that refuted what he sees as a logical truth. “Logic suggests—and our experience shows—that our current system is unsustainable … I ask defenders of the current system to explain how small businesses, municipalities and taxpayers can sustain double digit premium increases year after year,” he said.

He plans to pay for the universal health care system by cutting expenditures in major areas, including the state payroll, private contracting expenses and the state’s corrections system. He also has proposed consolidating various provider systems across the state to create a single health care pool. Shumlin also plans to take more advantage of existing federal funding opportunities by increasing the current state assessment on hospitals and nursing homes, as well as insurance companies and dentists.

—Krista Rinehart
Cuomo: Right-size New York

Andrew Cuomo may come from an established political family seasoned in the age-old politics of New York, but the new governor is setting his administration up to be anything but old school.

“We need a transformation plan for a new New York that will allow us to chart a course of growth and prosperity for generations to come,” Cuomo said in his State of the State address. “The crisis is our moment and we must seize the moment.”

Cuomo outlined his new New York in a seven-part transformation plan that includes staples like economic development efforts and lower taxes to bolster efforts at “making New York the progressive capital of the nation again.” That plan includes environmental protections, promoting minority and women-owned businesses, and pushing for marriage equality. But the backbone of this transformation plan is an effort to streamline state government.

“Without a serious effort to redesign our government, New York’s future will continue to be stymied by inefficiency and redundancy,” said Cuomo.

He has called for a statewide reorganization of New York’s massive bureaucracy. He noted that the Department of Health alone has 87 administrative units. Cuomo’s efforts at consolidation and “right-sizing” government won’t stop at the state capitol. He also wants to streamline New York’s more than 10,500 local governments by using Citizen Re-Org Empowerment Grants to encourage mergers and dissolution studies that will reduce the number of local government entities.

—Krista Rinehart

“We cannot accept 28,000 students dropping out every year without completing high school. … The path for better jobs now and into the future requires more than the current one out of five Tennesseans over the age of 25 who have a college degree. This is my commitment to you: We will improve our teaching, learning, retention and graduation.”

—Tennessee Gov. Bill Haslam

“I believe we also need to create five-year high schools in Maine where students can graduate with an associate degree that is a leg up for entering the work force. And these credits can be transferred into our four-year degree universities, reducing the time and expense of earning a college degree in Maine.”

—Maine Gov. Paul LePage

“It starts today. To begin our transformation, we will work with our legislative partners—in both political parties—to pass a series of bold reforms that will send a clear message: ‘Wisconsin is open for business.’ We have an ambitious goal: 250,000 new jobs by 2015.”

—Wisconsin Gov. Scott Walker

“… I am asking every business in Minnesota to adopt a school and contribute to its improvements, to visit the school and see its realities. To meet with teachers, students and administrators and find out what they need to improve their school—now your school. A little money, a lot of help, technical expertise, remedial reading volunteers, adult mentors, new books, used computers. Make that school’s progress your shared responsibility.”

—Minnesota Gov. Mark Dayton
Branstad: ‘Leadership is about Service, not Power’

When new Iowa Gov. Terry Branstad addressed the crowd during his Jan. 14 inauguration, he spoke of creating a “new covenant between a state and its people.” Branstad, who served four terms as Iowa’s governor from 1983 to 1999, discussed the principles of this new covenant that will guide him throughout his historic fifth term.

Rooted in what he learned from conversations with Iowans while on the campaign trail, Branstad outlined the five principles of the covenant.

“It is a covenant that is founded upon principles of limited government, service above self, transparency and integrity, world-class schools and celebrating the success of Iowans,” he said.

Branstad spoke of reducing the size of government, while reminding those in government to never forget that the citizens are their bosses and that “leadership is about service, not power.”

The governor also recognized that in the past, state government has “over-promised and under-delivered” on government services and transparency. He pledged to get the state back on track and will begin by “opening up to the people our budgets, briefings and the like.”

Branstad cited the need to improve the state’s education system first and foremost by figuring out how to attract first-rate teachers.

In his inaugural address, Branstad celebrated the successes of Iowans. He promised the tax system will be simplified so job creators will be rewarded, not punished, as they are under the current system.

