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Visit the New CSG Web Site
The Council of State Governments has launched a new Web site that makes it easier to find the information you are seeking.

The home page will feature CSG’s newest publications, multimedia and latest news from the national and regional offices, as well as links to information about meetings, webinars and calendars. It will also lead you to publications—including State News, State E-News and Capitol Comments, the CSG blog—as well as to StateRecovery.org and policy and research area.

The policy and research area will become CSG’s new Knowledge Center, an interactive policy tool and clearhouse that will put years of policy knowledge and resources at your fingertips, making it easier for you to find specific policy information or to browse CSG’s policy documents—many dating back several decades. Both current and archived products will be indexed and summarized, allowing you to view all the information on a particular topic from across CSG’s network of organizations and offices. Whether looking for the latest issue of State News, or seeking data on corrections costs for the last 20 years, CSG’s Knowledge Center will be your one-stop policy resource.

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capitol trivia

Question:
Citizens across the country will soon start filing the income tax paperwork. What state has the lowest personal income tax rate? What state has the highest?

To find the answer, log onto the State News Web site at statenews.csg.org!
Report Shows State Reliance on Different Tax Sources

A new report indicates states may rely more heavily on different tax sources depending on the region they are in.

The nonpartisan Tax Foundation found four New England states rank in the top 10 states most reliant on property taxes while four Mid-Atlantic states are in the top 10 most reliant on individual income taxes compared to other states.

The new report—“Tax Foundation Fiscal Fact No. 194, Where Do State and Local Governments Get Their Tax Revenue?”—uses the most recent Census Bureau data.

“Each of the 50 states’ fiscal systems vary widely, and they all rely on various sources of tax revenue due to different endowed resources and policy priorities,” Gerald Prante, a senior economist at the Tax Foundation and author of the report, said in a press release.

The 10 states that rely most on property taxes are New Hampshire (61.3 percent), Vermont (42.1 percent), New Jersey (41.7 percent), Texas (41.6 percent), Rhode Island (41.1 percent), Michigan (39.3 percent), Connecticut (38.2 percent), Illinois (37.1 percent), Florida (36.8 percent) and Wyoming (36.8 percent).

The 10 states that depend heavily on general and selective sales taxes—which are taxes on motor fuel, tobacco, insurance premiums, public utilities, amusements and alcoholic beverages—are Washington (62.1 percent), Nevada (58.2 percent), Tennessee (56.8 percent), South Dakota (54.1 percent), Arkansas (53.2 percent), Louisiana (53.0 percent), Hawaii (51.7 percent), Florida (49.0 percent), Arizona (48.4 percent) and Alabama (47.8 percent), according to the report.

States that rely the most on individual income taxes for revenue include Oregon (44.1 percent), Maryland (39.7 percent), Massachusetts (35.6 percent), North Carolina (32.7 percent), New York (31.8 percent), Virginia (31.6 percent), California (30.8 percent), Minnesota (30.5 percent), Connecticut (30.0 percent) and Ohio (29.9 percent), according to the report.


CSG Justice Center Releases Guide on Probation Initiatives for People with Mental Illnesses

A new CSG Justice Center report, “The Essential Elements of Specialized Probation Initiatives,” identifies 10 key components found in successful efforts to improve outcomes for people with mental illnesses under probation supervision.

According to an August 2009 Bureau of Justice Statistics report, more than 4 million people were under probation supervision in the U.S. in 2007. Several other recent CSG Justice Center releases confirm that as many as one in six probationers have serious mental illnesses, and those who are sentenced to traditional forms of supervision often return to jail or prison.

The Essential Elements report is the first of its kind, focusing solely on improving outcomes for people with mental illnesses under probation supervision. According to the report, this group has complex treatment and service needs, and the document provides jurisdictions with specific recommendations for responding to these challenges. It is relevant for both urban and rural jurisdictions implementing specialized caseloads or other strategies.

The report emphasizes the importance of increasing collaboration between probation and mental health agencies as recommended by the advisory board of leading probation and mental health policymakers and practitioners who came together to help develop the report.

The report was developed with the support of the U.S. Department of Justice’s National Institute of Corrections.

Justice Center Launches National Reentry Resource Center

The Council of State Governments Justice Center in early October launched the National Reentry Resource Center—an initiative to support efforts that help individuals released from prisons and jails return safely and successfully to their communities. The resource center is for states, tribes, territories, local governments, service providers, nonprofit organizations and adult and juvenile corrections institutions.

The center provides comprehensive resources on complex re-entry issues and support that can help reduce recidivism and strengthen neighborhoods and families. It will provide needed training and technical assistance to Second Chance Act grant recipients and provide a single point of contact for the many individuals and organizations that are committed to re-entry issues.

The CSG Justice Center was selected through a competitive grant process by the Bureau of Justice Assistance, U.S. Department of Justice, to develop and direct the resource center in collaboration with the Urban Institute, American Probation and Parole Association (a CSG affiliate), Association of State Correctional Administrators, and the Center for Juvenile Justice Reform at Georgetown University, as well as an advisory board of 25 national organizations serving the re-entry field.

“There are 2.3 million people serving time in our federal and state prisons, and millions of people cycling through local jails every year. Ninety-five percent of all prisoners will eventually be released to our communities and we all have a stake in making sure they are successful,” New York Assemblyman Jeffrion Aubry, chair of the CSG Justice Center board, said in a press release. “The Justice Center is pleased to continue its work with all key stakeholders through the National Reentry Resource Center to develop data-driven, consensus-based reentry policies that reduce criminal activity and best use taxpayer dollars.”

For more information, visit the resource center’s Web site at www.nationalreentryresourcecenter.org.

States Can Participate in Major Multistate Lotteries

Forty-three states now have the right to sell tickets for two major multistate lotteries, Powerball and Mega Millions, according to The Philadelphia Enquirer.

States could begin selling the tickets as early as 2010, the newspaper reports. The news comes after the mid-October announcement of a deal between the Mega Millions consortium and Multi-State Lottery Association, which oversees Powerball.

Experts say if all or nearly all the states plus Washington, D.C., and the U.S. Virgin Islands participate by selling tickets to the multistate games, it could create national lottery games.

“If we develop a national game, it will probably be at a different price point,” Tom Shaheen, president of the Powerball group, told The Philadelphia Enquirer. “It might be $2. It might be $5. It will be a single game, but we haven’t worked out all the details of that yet. The other two games, I believe, would remain intact.”

That kind of super lottery, the newspaper said, could happen by next fall, according to Chuck Strutt, the Powerball group’s executive director.

According to the newspaper, the games—and the hope of a national game—could raise more money for state treasuries.

Experts believe increased sales and the participation of more states could also mean jackpots would grow much faster. Large jackpots may mean more tickets sales, experts told the newspaper.

States do have to opt in, according to the newspaper.

More lottery information is available at www.powerball.com or www.megamillions.com.
Regional Programs Address Greenhouse Gases

Regional Greenhouse Gas Initiative (RGGI)
Member States: Connecticut, Delaware, Maine, Maryland, Massachusetts New Hampshire, New Jersey, New York and Vermont, Pennsylvania and Washington D.C. are observers in RGGI.
Cap and Trade: The program capped levels at current levels this year and sets a 10 percent reduction goal by 2019. The states have held five auctions of allowances thus far. The initiative affects the power sector of the economy.

Midwest Greenhouse Gas Reduction Accord
Member States: Illinois, Iowa, Kansas, Michigan, Minnesota and Wisconsin. Indiana, Ohio and South Dakota are observers in the accord.
Cap and Trade: Members agreed to establish greenhouse gas reduction targets, including a long-term target of 60 to 80 percent below current reduction targets. They also plan to develop a multi-sector cap and trade system to help meet the targets. Full implementation is expected in 2010.

Western Climate Initiative
Cap and Trade: Members agreed to jointly set a regional emissions target of 15 percent below 2005 levels by 2020. The reduction would cover multiple economic sectors. A cap and trade program is scheduled to begin in 2012 and will cover emissions from electricity and large commercial and industrial sources at that time; the program would include emissions from transportation and other fuel use beginning in 2015.