“I hope to leave the state better than I found it,” he said. “If all of us would approach our days with that same sense of stewardship, we will have fulfilled our mission.”

—Heather Perkins

Iowa’s Longest-Serving Governor

Iowa Gov. Terry Branstad was 36 when he first led the state in 1983. The longest-serving Iowa governor is starting a new term with new challenges.

“Long-term changes require long-term planning and commitment. That means moving from a two-year budget to a 10-year budget frame, from a current service level budget to true outcome-based budgeting (which) will provide us a roadmap and which can help inform us as to whether the individual choices we must make along the way move us towards or steer us away from our long-term objective.”

—Oregon Gov. John Kitzhaber
“Let me be clear: My budget will end teacher furloughs and keep students in school for a full school year. I view education as our number one economic development tool and there is no more forward-looking or strategic place to invest.”

—Georgia Gov. Nathan Deal

“Today, our students compete not only with those from the other 49 states, but with students from around the world. Our education system must contend with other nations and so we must embrace innovation, competition and choice in our education system.”

—Pennsylvania Gov. Tom Corbett

“Advancements in carbon-friendly technologies have already begun in earnest. At American Electric Power’s Mountaineer Plant in Mason County, an aggressive program is in development to capture and store underground the CO\textsubscript{2} equivalent of a 200-megawatt power plant. This is the only power plant in the world where CO\textsubscript{2} is being captured and stored on-site.”

—West Virginia Gov. Earl Ray Tomblin

“The days of ever-expanding government are over—and under my administration, they will not return. The future demands of us a commitment to deliver core services in innovative and more efficient ways.”

—Kansas Gov. Sam Brownback
Constructive change in state governance doesn’t come without leadership — those who spark the effort to do things differently. Whether it’s getting legislators on board to lose weight and become healthier or to completely overhaul state health care, those changes require a leader. Here are a few people who have brought innovation to their state, or drawn attention to issues and ideas of importance.

Many people talk about the need for bipartisanship in government these days; Gary Stevens lives it.

Stevens, the Alaska Senate president and vice-chair of The Council of State Governments, finds it works better that way. With an even split in the Alaska Senate the past few years, it’s a situation borne of necessity.

“Everything in the legislature works by majority vote,” he said. “In order to get to 11 or more, you’ve got to go across the party lines.”

It’s a little more than reaching across party lines for Stevens. While 10 Republicans and 10 Democrats make up the Senate, the Republican has formed a coalition of the 10 Democrats and five other Republicans. But Stevens hasn’t ignored the four more conservative Senate Republicans, considered “dissidents” under Alaska’s constitution because there are not enough to constitute a minority. Those members also get committee assignments.

“We realize that all legislators equally represent their constituents,” Stevens said. “We respect that everyone is there to do as good a job as they can.”

The Senate leadership is split among Democrats and Republicans. In addition to Stevens, it includes Republicans as the Senate majority leader and co-chair of finance and Democrats as Rules Committee chair and the other finance co-chair.

“It’s sort of balancing things out, trying to give equal representation, ... assure people that no one is going to be taken advantage of,” he said.

The bipartisanship in the Alaska Senate seems to be working. Stevens said members have been able to accomplish major initiatives in education funding and taxation of the oil industry. And, he believes it’s no accident that Alaska keeps electing an even split in the Senate.

“I think people expect us to work together and cross party lines,” he said.

—Mary Branham
Health care is a major part of the U.S. economy, Massachusetts Sen. Richard Moore says. “It covers, really, every part of our society and a big part of our economy,” said Moore.

That’s one reason the Massachusetts Senate chairman of the Joint Committee on Health Care Financing takes health care reform so seriously. When health care reform took center stage nationally last year, Massachusetts offered a model. Stakeholders there had already worked through much of what was being debated nationally during the 2006 legislative session. Moore played a major role in crafting the legislation that would eventually lead to 98 percent of Massachusetts residents attaining coverage.

The landmark legislation includes components similar to the federal Affordable Care Act, most notably the requirement that every resident carry health insurance. That’s a key piece to the Massachusetts legislation.