Florida’s Cap and Trade Program
Florida House Bill 7235, signed June 25, 2008, by Gov. Charlie Crist, enacts several new energy and climate change policies, including one that authorized a cap and trade program, which could begin as early as Jan. 1, 2010. The program’s goals are to reduce electric sector greenhouse gas emissions to 2000 levels by 2017, to 1990 levels by 2025, and 80 percent below 1990 levels by 2050. The state has announced its intention to collaborate with other states, either through a cap and trade pact in the Southeast or by joining one of the other regional programs.

Source: Pew Center on Global Climate Change
Economy, Environment Play Role in Carbon Debate for States

Cap and trade, some say, is the least complex method of lowering carbon emissions. While many agree the program may help address the problem of greenhouse gases, some in the industry have concerns about the cost of allowances proposed in legislation currently in Congress as well as the timeline for lowering emission levels.

By Mary Branham

In 2003, nine Northeastern states’ governors signed on to an effort to address the problem of carbon emissions. The states worked through 2005 to iron out the details of a cap and trade program—the first of its kind in the country—that addressed carbon emitted by power plants.

“Carbon is a much bigger issue than just power plants, but we wanted to start someplace,” said Phillip Cherry, director of Policy and Planning for the Delaware Department of Natural Resources and Environmental Control.

The result, the Regional Greenhouse Gas Initiative, set a cap on CO2 emissions based on what the plants were emitting in the most recent past. RGGI, as the initiative is known, set the cap on plants that produce 25 megawatts of power or more. It calls for carbon emissions to remain stable through 2015. After that, power plants must reduce carbon emissions by 10 percent by 2019, according to Cherry.

RGGI also set a price for the allowances that allow a certain amount of emissions, and sells those allowances at auction. The idea, said Cherry, is to incentivize companies to make their power plants more energy efficient, fine-tuning them by switching fuel or moving toward more carbon neutral fuels like biomass.

“Cap and trade is about driving the least cost solution for lowering carbon emissions,” said Cherry.

While RGGI is still in its infancy, Cherry and others hope its successes will help steer the debate in Congress. The House approved the American Clean Energy and Security Act, which contains a cap and trade plan, in June; the Senate’s version, the Boxer-Kerry bill, was introduced in late September.

The goals of the federal legislation are similar to those of RGGI and other regional initiatives—to reduce greenhouse gas emissions over time. The difference comes in price: RGGI allowance prices have been around $3 a ton at auction; the federal legislation forecasts prices of between $20 and $30 a ton in a couple of decades.
Understanding Cap and Trade

Striving for that goal will be a huge undertaking. Thousands of different activities create greenhouse gas emissions, said Judi Greenwald, vice president of Innovative Solutions for the Pew Center on Global Climate Change, a nonpartisan organization formed to address climate change. That creates a complicated problem calling for a myriad of solutions—and setting up an effective and cost-effective program is complex, she said.

“Our view is that cap and trade is the least complex of the various ways you could attack this problem, but it’s a complicated problem and will have complicated solutions,” she said.

Here’s how a cap and trade program for power plants works:

First, the amount of allowable carbon emissions for power plants above a certain size threshold is decided based on emissions in previous years. That’s the cap.

“Because we need to see emissions reduced, we would make that cap smaller and smaller so those power plants over time would have to emit less and less,” said Franz Litz, a senior fellow at the World Resources Institute, an environmental think tank in Washington, D.C.

To accomplish that goal, the government—either nationally or regionally—issues allowances, each of which would cover one metric ton of emissions of a particular pollutant, in this case carbon, Litz said. Plants must measure and report their emissions annually, then surrender enough allowances to cover those emissions, he said.

Traditionally, the U.S. controlled pollutants under a command and control system, according to Daniel Chartier, director of Environmental Markets and Air Quality Programs for Edison Electric Institute, an association of shareholder-owned electric companies. That involved a specific rule and regulation on the amount of pollutant a plant could emit, and could be as specific as the amount per hour, Chartier said.

“Those were very effective,” he said. “Pollutions were coming down, permits were being met.”

But the program was expensive and cumbersome, said Chartier. “It was very labor intensive and required the regulator to know a lot more about a particular company’s operations than probably a regulator should know,” he said.

Researchers in the 1960s advocated a cap and trade system that would serve the same purpose, but at a much lower cost, Chartier said.

Such a system became part of the 1990 amendments to the Clean Air Act for controlling sulfur dioxide emissions—acid rain, he said. The allocation formula in the first phase represented a 25 percent reduction from historic levels, according to Chartier.

Companies would get those allowances based on a specific formula for the pollutant. They could comply with the regulation, Chartier said, in a number of ways: They could reduce emissions by installing technology, cut the utilization of a unit or burn a cleaner fuel, for instance.

Regardless, companies had to have allowances to cover their emissions. If any were still needed, they could turn to the marketplace to buy allowances from someone else. That’s the trade.

“The underlying economic theory in cap and trade is to make it more expensive to emit these pollutants,” Litz said.

Reaching for a Goal

Cost could eventually be an issue. While most everyone involved in the debate agrees something needs to be done to reduce carbon emissions, some are concerned with the economic impact of the pending legislation.

Under the House bill, for example, companies are given some allowances at no cost. But those free allowances are phased out by 2025, according to Chartier. Meanwhile, the reductions sought under the legislation grow over time, meaning companies need to continue to make reductions in carbon emissions.

That requires new technologies that haven’t been developed yet, Chartier said.

Greenwald of the Pew Institute said the House bill includes subsidies for development of technology like carbon capture and sequestration. That’s on top of the market that would be created for such technology because of the federal legislation, she said.

“Basically, when you have a cap and trade program, that creates demand for low carbon technology because there’s now a cost of emitting,” Greenwald said. “Everybody has an incentive to develop and sell technology that reduces emissions.”

But the industry is concerned about the short timeframe for developing technology that will help it cut emissions before they must buy all their allowances at auction.

The most promising technology, Chartier said, is carbon capture and sequestration, which has been tested in limited trials.

“Things that work at pilot scale, it’s not always, let’s just make it bigger,” Chartier said. “(Industry researchers) are dealing with, ‘how do we go from these small plants to actually demonstrating that it can be done 24/7 at the thousand megawatt level?’”

And that’s just the capture part. Sequestration demonstration projects are even more limited, Chartier said.
Cap and Trade Catch Words

Allowance: A government issued authorization to emit a certain amount. For greenhouse gases, each allowance would equal one ton of CO₂ per year. They can be sold at auction, given away free to entities or some combination of both.

Baseline: The target, often the historical emissions from a designated past year, against which emissions reduction goals are measured.

Cap and Trade: A cap and trade system sets an overall limit on emissions, requires entities subject to the system to hold sufficient allowances to cover their emissions and provides broad flexibility for compliance.

Command and Control: A system of regulation that sets emission limits and compliance methods on an individual basis for facilities or systems. This is the traditional approach to reduce pollution.

Emissions Cap: A mandated constraint in a scheduled timeframe that puts a ceiling on the total amount of greenhouse gases that can be released into the atmosphere.

Emissions Trading: The process or policy that allows the buying and selling of credits or allowances created under an emissions cap.

Greenhouse Gases: Covers a wide variety of gases that trap heat near the Earth’s surface. Gases include carbon dioxide, methane, nitrous oxide and water vapor, among other gases.

He said experts believe by 2020 there may be a full-scale demonstration project of both technologies. Deployment, he said, could then take another five to 10 years, well past the point companies are paying for their carbon emission allowances.

“The targets ought to be achievable,” said Chartier. “Finding the reduction targets that match with the technologies available today as well as matching with the availability of commercial technologies is extremely important.”

But Litz said a small portion of free allowances for entities working on technology deployment extends to 2050. The U.S. Department of Energy, Litz said, also receives allowances and is instructed to use the value of those to stimulate technology.

Mitigating an Economic Hit

Others fear a hit to consumers—and the overall economy.