“I think it’s important that everybody realize that they have a responsibility to themselves to maintain their health and their families’ health, as well as to not be basically freeloaders on the rest of society by not having insurance and letting somebody else pay the bill when they can’t afford to pay,” Moore said.

While Moore believes the initial action to expand access to health care in Massachusetts was an important first step, he doesn’t view health care reform as a done deal. Legislators have revisited the issue many times over the past several sessions.

“The bill we passed in 2006, … we told people then, ‘This isn’t carved in stone.’ … We are going to continue to evaluate it as it goes along,” Moore said.

—Mary Branham
It’s a distinction Mississippi Rep. Steve Holland would rather his state no longer carry. His state was ranked the most obese state in the nation, so Holland decided to lead by example. Realizing that 9 percent of the overall health expenditures in the state were for obesity-related illness—about $750 million last year—something had to change.

“Good health is homemade. I was unhealthy and I was the chairman of the Public Health Committee,” said Holland. “It was time not only to get my own self back into shape, but to help others.”

Holland, who suffered from high blood pressure, high cholesterol, borderline diabetes and a number of other health problems, lost 140 pounds. He invited fellow legislators to join him in his race to get healthy and it worked. Nearly 175 of the legislators joined in, losing a total of 1,400 pounds in 2010.

“It changed our lives physically first and foremost, but it also had the added bonus of changing our attitudes toward each other—it changed our ability to get along across party lines,” he said.

Holland said the program has spread like wildfire across the whole state. His efforts continue this year, and nearly 300 participants have lost 700 pounds in the month of January alone.

“It was a matter of mind and body getting in shape—it was just that simple” he said. Participants will follow a 12-week boot camp-style program for four days each week, culminating with a 5K race at the capitol.

—Jo Brosius
Florida’s Sunshine Law allows residents open access to government proceedings and public records so they can see firsthand how their tax dollars are spent. As attorney general, Bill McCollum recognized the law didn’t take into account emerging technologies and electronic communication. He formed the Sunshine Tech Team in September 2010 and tasked members with exploring open government requirements and how they may affect social networking sites such as Facebook and Twitter.

With just three words, former Georgia Gov. Sonny Perdue launched a campaign to bring customer service back into state government. “Faster, friendlier and easier” became the mantra of state employees who pledged to help Perdue reach his goal of Georgia providing the best customer service of any state. Perdue’s experience as a businessman helped him find ways to shorten wait times in government offices and save money by outsourcing or reshuffling operations. Although he’s no longer in office, Perdue’s legacy in improving customer service continues.
Jason Helgerson, New York’s new Medicaid director, must like challenges.

Helgerson became Wisconsin’s Medicaid director in 2006, before the Great Recession hit and state budgets began freefalling. When the financial crisis came, Gov. Jim Doyle asked Helgerson to find ways to save $415 million in the Medicaid budget at first. That grew to $581 million and, ultimately, $625 million in cuts. And oh, at the same time the state was trying to expand access to all children in the state and cover more uninsured adults.

Wisconsin handled such a tall order by bringing together stakeholders from across the state to brainstorm ideas and decide which ones were most acceptable, the most likely to improve health care and generate the necessary savings. They came up with ideas such as cutting the reimbursement rate for unnecessary Caesarean sections and stop reimbursing for preventable infections. They also simplified the enrollment and eligibility process and brought in community groups to help enroll people needing coverage.

“We see this really as a fundamental way of how Medicaid should be administered,” Helgerson said. “Usually, generating ideas is left for the budget cycle. We believe you should constantly be looking for ways to generate savings. … We believe legislatures should give Medicaid the flexibility to operate this way.”

Helgerson is once again facing a monumental challenge. In early January, New York Gov. Andrew Cuomo named him as the state’s new Medicaid director. His task this time? It’s to cut New York’s Medicaid budget by $2.1 billion. Meetings to gather ideas from across the state have already begun.

—Jennifer Ginn

Judge Steven S. Alm of Hawaii was named the state’s Jurist of the Year in 2010 and the reason is clear. Alm is the man behind HOPE—Hawaii’s Opportunity Probation with Enforcement—Program. The program works with offenders who have drug or alcohol problems, monitors them closely, tests them frequently and offers immediate action if they reoffend. Only 21 percent of HOPE participants are rearrested in a year, compared to 46 percent outside the program. The program saves an estimated $4,000 to $8,000 in prison costs per probationer.