West Virginia Gov. Joe Manchin, CSG’s current president, is worried about the hit his coal-rich state will take if the price of allowances gets too high. A $20 to $30 cost of allowance could double the price of coal per ton, putting coal-fired plants at a competitive disadvantage, he said. A much lower amount—such as $5 or $6 a ton for CO₂ emissions—would mitigate the hit to consumers and the overall economy, he said. (See 10 Questions on Page 12.)

“If the rest of the world doesn’t follow suit, their energy is going to be much cheaper, especially the coal-fired units that’s in China and India and all these developing nations,” Manchin said. “We’re concerned that we’re going to lose more jobs.”

The House bill, Greenwald said, addresses that concern. It gives energy-expensive, trade-exposed industries free allowances until competitive nations set their own reduction targets.

“That particular problem about competitiveness is a pretty narrow problem because there are only a few industries for which energy is such a big part of their costs that they’re exposed to international competition,” she said.

Pennsylvania Rep. Chris Ross, chair of CSG’s Energy and Environment Task Force, said states must come up with new ways to address those lost jobs, if that happens.

“For states like Pennsylvania that have a large coal industry, and a lot of industries that are generating a lot of the greenhouse gases, we need to be thinking hard about how to reduce our greenhouse gases without negatively affecting our economic health,” he said.

That means investment in new cleaner energy and an alternative energy portfolio, and drawing manufacturers involved in the renewable energy sector, like windmill and solar technology production, he said.

Greenwald said in the economic modeling she has seen, the consumer won’t see much of a hit in the power sector until years later because of the early free distribution of some allowances. In fact, the Congressional Budget Office estimates the House bill would in 2020 have an average annual cost of $175 per household, the Pew Web site reports.

The cap and trade proposals in Congress cover the greenhouse gases in all sectors of the economy, not just power plant emissions like RGGI covers.

That means while the consumer won’t see an immediate impact in the power sector from the carbon reduction efforts set in cap and trade, they may see it elsewhere. The price of gasoline would likely rise by as much as 9 cents per gallon for every $10 added to a cost of the allowances, according to Litz.

By 2020, modeling forecasts an allowance price as much as $30 a ton for CO₂ emissions. That would tack another 27 cents onto the price of a gallon of gas.

“As taxes go, it’s not huge,” Litz said, “but 27 cents might be enough to make some people unhappy.”

The idea, he said, is to create an incentive for people to emit less pollution. For drivers, that could mean using a more fuel-efficient vehicle or driving the same gas guzzler less, he said.

“The goal is to either change behavior or change technology, and probably a little of both,” Litz said.

—Mary Branham is managing editor of State News.

Source: Pew Center on Global Climate Change
STATES LEAD EFFORTS TO CUT CARBON EMISSIONS

When it comes to a cap and trade program, the federal government could learn a lot from the states.

Three regions—the Northeast, West and Midwest—have developed climate initiatives. The Regional Greenhouse Gas Initiative in the Northeast, a regional cap and trade initiative called RGGI for short, has been operating for a little more than a year and has held five auctions of allowances, which companies must purchase in order to emit carbon into the atmosphere.

State officials say their experience in dealing with the issue of reducing greenhouse gas initiatives should be taken into account in a federal program. The three regions of the country that have developed climate initiatives all include a cap and trade program of some sort, said Judi Greenwald, vice president of Innovative Solutions for the Pew Center on Global Climate Change, a nonpartisan organization formed to address climate change.

But she and others believe the best solution for the country—and the world—would be a unified program to address emissions.

“If you want to fix climate change, you have to cover everybody,” said Greenwald.

And that’s the ultimate goal, said Phillip Cherry, director of Policy and Planning for the Delaware Department of Natural Resources and Environmental Control.

“All the states knew when we started the process that a national program was really where we needed to be,” he said. “We created this regional program because there had been no federal leadership.”

Cherry believes RGGI could be a model for not only a national cap and trade program but the auction system it has established for the emission allowances.

He and others also believe states will continue to play an important role in reduction of carbon emissions if the federal legislation is approved. But they also believe the federal government should recognize the efforts the states have put forth.

The cost of an allowance under RGGI has been $2 to $3 a metric ton for the pollutant, according to Cherry, much lower than forecasts of the cost of allowances under a federal cap and trade program. But even with that modest fee, Northeastern states are reaping benefits of RGGI. Massachusetts alone has received more than $60 million in the first five allocations auctions and has plowed that money back into energy efficiency programs, said Commissioner Laurie Burt of the state’s Department of Environmental Protection.

“It really helps you put your money where your mouth is,” she said. “You’re jumpstarting that clean energy future by having early reductions in energy consumption and giving you much more of a manageable demand on energy.”

But that’s something states can do better than the federal government, state officials say. Plus, said Burt, states are involved in the regulatory end of rate-setting and establishing building standards. She said they’ll also play a role in implementing a cap and trade program.

But change is never easy, and Cherry said the process of redirecting a fossil-fuel based economy to one based on cleaner and renewable energy will be painful.

“Through the right structure of allowance auctioning and the right direction of these potential revenues, we can greatly mitigate the costs to consumers by making the consumers more energy efficient and reducing their costs of energy that way,” he said.

While RGGI is the only initiative to have held allowance auctions, more than half the states are involved in initiatives to establish a cap and trade program for carbon, either as a participant or an observer, according to the Pew Center on Global Climate Change. Florida in 2008 passed legislation enacting several new energy and climate change policies, and includes a cap and trade program statewide that could begin as early as 2010, according to the Pew Center. The South is the only region that does not have a cap and trade system in progress.

Pennsylvania Rep. Chris Ross, whose state is an observer for RGGI in developing a cap and trade program, said it’s important for Congress to recognize the state efforts.

“Credit for the work they’ve done needs to be factored in,” said Ross.

In addition, Ross said, Congress needs to recognize that nearly all the states have taken action on alternative energy production, and that should be taken into account in a federal law.

“Hopefully we’re going to do some things at the state level that will benefit society as a whole and not come in conflict with whatever the federal government ultimately decides to do,” Ross said.

—Mary Branham
Questions With Joe Manchin

How important is coal to your state, and to the nation?

“The country as we know it and all 50 states have prospered because of the energy that coal has produced. … It’s dependable and it’s cost-effective. You have a low-cost energy that provides a high rate of energy that basically has built the industrial might as we know it. … Coal has basically given us the life that we have today.”

What problems do you have with the cap and trade legislation?

“The cap and trade legislation … doesn’t fix the problem. It villainizes it, it identifies it and then it taxes it. But the resources don’t go to fixing the problem. The resources might go for a cadre of things. … They’ve been talking $20 or $25 a ton of taxes, if you will, that will be put to every ton of CO₂. If one ton of coal emits two tons of CO₂ and if the average price of coal is $40 or $50, you’ve doubled the price of coal. You can be assured as a consumer that’s going to come right back to you. You can be assured as a factory worker that your job might be in jeopardy because you can’t compete.”

Do you believe the economic impact will be far-reaching across the U.S.?

“This is all about the economy. And it’s all about what you pay and what you will pay in the future. It’s all about the jobs you have or the jobs you would like to have. It truly is so intertwined. When you have 50 percent of the energy … that comes from coal, it reaches over so many barriers and touches so many people’s lives that you don’t realize it.”

Cap and Trade Legislation Could Deal a Blow to States, Consumers in a Shaky Economy

CSG President West Virginia Gov. Joe Manchin is concerned about the environment, but he’s also concerned about a proposal in Congress to establish a national cap and trade system to address the problem of greenhouse gases—including what’s emitted from coal-fired power plants. Manchin believes the proposal to cap carbon emissions would be devastating in a shaky economy and doesn’t really address the pollution problems created by CO₂ emissions.

By Mary Branham
4 What would that economic impact be?
   “We’ve lost a lot of manufacturing to (places) where the labor is cheaper or the energy is cheaper or a combination of both. So the double whammy is this: You lose the jobs because we raise artificially the price of energy that 50 percent of Americans and most of the industrial states that produce the goods depend on. And then you don’t replace the jobs that you intended to replace them with, so you’ve lost both ways.”

5 What approach would you advocate for?
   “Everybody that I know of has agreed that coal is going to be used for the next 30 plus years for the transition into the fuel of the future, until they develop it and they’re able to get it to market. … So knowing that you’re going to be using this product, shouldn’t you devote all your efforts and resources to fixing the problem that you’ve identified, which is CO₂?”

6 How do you fix the problem?
   “This is one time the cart is so far ahead of the horse. We don’t have the technology (to deal with CO₂ emissions). We think the environment is so valuable, important that we need to move… then if you want to allow technology to catch up, you’ve got to put the resources to it.”

7 What alternative would you offer to the cap and trade legislation?
   “I’m not saying that nothing needs to be done. … But I’m saying, how did you pick the price of $20 or $25 a ton for CO₂ emissions? Is that enough or is that more than enough to put toward the research and go in partnership with the private sector, which has a lot to gain by this. Maybe we can do it for $5 or $8 a ton. Maybe you don’t have to give all these credits to people who basically aren’t charged with fixing and cleaning up their emissions. … Instead of $20, maybe we can do it for $6. At $6 our economy can withstand it.”

8 How should cap and trade income should be used?
   “Make sure 50 percent of the money … goes for research to find the technology to continue to use coal until you transition out. You can use the other 50 percent to help the renewables and find the fuel of the future. That’s a pretty good balance.”

9 You have said the legislation ignores carbon capture and other technology. Why do you think carbon capture is an important consideration in dealing with this issue of reducing greenhouse gases?
   “Carbon capture is the only technology that they believe can sequester this carbon. We can pump it and store it, and we know there are uses to the carbon. … We know if we can use it to enhance oil and natural gas production in America that makes us less dependent on foreign oil.”

10 You’ve discussed in the past finding uses for the waste products in burning coal. Will there be valuable uses for the byproducts?
   “I truly believe that … we’re going to find a use. How do we take the clear stream of carbon, CO₂, rather than just pumping it down, can we solidify it? If you solidify it, does it become a very valued waste product that can be used for so many applications? (Private industry is) trying to but they don’t have the wherewithal to do it, because it’s hard to get financing. … That’s where public policy really has to intervene.”
CSG provides insights about major trends to state officials. It also highlights state responses to these trends. Our Innovations Awards Program, now in its 23rd year, is a key component of both endeavors. We invite your agency or department to apply for the 2010 award.

Qualified programs must address an issue under one of the following categories and related subcategories:

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**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
- Training & Development
- Personnel
- Workforce Development

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

**Public Safety/Corrections**
- Corrections
- Courts
- Criminal Justice
- Drugs

Regional panels of state officials review the applications and determine the Innovations Award winners.

Download an application: www.csg.org/innovations/programs/innov/apply.aspx

Contact: Nancy J. Vickers at nvickers@csg.org or by calling (859) 244-8105.
2009
INNOVATIONS
AWARDS

WINNERS/FINALISTS

EAST WINNERS
- New Jersey
  Regional Assessment Centers
- New York
  GreenLITES (Green Leadership In Transportation and Environmental Sustainability)

EAST FINALISTS
- Connecticut
  Offender Re-entry Workbook Program
- Massachusetts
  Emergency Management Directors Advisory Committee (EMDAC)
- New Jersey
  Solar Renewable Energy Certificates (SREC) Program
- Pennsylvania
  Opening Government
- Pennsylvania
  A Performance Metrics Regimen for State Export Promotion Programs
- Vermont
  Rocking Horse Circle of Support

MIDWEST WINNERS
- Michigan
  Water Withdrawal Assessment Process
- Wisconsin-Pennsylvania
  Grants—Comprehensive Grants Management System

MIDWEST FINALISTS
- Iowa
  Connections Equal Collections
- Iowa
  Human and Civil Rights VISTA Project
- Michigan
  Bay Region Office Light Emitting Diodes (LED) Conversion Program
- Minnesota
  Drive to Excellence

SOUTH WINNERS
- Kentucky
  Department of Corrections’ Reentry Hotline
- West Virginia
  eCDL Program

SOUTH FINALISTS
- Florida
  Employ Florida Banner Centers
- Louisiana
  Behavioral Health and Primary Care Integration Program
- Mississippi
  Department of Mental Health Focus Program
- North Carolina
  Western N.C. Data Center
- Texas
  Texans Feeding Texans
- West Virginia
  Teach 21

WEST WINNERS
- New Mexico
  Innovative Digital Education and Learning
- New Mexico (IDEAL-NM)
- Wyoming
  Healthy Families Succeed

WEST FINALISTS
- Arizona
  Detention Liaison Officer Program
- Arizona
  MY LIFE (Magellan Youth Leaders Inspiring Future Empowerment)
- Utah
  Utah Public Meeting Notice Website (PMN)
- Washington
  Enhanced Driver License / Identification Card Program

the council of state governments
NEW JERSEY PROGRAM ASSESSES PAROLEES AT SPECIAL CENTERS

When parolees in New Jersey commit a technical violation of the terms of their parole, they’re not automatically sent to a county jail to await a hearing.

Instead, the state’s Division of Parole sends those parolees to a Regional Assessment Center where they’re interviewed by clinical professionals to determine what happened to impact their negative behavior, said Lenny Ward, director of community programs for the New Jersey Parole Board.

The Regional Assessment Center programs is one of eight national winners of The Council of State Governments Innovations Awards.

Since the Division of Parole operates the assessment centers, officers have immediate access to the parole violator and can get immediate assistance that person may need.

“We have a place of our own where officers are present, they can deal with problems of gathering information necessary for the assessment in a faster manner because we have a place for that,” said Capt. Hector Reyes, supervising parole officer.

In addition, Reyes said, many of those technical violators that would previously have been sent to the county jail for assessment were eventually continued on parole. That means they were in the county jail for a number of weeks before continued on parole.

“(Now) they’re in a more intimate, more approachable setting,” Reyes said.

That’s important, Ward said, because the ultimate goal is reintegrating that parolee into society so dealing with the problem helps reach that outcome. Technical parole violators who are sent back to the prison system don’t get the help they need, he said.

“They’re simply going to be incarcerated and they’re going to be incapacitated but they’re not going to get the benefit of any services under the old scheme,” he said.

That changes with the regional assessment centers. The parolee who violates terms of his probation is taken off the street, but has access to services that might help him resolve the negatives going on in his life, Ward said. During the 15- to 30-day lockdown, center staff assesses the violator to determine whether he should be continued on parole with intensified supervision or treatment, or whether that person should be returned to prison.

“Where before we used to do things to the parolee, now we’re doing it for the parolee as well,” he said. “We’re trying to reintroduce the fact that there is rehabilitation during the same time while you’re incapacitating the parolee. I think that is where we’re going to get the better result.”

New Jersey has operated the assessment centers since July 2008. Ward said an investment was required up front to provide for the contracted facility, but New Jersey has seen a return on that investment of $5 to $6 for every dollar invested. It cost $2.5 million to implement the system, Ward said, but that returned a savings of more than $11 million last year because it’s cheaper to serve prisoners in an assessment center than in a jail.

Ward said support from Gov. Jon Corzine and the state Parole Board was necessary for the regional assessment center to take hold and grow.

And while the monetary savings has been big, Ward said the human outcomes are equally important. Parole officials have seen the success in that through an internal study.

“It makes sense from a humanistic standpoint regarding dealing with the offender,” he said. “It really is the right thing to do.”

—Mary Branham

“Where before we used to do things to the parolee, now we’re doing it for the parolee as well. We’re trying to reintroduce the fact that there is rehabilitation during the same time while you’re incapacitating the parolee. I think that is where we’re going to get the better result.”

—Lenny Ward, Director of Community Programs for the New Jersey Parole Board
GREENLITES CONSIDERS SUSTAINABILITY IN TRANSPORTATION PROJECTS

When the state was planning work on Ski Tow Road in Tupper Lake, N.Y., members of the community wanted to improve the main entrance to their community, but they wanted to keep the turtles in mind, too.

The road is near a causeway and runs between several bodies of water, so there were a lot of turtles crossing the road, said Marti Modzor, executive director of the Tupper Lake Chamber of Commerce.