Connecticut Rep. Diana S. Urban believes accountability and transparency are essential to good government. To ensure state funding goes only to programs that produce measurable results, Urban fought to make Results Based Accountability an integral part of the way her state does business. The data-driven model requires all Connecticut state agencies to submit performance metrics along with budgets—the first legislation of its kind in the U.S.
Intuit welcomes the new state legislators and thanks returning legislators for their continued service.

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Mississippi  West Virginia
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**CAPITOL IDEAS**

**MAR / APR 2011**

**straight talk | INNOVATIONS IN GOVERNMENT**

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### CUSTOMER SATISFACTION

**Rep. Bob Godfrey**  
Connecticut Deputy Speaker  
2011 Chairman, The Council of State Governments  

“Government innovation means customer satisfaction. Times are changing and the institutional rust that plagues governments needs to be scoured off so we can be more flexible and responsive, and quicker and cheaper in how services are delivered. We must adapt to the ways people use technology to access information and make decisions, just as businesses large and small already have. Expanding online access and data processing capabilities to renew a car registration in place of snail mail, for example, would surely increase customer satisfaction and save money. Any efforts that reduce bureaucratic divisions that confuse our customers will be cost-effective and appreciated over time.”

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### What Does Innovation Look Like in State Government?

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### BE GOOD STEWARDS

**Mary C. Selecky**  
Washington Secretary of Health  

“Now more than ever, innovation in state government is incredibly important. Government on every level is facing severe budget cuts and we may never see those funds again. We must be good stewards of the resources we’ve been trusted with by always questioning the status quo and looking for even more efficient and effective ways to protect and improve the public’s health. Here’s one example: In public health, when we work with the private sector to help people quit smoking, everybody wins. It expands the reach of our limited resources, employees and the general public get healthier, and we save money in health care costs.”

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CAPITOL IDEAS » MAR / APR 2011
**NECESSITY: THE MOTHER OF INNOVATION**

**Sen. Mark Norris**  
Tennessee Senate Majority Leader  
2011 Chairman, CSG Southern Legislative Conference

“Innovation in government is an oxymoron in some states. Not in Tennessee. Here, necessity is the mother of innovation. We capitalize on our existing strengths without increased spending. Our location, our natural resources and our people give us the opportunity to do more with less. The fiscal flexibility to adapt in a rapidly declining economy has been essential in fulfilling commitments while simultaneously adjusting to fuel prospects for new economic growth. Reducing administrative red tape to attract business opportunities and restructuring the state’s education system to produce a better work force are innovative and efficient ways to reduce expense and improve the quality of life for all Tennesseans.”

**MAKE SERVICES EASY TO USE**

**Ken Bennett**  
Arizona Secretary of State

“Innovation at the Arizona Secretary of State’s office looks like any tool that makes our services easy to use and deliverable to our customers in a multitude of environments. For example, more than 70 percent of Arizonans choose to register to vote online. Arizona was a pioneer in leading the way for safe and secure online voter registration. Arizona was also a national leader in developing a way for military and overseas voters to cast ballots from almost any location in the world. ... Innovation in Arizona also means building relationships in order to maintain accurate voter registration rolls.”

**CHANGING THE COURTS**

**Judge Stephen S. Goss**  
Superior Courts of Georgia

“As a state trial judge, I see many nonviolent persons with obvious mental health and addiction issues cycling through the court system. They episodically arrive in local jails, emergency rooms, state prisons and state mental hospitals at high costs, both personally and medically. There is now a movement within state governments to support and expand drug and mental health court programs. These programs provide innovative approaches to stabilizing lives. They reduce expensive incarceration and hospital stays, while enhancing public safety with close community supervision and case management. These programs allow the offenders to receive needed treatment in the community and reduce repeat offenses.”
A Real Dog and Pony Show

MONTPELIER, Vt.—Former Vermont Gov. Jim Douglas began his last news conference as governor with a “dog and pony show” joke, holding the leash of a dog and pony as he met with the press in Montpelier, Vt., Dec. 22, 2010. Douglas is a former president of the Council of State Governments and was presented with CSG’s highest honor, the Distinguished Service to the States Award, at CSG’s Economic Summit in March of 2010.