“It’s an obstacle to your motorists, but it’s also a tragedy when you have your wildlife decimated because they need to get from one side of the highway to another,” said Modzor. That’s important since the road is a gateway to Adirondack Park, the largest state park in the U.S. at 6.1 million acres.

So the community asked the state Department of Transportation to keep the turtles in mind when they improved the road. The request fell in line with the department’s goal of environmental sustainability for its projects—all part of GreenLITES, one of eight winners of The Council of State Governments Innovations Awards.

The program, said Stanley Gee, acting commissioner for the New York state Department of Transportation, recognizes efforts to preserve the state’s natural resources. “Having these resources available for future generations improves the quality of life for us and for generations to come,” Gee said.

The department had incorporated sustainable elements into transportation projects for years, but GreenLITES, which started in February 2008, allows the department to rate projects in the state’s efforts to incorporate environmental sustainability and recognize those projects that do just that.

Many states already incorporate environmental sustainability in transportation departments to a degree. GreenLITES—which Gee likens to the Leadership in Energy and Environmental Design, or LEED, Green Building Rating System—is a way to streamline those efforts, he said.

Gee said the self-evaluation process helped his department achieve its environmental objectives. GreenLITES is a project design rating system that identifies more than 150 possible sustainable items in five categories. Stakeholders evaluate a project early in its development for elements of sustainability that can be incorporated into the project. Project teams work with stakeholders to develop the project based on those goals and objectives. The project is scored for its GreenLITES certification level.

“We’re trying to use this as a platform to expand our consciousness, our efforts to improve our environmental record,” said Gee.

The Adirondack Park project involved efforts to enhance the viewshed along the lake. Utilities were moved underground; the highway was widened to a width that balanced the needs of travelers and the park ecosystems; and fencing was installed along the wetlands borders to prevent turtles from entering the road.

“Our environmental resources around us are indeed what the Adirondack Park is all about,” said Modzor, “so we are very conscientious about our conservation measures as well as our preservation measures. “Although a turtle is not necessarily the symbol of our community, it is part of our natural environment,” she said.

And protecting the environment is a primary goal of GreenLITES.

“The ultimate goal is to ensure the transportation projects we deliver in New York state are environmentally sustainable and meet the public’s expectations of our agency … that we do things in a way that provides a sustainable future for our children and grandchildren,” said Gee. “That means protecting the environment and also restoring it or enhancing it.”

—Mary Branham

“‘We’re trying to use this as a platform to expand our consciousness, our efforts to improve our environmental record.’”

—Stanley Gee
New York Department of Transportation Commissioner
KENTUCKY INMATES STAFF STATEWIDE HOTLINE ASSISTING FORMER INMATES

For people leaving prison in Kentucky, a small credit-card sized piece of plastic may offer help at times when it seems so hard to get back to living a normal life outside prison walls.

The card is simple; nothing fancy. But the message on the front speaks to a major issue that’s often overlooked. “Going home is an adjustment … Make yours easy …” it says. The card includes the number to Kentucky’s Re-entry Hotline, a 24-hours-a-day, seven-days-a-week support line, printed in bold red letters on the front. The hotline won one of eight national Innovations Awards from The Council of State Governments.

“Right now it’s tough for all of us, let alone those who are coming back into the communities that have been out of the work force and out of society for a while,” said Sheila Rucker, who runs the hotline from one of the state’s prisons.

People fresh out of prison or jail can call the hotline to get in touch with needed social services, financial services, emotional support, substance abuse treatment, community resources and much more.

Because when someone leaves prison, they often find themselves in an overwhelming world.

“Usually the men and women who call are typically at the end of their hope,” Rucker said. “And so they’re very thankful to have a live person on the other end.”

When former inmates call, they're not speaking to people who can’t identify with their situations—they are speaking to inmates or parolees. The hotline is completely staffed by those housed at the Roederer Correctional Complex in LaGrange, Ky., just north of Louisville. The inmates who answer the phones are in the final phases of the Substance Abuse Treatment Program there, the one Rucker runs.

“Sometimes it is just an ear,” Rucker said. “These folks can identify with these callers and understand feeling stuck.”

“We did not want this to be something that we could hang our hat on that says this will stop recidivism. We wanted this to be another way to provide helpful information at any given time of the day or week so that people who were released from our jails and prisons would be able to access that information easily,” said Kevin Pangburn, director of Mental Health and Substance Abuse Programming in Kentucky.

The hotline began in August 2007 and in the first year, it received more than 3,000 calls that grew to more than 3,800 calls in the second year. Funding from the Edward Byrne Memorial Formula Grant Program—basically pays to have the cards printed—the only long-term costs of the program aside from the phone lines and Internet connections.

What started as just a simple resource line designed to help ex-offenders in need turned into much more. The hotline also reaps dividends for the inmates staffing the lines. The inmates get a sense of giving back to the community, Rucker said.

One inmate answering the phones put it this way: “At first, I was a little nervous thinking what if someone calls and I can’t find the information for them that they need or not find it fast enough. People were happy to wait; they would call and have no place to go, no food, no clothes, transportation, job … they were happy with any information we could give,” the inmate said.

“… It made me feel good that I could at least listen and give some feedback that would help. It gives you a real sense of accomplishment to be able to help someone instead of being a burden to society.”

—Mikel Chavers
WEST VIRGINIA CUTS CDL TEST CHEATING WITH HIGH-TECH TOOLS

Not too long ago in West Virginia, it was too easy to cheat when it came to getting a commercial driver’s license. In one instance, a test examiner took several applicants out for a road test, but they never even left the parking lot of a rest stop on Interstate 64. Yet the truck drivers still passed the test.

“Under the old CDL process, everything was paper-based and a lot of fraud was committed on paper;” said William Totten, director for the state’s commercial driver’s license program, or CDL for short. “They would forge papers and in some cases the applicant never did receive a CDL test.”

And the state just lacked the manpower needed to keep a watchful eye over testers and examiners taking the truck driving test on the state’s sprawling highways.

“It wasn’t so much this state—other states really had a problem with the paper-based system,” said Stephen Shelton, manager of CDL testing. “You were never sure that test even took place unless you were there watching the examiner.”

But the state had to cut half the staff overseeing the tests and the CDL program was forced to do more with less.

It’s just hard to be in two places at once. Or is it?

With the new eCDL program, winner of an Innovations Award from The Council of State Governments, virtually all West Virginia’s CDL testing is paperless, using laptops equipped with global positioning system technology and video and audio recording to track trucks’ movements through the entire test. The state wants to make sure truck drivers really do take—and legitimately pass—the CDL driver test.

Test examiners, who are usually third-party contractors, use laptops to upload the driver’s scores and test results. The laptops time-stamp phases of the test, so officials know how long test-takers spend completing portions of the test. If a test is uploaded in an abnormally short period of time, for example, the program raises a red flag.

State officials even get fraud alerts on their cell phones when something is fishy, clueing them in to possible cheating. When the program enters the next phase this year; those alerts will all be real-time so investigators can actually go to a test site immediately and determine whether fraud is taking place.

“With eCDL we’re monitoring the movements of that truck, so if the truck is sitting in the parking lot, we can tell by the GPS monitoring that we have in the eCDL system, that that truck never left the parking lot,” said Wilbur Thaxton, IT manager. “We know whether or not (the approved) route was followed by the GPS point. And every time there is a mistake made, it tells us what that mistake was and where it was made at and even tells us how fast a vehicle was going at a particular spot.”

The new phase of the project, solely funded by federal grant money from the Federal Motor Carrier Safety Administration, calls for the laptops to capture video and audio during the test from inside the truck’s cab as proof the driver honestly passed and the examiner legally tested the driver.

As the program continues, the eCDL testing process will also interface with the accident reporting system and the citations system—so the state can tell whether the road tests and test questions are adequately preparing drivers.

“There is a direct correlation with the issuance of the written, the skills and how they actually perform on the road. So there’s a direct correlation with accidents,” Thaxton said.

—Mikel Chavers
WISCONSIN eGRANTS PROGRAM ADDS EFFICIENCY

Not too long ago, processing 30 grant applications would have taken down the Office of Justice Assistance in Wisconsin. “It would take so much effort for the manual work that was needed,” said Darcey Varese, financial officer for the agency.

Then came an influx of homeland security funding, which would add even more work and data requirements. It was obvious something needed to be done, Varese said.

“Our systems were outdated, unlinked,” she said. “We were not able to build off what we had.”

So the agency turned to Pennsylvania, which had developed a Web-based grants management system using the federal Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program. Pennsylvania’s Commission on Crime and Delinquency shared the source code for the process and Wisconsin implemented its e-grant program in 2006. The Egrants—Comprehensive Grants Management System is one of eight national winners of the CSG Innovations Awards.

The system is comprehensive—“from cradle to grave,” as Varese calls it.

“You’re able to announce grant opportunities to agencies and it tracks it throughout the system all the way through to collecting data and tracking the funding until the closeout of the project,” Varese said.

Alison Poe, deputy director of the Wisconsin Office of Justice Assistance, said the system also generates the documents needed to make an award, as well as keeps track of all the information needed for reporting to the federal government.

She said the program is used by agencies as small as one- to two-person police forces to large nonprofits that apply for grant funding from the Office of Justice Assistance. “It has been used and successfully by a full range” of organizations, Poe said.

While there was some early trepidation when the e-grants process was installed, many grant-seeking agencies have seen the benefits of the process.

“Prior to Egrants, every program unit in the agency had their own application kit and their own process that they would use on a round of funding,” said Varese. “Egrants has forced a stable standard process across the agency for grants management.”

The continuity forced by the use of the program, she said, led to much efficiency. And, she said, the agency didn’t have to prepare as much as others when the American Recovery and Reinvestment Act funding started to roll in.

Egrants also promotes transparency and accountability in the grants process, Varese said. And, said Poe, the ease of access to the information has helped the agency respond more quickly to requests for information from the press, legislature and other governmental agencies.

The use of the Egrants program in both Wisconsin and Pennsylvania illustrates the ability of states to use technology or share existing IT strategies, according to the program’s application for the Innovations Award. And that sharing continues. Varese said several Wisconsin state agencies have adopted or expressed interest in a comparable process for grants management.

“For a small agency like ours,” said Poe, “it gives us a chance to share back with the enterprise of state government something that has been very beneficial.”

—Mary Branham

“For a small agency like ours, it gives us a chance to share back with the enterprise of state government something that has been very beneficial.”

—Alison Poe, Deputy Director of the Wisconsin Office of Justice Assistance
Michigan is working to ensure its use of water doesn’t have an adverse impact on the Great Lakes ecosystem.

The state developed a water withdrawal assessment process to avoid those problems. The state’s Water Withdrawal Assessment Process, one of eight national winners of a Council of State Governments Innovations Award, is part of a regional effort to protect the Great Lakes and prevent large scale water diversion from the basin.

The Great Lakes Compact—to which eight states and two Canadian provinces belong—prohibits other states and foreign countries from withdrawing water from the lakes, and also requires the member states and provinces to regulate their water use and promote conservation of the lakes.

Michigan is the only state to fully implement the compact, according to David A. Hamilton, chief of the Water Management Section in the Land and Water Management Division.

“We had to find ways by which we would measure the impact of water withdrawals and assure they are not going to cause an adverse impact on the aquatic resources or water dependent natural resources in the Great Lakes basin,” Hamilton said.

So Michigan developed a collaborative process in which science guided policy, he said.

The state developed models of withdrawal impact. For instance, the stream flow throughout the state is calculated, taking into account the diversity of the types of streams in Michigan, Hamilton said. Then, proposed groundwater withdrawal is reviewed for its impact on the amount of water depleted from neighboring streams.

“The real heart of it is that every stream has been classified according to what type of fish communities live there,” he said. Curves were developed to show the impact on the fish populations based on the amount of water withdrawn, according to Hamilton.

Based on the scientific evidence, Michigan lawmakers passed legislation that set standards for the amount of water that could be safely withdrawn, Hamilton said. The laws, passed in 2006, were the first in Michigan to establish water withdrawal regulations.

Because Michigan is a water-rich state, Hamilton said some people questioned the need to set the regulations. The compact to avoid diversion of Great Lakes water to other states and regions was just one reason. But Hamilton said there are areas in Michigan that face water shortages. Legislators approved the law and then instructed the Department of Environmental Quality to develop tools to further refine and implement the plan.

An assessment tool is available online for water users to determine the likelihood of an adverse impact of a proposed withdrawal, Hamilton said. Only those that withdraw a large quantity of water—100,000 gallons a day—would be required to participate in the assessment. That includes large industries, irrigators and municipalities.

“It’s good for planning industry and development to have an idea ahead of time whether or not they can do something,” said Hamilton.

He said the assessment tool is efficient in that people can fill out the application online. If there’s no impact, they can get automatic authorization through the process. For those cases where there is a potential impact, Hamilton said, the assessment would send them to the state for individual review.

Michigan fully implemented its assessment process in July 2009. Hamilton said other states are looking at Michigan’s process and will implement similar programs to address the requirements of the compact.

—Mary Branham
Wyoming’s Healthy Families Succeed program connect folks with health care and job training, such as truck driver training in the state. Photo courtesy of Wyoming Department of Corrections.

Wyoming learns that healthy families succeed

When state officials in Wyoming put their heads together, they discovered a large chunk of folks on the state’s rolls were getting assistance from more than one state agency. Those same people were also costing the agencies big bucks.

In fact, 30,000 people were receiving services from two or more state agencies at the same time. Not only that, often because of health care and job issues, those people weren’t happy either. They were dependent on state social services.

“So of those people were the costliest for all of our agencies,” said Robert Lampert, director of the Wyoming Department of Corrections. Lampert is also chair of the group that met to look at those receiving state assistance.

If the state wanted to reduce its costs, it had to help these people help themselves. Lampert said when these people can get the health and employment support they need—they’re happy and the state is happy. That’s because healthy families succeed, he said.

And that’s exactly the aim of Wyoming’s program, appropriately called Healthy Families Succeed, one of eight national Innovations Awards winners from The Council of State Governments.

The program is about moving families to self-sufficiency through health and job support. That’s just better for Wyoming’s economy, Lampert said.

The highest cost, highest risk people were, for example, receiving 10 or more different medications a year, Lampert said. That was costly for the state.

These are the folks who don’t have a primary care physician and so they must get health care from the emergency room, Lampert said. That’s where duplication happens.

“Theyir doctor just happens to be whoever’s in the ER,” Lampert said. So there’s no consistency and continuity with the medications they are receiving, he said. “They end up being overprescribed.”

So Healthy Families Succeed made a move to help these people. “By pairing them up with pharmacist teams who explained medications and what each medication does and other alternatives,” they were able to reduce the medications they needed, Lampert said.

“Nobody had ever taken the time to explain these things to them,” he said. “They were better able to take care of themselves.”

The program took the same approach with job services. State officials found when they targeted the highest cost, highest risk individuals for employment services, the state’s costs went down when those folks found jobs.

In fact, the program found that healthier families—both health-wise and job-wise—rely less on state services. State costs decreased by an average of more than $1,900 per person enrolled in the program.

The success of the program, which made those kinds of savings possible, all depended on good data. That meant multiple state agencies had to share and compare data to identify the highest-cost, highest-risk folks receiving services. That in itself was no small feat—it took one mega database.

That database included data from the state departments of health, corrections, family services, work force services and employment. More than that, the state formed a groundbreaking public-private partnership with Human Capital Management Services to get the job done.

The undertaking certainly sounds expensive, but the kicker is this: The state agencies all pitched in existing funds from their budgets and made the program happen—database and all—without asking for more money. State agencies simply shifted around dollars.

—Mikel Chavers

“Nobody had ever taken the time to explain these things to them,” he said. “They were better able to take care of themselves.”