© AP Photo / Addison Fields

Issues Facing Rural Communities

Agribusiness chairs from across the country discussed issues facing rural communities during the 10th annual Legislative Agriculture Chairs Summit in Fort McDowell, Ariz., Jan. 14-16. More than 230 people attended the summit, including agriculture and rural leadership from 46 states and seven Canadian provincial legislatures.

The State Agriculture and Rural Leaders, in collaboration with The Council of State Governments, hosted the summit. In addition to workshops, attendees were able to talk with each other, sharing problems and solutions to their challenges.

“The most important aspect of the summit is that we often find our challenges are not unique to our state or region, but are faced by legislators across North America,” said Georgia Sen. Bill Heath, the State Agriculture and Rural Leaders president.

Plenary sessions focused on successful strategies for promoting rural economic development, ways to integrate rural transportation systems with the communities they serve, animal rights activism and sustainability of food production. Attendees also participated in roundtable discussions of such topics as supporting local production, low carbon fuel standards, the future direction of 4-H and FFA programming, hydrologie tracking, immigration and pet breeder regulations.

Kevin Concannon, the U.S. Department of Agriculture undersecretary for food, discussed ways to maximize federal funds for state nutrition programs. Attendees also discussed the impact of federal regulations on state agriculture policy, including an update from the Food and Drug Administration on the new food safety, egg and milk regulations.

For more information on the conference, visit www.agandruralleaders.org.

UP NEXT

Don’t miss the next issue of Capitol Ideas, which will focus on growth and prosperity.
Police Departments As Learning Sites

Six police departments across the country have been chosen as national law enforcement mental health learning sites to help other jurisdictions improve their response to people with mental illness.

The Council of State Governments Justice Center, with help from a team of national experts and the Bureau of Justice Assistance, selected police departments in Houston, Los Angeles, Madison, Wis., Portland, Maine, Salt Lake City and the University of Florida to host site visits from colleagues and other state and local government officials over a two-year period. They’ll also answer questions from the field and work with Justice Center staff to develop materials for practitioners and their community partners.

“There is nothing more tragic than seeing someone with a mental illness become involved with the criminal justice system primarily because he or she has not received adequate treatment in the community,” said Indiana Public Safety Director Frank Staudt, a Justice Center board member.

The learning sites project, administered by the Justice Center, will allow agencies to share ways to tailor strategies to the specific needs of their jurisdiction to create better and better outcomes when law enforcement officers respond to calls involving individuals with mental illnesses.

Are You Innovative?

Apply for the Council of State Governments’ 2011 Innovations Awards program. The winning programs are traditionally recognized in a ceremony during CSG’s Annual Meeting. In addition, the winners are showcased in CSG publications. The deadline to apply is March 28.

Washington Career Bridge photo courtesy: http://www.careerbridge.gov

Learn more about these stories at capitolideass.csg.org. Click on Stated Briefly under Departments.

Check It Out

CSG’s website now features a special Member Resources area, including links to polity reports, primers and an expert guide. Visit www.csg.org/memberresources.
The Council of State Governments lost one of its shining stars in January. Kathy Shanklin, who served as the executive assistant to the executive director, ended her cancer journey Jan. 29. She was 42.

Kathy had an impact on just about everyone she met, though I’m not sure she realized the effect she had on people. Throughout the visitation and service, many in her family expressed the same sentiment—meeting her work friends and colleagues gave them a new perspective about Kathy.

At her graveside service, her uncle, David Shanklin, a minister at Violet Ridge Church of Christ in Crittenden, Ky., said family would ask Kathy what she did in her job. Her response: “Oh, I’m just a secretary.” But those who knew her knew she was much more than that.

Her little church in Berry, Ky., was filled beyond capacity on the afternoon of Feb. 4 with people who loved Kathy—lifelong friends and family from the Harrison County, Ky., community where she grew up and CSG folks, some of whom traveled across the country through wretched February weather to pay their final respects.

All four regional directors and the director of CSG’s Washington, D.C., office attended the service, and Executive Director David Adkins paid tribute to the person he called his “compass.”

“Her laugh, smile and heartfelt compassion made her a much beloved and unforgettable person,” David wrote in a letter to CSG staff sharing the sad news. “In all the ways she served others in her work, Kathy Shanklin made a profound difference for The Council of State Governments and all the states of our nation; her influence will continue to be felt in the legacy she leaves.”

It’s safe to say that Kathy’s death has left a huge void in the hearts of those who knew her and shoes much too big to fill.

“Her sweetness, kindness and grace were among her very memorable traits that made her such a special friend and co-worker. And her professionalism, phenomenal work ethic and high standards set a daily example for all of us,” Alan Sokolow, former executive director of the Eastern Regional Conference of CSG, wrote on the condolence page.

“Always steady, always there, rock solid,” wrote Dan Sprague, CSG’s former executive director. “In the end, she was always there for me and, more importantly, for CSG—her second home.”

Kathy’s “second home” is a little sadder these days. We miss her smile, her distinctive laugh and her ability to provide that light in the storm; Kathy was a beacon that helped guide many of us through problems big and small, and simply made any day better.

But Kathy’s reach was far greater than the confines of that little church and all of CSG. It reaches, in fact, across the nation. Consider these tributes:

“She will always be in the best part of the CSG legacy,” John Hottinger of Hottinger Consulting, a former state senator and CSG chairman in
2004, wrote on the CSG condolence page for Kathy.

“She radiated a warmth and sincerity that made her so approachable that she became the ultimate ‘go to’ person for all things CSG,” wrote Paul White of Massachusetts, who served as CSG chair in 1991.

“I am shocked at the untimely passing of a key member of the CSG family that made each of the leaders she served, myself included, look good,” said Puerto Rico Secretary of State Kenneth McClintock who served as CSG chair in 1999.

“She was an angel to deal with and is with angels now. She will be missed,” wrote Pam Varni, executive director of the Alaska Legislative Affairs Agency.

Kathy developed a bond with her counterpart at the National Conference of State Legislatures, Deana Blackwood. “We worked together over the past 20 years as colleagues serving a common citizenry,” Deana wrote on the condolence page. “You were special, Kathy Shanklin.”

Kathy’s close friend and former CSG colleague, Lisa Collins, offered a eulogy about what having a friend like Kathy meant.

“God never gave me a sister, but He did give me Kathy and that was better,” Lisa said at the service.

She shared three attributes about Kathy that stood out: her thoughtfulness, her graciousness and her unwavering faith.

“Whether you knew her for 10 minutes or 10 years, you knew she was one of the nicest people you’d ever want to meet,” Lisa said. “It didn’t matter if she was talking to a governor or a server at a hotel; she extended the same courtesy and politeness to both.”

Kathy carried a certain Southern charm and classic style. Her strength and grace during her cancer journey inspired many.

On the day of Kathy’s funeral, the Kentucky General Assembly adjourned in her honor. The resolution sponsored by Rep. Bob Damron said, in part, “Kathy Shanklin contributed to the CSG family in many ways. She was the happy voice on the other end of the phone when people called, she knew how to solve problems, and her commitment to CSG was unwavering and will never be forgotten. …”

The House resolution to adjourn in Kathy’s honor passed on a unanimous vote.

Those of us who knew and loved Kathy are also unanimous in this sentiment: She will be missed but never forgotten.
REMEMBERING STATE LAW ENFORCEMENT FALLEN HEROES

The Council of State Governments honors the memory of state law enforcement officers killed in the line of duty in 2010. In addition to these officers, 127 local and federal officers died in the line of duty, bringing the total of officer deaths to 162 for this year.