—Robert Lampert
Director of the Wyoming Department of Corrections
NEW MEXICO USES ONLINE COURSES FOR ENDLESS POSSIBILITIES

If you’re a high school dropout in New Mexico and the idea of going back to a traditional classroom is just too daunting, then the state’s Innovative Digital Education and Learning program, nicknamed IDEAL-New Mexico, is the program for you, said New Mexico Education Security Veronica Garcia.

Dropouts can take classes to graduate online.

If you’re a New Mexico teacher and you want to pursue certification online with all the flexibility that offers, IDEAL-New Mexico is also the program for you, she said.

If you’re a state agency director and you want a money-saving way to make sure all your employees receive the kind of professional development they need, IDEAL-New Mexico can also be the program for you, Garcia said.

In fact, for this New Mexico program, the possibilities seem endless.

“I believe that this program is going to revolutionize high schools and how students connect with higher education,” Garcia said. “I believe it’s going to save money with state government.”

IDEAL-New Mexico is a technology platform that is free to school districts, state agencies and other public entities to offer online courses for students and public employees. The program has the power to reduce travel expenses by offering classes online as well as provide people in rural areas unprecedented access to classes they might not be able to take otherwise.

“We’re not stuck by brick and mortar,” Garcia said. “There’s kids taking classes late at night.”

The first two classes offered through the program were Algebra I and New Mexico history, she said. From there, the program had such an amazing success rate, the state decided to move forward with the program, working to expand it into a professional training service as well.

And for New Mexico Gov. Bill Richardson’s plan to target high school dropouts, the program offers a way to make sure those who have dropped out of high school can come back and get their degree no matter where they are.

The state has 40,000 kids “that we’ve lost,” Garcia said. Those are high school dropouts. Along with Richardson, she wants those kids back.

“Wherever they’re at, we know several of them are just lacking one or two credits to high school—we can get them back,” Garcia said. “They don’t have to be at the high school, they can take classes at the YMCA.”

“IDEAL-NM will be the centerpiece to Graduate New Mexico so that high school dropouts have an alternative to earn credits toward graduation without actually coming back to school,” Richardson said in a press release. “But it will also be a way for state agencies, and public and nonprofit groups to provide coursework, hold meetings and trainings without the expense of travel. I see it as another way we are using our state funds wisely.”

The program began with online courses last year and today there are more than 2,000 classes and 99 eTeachers, Garcia said. In fall 2008, 610 students were enrolled in 694 courses, she said. The pass rate was 80 percent. In spring 2009, 359 students were enrolled in 426 courses with a pass rate of 94 percent. Then in summer 2009, 246 students were enrolled in 53 courses with a 99 percent pass rate, she said.

“We’ve just hit the tip of the iceberg with this program,” Garcia said. “We think it’s ideal.”

—Mikel Chavers

“I believe that this program is going to revolutionize high schools and how students connect with higher education.”

—Veronica Garcia,
New Mexico Secretary of Education
CSG will bring together state officials from across the country to exchange innovative practices and share capitol ideas November 12–15. Participants will take part in informative discussions about some of today’s leading issues, including health care reform, energy alternatives, state stimulus spending, H1N1 vaccinations, transportation reauthorization and higher education.

To view the entire conference agenda, including Expo Hall hours, business meetings and special events, click on "Meetings" at www.csg.org.

You can also follow “CSGAnnual09” on twitter for updates before and during the conference!

Thursday, Nov. 12

Transforming Government: The Tools You Need
7:30 a.m.—Noon
This half-day policy seminar, focused on the specific tools for transforming state government, will include panels on results-based governance and transparent governance with each panel tied to real transformative tools and processes for change that can apply to the states.

Tracking the Federal Stimulus Dollars
1:30–3 p.m.
While the huge influx of federal stimulus money to state and local governments offset a sharp drop in tax collections, state policymakers face a great deal of responsibility to ensure these federal funds are spent effectively and efficiently, and will build the foundation for broad-based, sustainable economic growth. This session will feature California’s efforts to ensure the proper expenditure of federal stimulus funds as well as some of the broad trends gleaned from the projects initiated under the Recovery Act to date.

Corrections in the Crosshairs: What Are States Doing to Increase Public Safety While Cutting Prison Spending?
3:30–5 p.m.
Federal judges in California, where prison crowding has reached record levels, have ordered the release of 43,000 state prisoners. While crime has dropped in Golden State, its prison population has soared. But New York state is closing prisons as its crime rates plummet: The number of homicides in New York City recorded in 2009 projects to be the lowest since the city’s police department started keeping records in 1962. Why are corrections and crime trends so different in states? What can elected officials do to spend less on corrections while increasing public safety?

ADDITIONAL THURSDAY HIGHLIGHTS >>
- America’s Educational System Goes Back to School
  1:30–3 p.m.
- Paving the Future: State Transportation Spending
  1:30–3 p.m.
- Will Health Care Get a Face Lift?
  1:30–3 p.m.
- Energy Intervention: Alternatives to Oil
  3:30–5 p.m.
- Looking Overseas to Drive America’s Recovery: What Role Can Trade Play?
  3:30–5 p.m.
- States’ Financial Life after the Stimulus
  3:30–5 p.m.
- States’ Rx for Health Reform
  3:30–5 p.m.
Friday, Nov. 13

**Common Humanity: Finding Our Place in the World**  
7:30–9 a.m.

*National Geographic* Explorer-In-Residence Dr. Spencer Wells will introduce the audience to the Genographic Project—a landmark study of the human journey. Drawing on both his extensive worldwide fieldwork and the use of cutting-edge DNA technology, Wells will provide his unique perspective on the ties that bind us together. You will not want to miss this highly interactive opportunity to learn more about our common humanity.

**Justice Matters: Insights from the Bench**  
11 a.m.–12:30 p.m.

Judges play a key role in shaping the law of our states and territories. This plenary session panel, composed of four state chief justices, will explore the recent summit of the states that advanced fair and impartial state courts. Judicial elections, interbranch cooperation, court innovations and equality in justice will be among the topics on the docket. Don't miss this insiders’ look behind the gavel.

**ADDITIONAL FRIDAY HIGHLIGHTS >>**

- **Health Care Cost Drivers: Alzheimer’s and Diabetes**  
  9:30–10:30 a.m.

- **Keeping the Promise: OPEBs and State Pension Liability**  
  9:30–10:30 a.m.

- **Broadband: If You Build it, Will They Come?**  
  9:30–10:30 a.m.

- **Who’s in Charge? Succession Planning Before the Crisis**  
  9:30–10:30 a.m.

- **Western Roundtable: A Conversation about the Rural/Urban Divide in the West**  
  4–5:30 p.m.

Saturday, Nov. 14

**Get Connected: Exploring Cutting Edge Communications in the Digital Age**  
7:30–9 a.m.

Tools such as blogging, online social networking and real-time streaming video enables politicians, interest groups and individual citizens to mobilize in new, unconventional and highly successful ways. Ben Self, 2008 Democratic National Committee technology director, will discuss how some candidates are embracing campaigning in the digital age and what role new media will play in the future of our political system.

**Cap & Trade 101**  
9:30–10:30 a.m.

Cap and trade legislation passed in the U.S. House of Representatives in June (as part of the American Clean Energy and Security Act of 2009) and will be before the Senate this fall. This session will explore how a federal cap and trade system would work and impact states. Panelists will also discuss the optimal design of a cap and trade program as well as other alternatives to achieving the same goal of reducing greenhouse gas emissions if the bill fails to pass the Senate.

**Strategy 2020: Safely Reducing Foster Care by Half**  
9:30–10:30 a.m.

Foster homes, by definition, are temporary. The goal of Casey Family Programs 2020 Strategy is to ensure that a child’s stay in foster care is also temporary—and brief. Child welfare systems across America are committing to the 2020 Strategy as an effective way to carry out their ultimate mission of protecting children.

**Accessing the Dream: Higher Education in America**  
11 a.m.–Noon

Despite rising college enrollments nationwide, the U.S. continues to lag behind other industrialized countries in the rate of college participation. Learn from CSG’s National Advisory Council on Postsecondary Education Access how your state can adopt and implement state policies for Advanced Placement courses and exams, International Baccalaureate Programs, Dual Credit, Dual Enrollment, Early/Middle High School Programs, P-16/P-20 governance and funding issues related to high school reform that will result in an increased number of high school students enrolling in postsecondary education.