» Detective Lt. Liusila Brown | American Samoa Department of Public Safety
» Police Officer James Lister | Arizona State University Police Department
» Pilot Officer Danny Benavides | California Highway Patrol
» Officer Thomas Philip Coleman | California Highway Patrol
» Officer Justin McGorry | California Highway Patrol
» Officer Philip Ortiz | California Highway Patrol
» Officer Brett Oswald | California Highway Patrol
» Trooper First Class Kenneth R. Hall | Connecticut State Police
» Trooper Patrick Ambroise | Florida Highway Patrol
» Cpl. Chadwick T. LeCroy | Georgia State Patrol
» Senior Parole Agent Ellane E. Alimuwi | Illinois Department of Corrections
» Correctional Officer Tracy Cooper | Illinois Department of Corrections
» Officer Luke D. Nihart | Kansas Department of Wildlife and Parks
» Trooper Duane Dalton | Louisiana State Police
» Sgt. Doug Weddelton | Massachusetts State Police
» Trooper First Class Wesley Brown | Maryland State Police
» Senior Corrections Officer John H. (Packy) Paskewicz | Maine Department of Corrections
» Sgt. Joseph (Joe) Schuengel | Missouri State Highway Patrol
» Trooper David J. DeLaittre | Montana Highway Patrol
» Inspector Timothy Charles Barnes | North Carolina Division of Motor Vehicles
» Cpl. Christopher Mittlo | Delaware River Port Authority Police Department, New Jersey
» Trooper Marc Castellano | New Jersey State Police
» Trooper Jill Mattice | New York State Police
» Trooper Andrew C. Baldridge | Ohio State Police
» Capt. George Green | Oklahoma Highway Patrol
» Wildlife Conservation Officer David Grove | Pennsylvania Game Commission
» Trooper Paul G. Richey | Pennsylvania State Police
» Ranger Kenneth Betancourt | Puerto Rico Department of National & Environmental Resources
» Ranger Felix Rodriguez | Puerto Rico Department of National & Environmental Resources
» Cpl. Kevin Cusack | South Carolina Highway Patrol
» Corrections Officer Kellie Pena | Texas Department of Criminal Justice
» Trooper Jonathan T. McDonald | Texas Department of Public Safety
» Cpl. David Ralph Slaton | Texas Department of Public Safety
» Police Officer Ann O’Donnell | University of Houston Police Department
» Trooper Mark D. Barrett | Virginia State Police

and beyond.

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With hundreds of new state leaders taking office in 2011, we wanted to share just a few of the many ways CSG makes a difference for the states.

**What is CSG?**
The Council of State Governments is the only national organization that serves all three branches of state government in all 50 states and the U.S. territories. Ten Canadian provinces also are affiliate members.

**How Does CSG Serve States?**
CSG’s national headquarters is located in Lexington, Ky., and it has offices across the country. In addition to a federal office in Washington, D.C., CSG serves four different regions with offices in Atlanta, Chicago, New York City and Sacramento. All CSG members can participate on both the regional and national levels.

**What Policy and Research Services Does CSG Offer?**
CSG’s policy and research staff at the national headquarters and in the regions conduct research and develop policy briefs and other publications on issues of importance to state leaders. In addition, policy and research staff address state officials’ needs by responding to requests for information, providing a mechanism for members to network with colleagues in other states and offering other assistance sought by members.

**How Can State Officials Access This Research?**
Through CSG’s Capitol Research series, CSG policy experts examine the ways key issues are impacting the states, how the issues are evolving and how the states can respond—now and in the future. The reports track trends and issues in demographics, state economies, information technology, critical infrastructure and federal-state relations, to name a few.

**Are There Ways to Compare Information?**
CSG’s States Perform website provides access to interactive information on how states are performing across six key policy areas: education, public safety and justice, energy and environment, economic and fiscal policy, health and human services, and transportation. In a world where states are expected to do more with less, States Perform offers access to interactive, customizable and up-to-date comparative performance measurement data from all 50 states.

**What Publications Does CSG Offer?**
CSG has published The Book of the States since 1935. This state government encyclopedia provides information, answers and comparisons for the U.S. states and territories. CSG relaunched its flagship publication, Capitol Ideas, as a bimonthly magazine in January 2010 to better serve busy policymakers. Previously called State News and State Government News, Capitol Ideas offers a quick-read format on stories of interest with easily scannable information. Policymakers also receive a biweekly Capitol Ideas e-news that includes the latest information affecting the states.

**How Can I Find CSG Publications?**
CSG created the Knowledge Center, an interactive website, to serve as a one-stop shop for more than 600 tagged and indexed policy reports, blogs and other policy items. State government officials can browse by topic and, most importantly, quickly find what they’re looking for. They can subscribe to RSS feeds on only the topics they’re interested in.

**Does CSG Offer Leadership Development?**
CSG offers leadership development at both the national and regional levels. Leaders learn from each other through shared solutions and strategic partnerships.

**How Can I Learn More?**
CSG’s website, www.csg.org, offers a wide range of information about the organization, its affiliates and news about the states. In addition, CSG recently launched a “Member Resources” area to provide information on topics of importance to state officials at the touch of a button.
**Ed O’Malley**, a former legislator and full-time leadership expert, says exercising certain behaviors can help leaders solve “deep daunting issues.” Here are five qualities O’Malley says good leaders need, plus a tip to grade your leadership efforts.

**TRUE LEADERSHIP IS RARE, BUT YOU CAN GET THERE**

**WORK ACROSS BOUNDARIES.**
In government, people typically coalesce around like minds. Representatives from each party often gather with their caucus regularly, but don’t spend time with those of opposite political affiliation, O’Malley said. “Progress on deep daunting issues will require government officials to engage across the political spectrum, left and right,” he said. “The idea is to work across boundaries as a primary way of working, rather than as an exception to how things work.”

**BUILD A TRUSTWORTHY PROCESS.**
In government and politics, people share lots of information and data to make a point or convince others to see things their way. “Trust greases the wheels of action in legislative and other political bodies,” O’Malley said. He said officials should spend time ensuring people can trust the process.

**INFUSE WORK WITH PURPOSE.**
Many government officials go into their work with a purpose, but the everyday demands and issues sidetrack them, O’Malley said. “They get caught up in playing the part of the legislator or judge or administrative official and they lose sight of the purpose that brought them there in the first place,” he said. Instead, they should hold relentlessly to the purposes the electorate or constituency had in mind. That doesn’t always happen, he said.

**BE OPEN TO MULTIPLE INTERPRETATIONS.**
Understand there are different ways to see things and be open to them. “Elected and government officials who find convenient scapegoats for issues or try to simplify things too much lose sight of this idea: To make progress on deep, daunting issues, we have to be open to multiple interpretations, even uncomfortable ones,” O’Malley said. He said constantly questioning possible interpretations is a leadership behavior.

**SPEAK TO LOSS.**
No pain, all gain is a misnomer, O’Malley said, and good leaders recognize that. “Elected and government officials who promote an all gain and no pain approach are misleading constituents, and even themselves,” he said. A good leader recognizes that solving problems requires tough decisions. “Progress on deep daunting issues often involves helping constituents come to grips with the choices ahead and realize there is no easy way out.” A good leader acknowledges the downside to major policy changes.

**EVALUATE REGULARLY.**
The five behaviors of a good leader O’Malley lists mean nothing if people aren’t aware of how they practice them. He suggests a regular self-assessment measuring the degree to which you exercise the behaviors. For example, on a scale of 1 to 10—1 being never and 10 being frequently—how often did you work across boundaries? “The first step in exercising leadership on deep daunting issues is to have more self-awareness, … have incredible clarity on what is your purpose,” he said.

Ed O’Malley is president and CEO of The Kansas Leadership Center | www.kansasleadershipcenter.org
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JOHN OCEGUERA
Nevada Assembly Speaker / Assistant Fire Chief

John Oceguera’s parents raised him to always give back to his community. “I had that ingrained in me from a young age,” he said. Oceguera has served as a firefighter for 22 years and took office in the Nevada Assembly in 2000. As the newly elected leader of the Assembly, Oceguera, the assistant fire chief in North Las Vegas, will be putting out fires of another kind: Nevada has a 50 percent revenue deficit. “I’m going to be particularly involved in jobs, jobs, jobs and the economy and how we get our state back on track,” he said. Oceguera, who holds both a master’s degree in public administration and law degree from the University of Nevada Las Vegas, called for more civility in his opening speech. “The best advice I’ve ever gotten is that consensus is found in the middle,” he said. “It’s not found on the extremes.”
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