**America: An Evolving Nation**  
Noon–1:30 p.m.

Every generation is both shaped and defined by unique forces. The events, people and shared history that influences one generation is constantly evolving into the new events, new people and new history that influences the next. Using his unique mixture of thoughtful insight and humor, acclaimed *Newsweek* editor Jon Meacham will explore how America’s recent history and changing demographics are influencing a new generations of voters.

**Blurring Borders: Transforming Together & Celebrating Innovation**  
2:00–3:30 p.m.

Join CSG President West Virginia Gov. Joe Manchin and CSG Chair Idaho Sen. Bart Davis as they honor the winners of the Keon Chi State Governance Transformation Award and the 23rd annual CSG Innovations Awards. Representatives from this year’s featured program in transformation, the Minnesota-Wisconsin service sharing initiative, will be on hand to discuss how Govs. Tim Pawlenty and Jim Doyle came together to develop a truly unique and out-of-the-box approach to interstate cooperation.

**ADDITIONAL SATURDAY HIGHLIGHTS >>**

- **Federal Agenda: One Year Since the Election**  
  9:30 a.m.–Noon

- **Inoculation for Flu Pandemic: H1N1 and Your State**  
  9:30–10:30 a.m.

- **New Media: Connecting with Your Constituents, Part I**  
  9:30–10:30 a.m.

- **Good Neighbors: States, Military Bases Partner on Environment**  
  11 a.m.–Noon

- **Women’s Health: Bringing Disparities to the Forefront**  
  11 a.m.–Noon
A new Council of State Governments’ national report—“Shovel Ready or Not? State Stimulus Successes on the Road to Recovery”—highlights efforts of states that have distinguished themselves in some aspect of implementing the infrastructure spending portion of the Recovery Act. The report is due out in January.

By Sean Slone

Federal investment in highway and bridge projects has been perhaps the most closely scrutinized portion of the $787 billion stimulus package approved by Congress this year. The Recovery Act set aside $27.5 billion for highway and bridge projects alone.

While states faced an Oct. 10 deadline for the first electronic reports on the receipt and use of those funds, the true impact of the American Recovery and Reinvestment Act of 2009 will likely be analyzed for months and years to come.

Still, before any numbers were tallied detailing the economic impact of all those “shovel-ready” projects that tied up traffic this summer, the significant and potentially long-term impact for state governments was already clear. State governments have changed procedures to get projects underway, instituted unprecedented transparency and accountability initiatives, and worked long hours to meet federal reporting requirements.

A Council of State Governments national report—“Shovel Ready or Not? State Stimulus Successes on the Road to Recovery”—highlights efforts of states that have distinguished themselves in some aspect of implementing the infrastructure spending portion of the Recovery Act. It features interviews with state stimulus czars, state Department of Transportation officials and others on the front lines of Recovery Act implementation. Together they tell the story of why their states were successful in meeting important deadlines, reaching critical milestones, choosing projects wisely and using new technologies to track it all.

The full report will be released in January. Here is a preview of what state officials told CSG about implementing the Recovery Act.

The Need for Speed

The Obama administration announced in late June that all 50 states had obligated at least half their highway stimulus funds. Under one of the “use it or lose it” provisions of the Recovery Act, states had until June 30 to obligate the funds or risk losing half of what wasn’t obligated.

Maine secured 100 percent of its funds by the deadline. It was the first state to hit the 50 percent threshold way back on March 6.

“One of the things (Gov. John Baldacci) was adamant about was that we didn’t get into July and August and have all kinds of stimulus funds sitting around while the bureaucracy tried to figure out the best way to get it out the door,” said Ryan Low, commissioner of the Maine Department of Administrative and Financial Services, who serves as the state’s stimulus czar. “So we spent a lot of time in those early months even before the bill was signed on Feb. 17 setting up a structure inside government to push things along as quickly as possible.”

The state established a system in transportation to streamline the processing; it set early meetings with a group that meets weekly that included people from the controller’s office, budget office and those who could push projects along, Low said.

“Given the short construction season that we have in Maine, we were automatically going to hit that June deadline because we can’t
wait until September and October to start construction projects,” Low said. “Our season’s just not long enough to do that. That had as much to do with it as anything.”

But obligating the federal stimulus dollars was only part of the story. In early August, the chairman of the U.S. House Transportation and Infrastructure Committee, James Oberstar, sent letters to the governors of the three states that had used the most stimulus highway funding to that point. Wyoming ranked first on Oberstar’s list since it had used 76 percent of its $157.6 million at the time. Wyoming was among the first states to award contracts for all its stimulus-funded road projects.

Lynne Boomgaarden, director of the Wyoming Office of State Lands and Investments and the state’s stimulus czar, said the state’s legislature left managing the stimulus up to the governor,
SHOVEL READY OR NOT?

CSG Transportation Policy Lead Sean Slone will be available in the CSG booth from 3:30 to 4 p.m. Friday, Nov. 13, during CSG’s annual meeting to answer questions and preview “Shovel Ready or Not? State Stimulus Successes on the Road to Recovery,” a new CSG national report.

A worker on the I-29 rehabilitation project in Iowa, south of Council Bluffs. Photo courtesy of the Iowa Department of Transportation. Photographer: Keven Arrowsmith.
and required state agencies to get the governor’s approval to submit an application. The process was in place fairly quickly, she said.

“And because (the state Department of Transportation) was ready to do that, that process went very quickly and very smoothly, which let them go out with their respective bids and make their awards,” Boomgaard said.

Ron Kisicki, management services manager with the Wyoming Department of Transportation, said the department developed a list of more than $400 million worth of projects that would be considered shovel-ready.

“So when the act was finally passed and signed, we were basically ready to put projects out to contract. … I think it was primarily a result of many months of analysis and planning ahead of time,” he said. “The other thing is we’ve got a smaller program as compared to a lot of states. We didn’t have any metropolitan areas 250,000 or above.”

New Hampshire, which in July had used 64 percent of its $129.4 million, also won praise from Oberstar. One procedural change at the state agency level that may have had an impact on greasing the wheels involved a simple piece of paper to green-light stimulus-funded projects. Stimulus director Bud Fitch, the state’s deputy attorney general, required every stimulus project to have a green cover sheet that signified it was a “Go.”

“What the green paper does is it says when you come in in the morning and your routine stack is there, if halfway down the pile is something with a green paper, pull that out, do it immediately, send it on to the next step, where normally it might not be gotten to for two or three days or sometimes even a week,” said Fitch. “It altered the priority assigned to things much more than it altered the steps followed to get them through.”

**Focus of Stimulus Transportation Projects**

With the transportation spending, the Recovery Act gave states an opportunity to address urgent needs such as the 26 percent of America’s bridges that are structurally deficient or functionally obsolete, the one-third of America’s roads that are in poor or mediocre condition and the backlog in public transportation investment.

But an analysis in June by Smart Growth America, a coalition of organizations that fight urban sprawl, found that a majority of states failed to make as much progress as possible on pressing transportation needs.

By the standards set by the report, Iowa ranked high both in the percentage of stimulus highway funds committed to roads for repairs—93 percent—and the percentage of overall transportation stimulus dollars spent on public transportation and biking or walking trails—16.5 percent.

“We essentially just moved forward with our existing transportation plan. Those were ready-to-go projects,” said Iowa’s stimulus czar, Jon Murphy, director of state-federal relations. “There were some minor adjustments made to the plan but for the most part the $358 million that we were provided by the Recovery Act just accelerated our existing transportation plan.”

Dan Franklin, director of the Office of Policy and Legislative Services in the Iowa Department of Transportation, said the state has moved toward the preservation of roads as opposed to expansion and new capacity the past few years—that’s a good thing, according to Smart Growth America.

“We had a huge program here over the last decade where we did a significant amount of four-lane-ing (roads) in the state,” Franklin said. “And as those have wound down in the last couple of years, we’ve been rededicating stuff back to preservation.”

—Beth Blauer, Director of Maryland StateStat

**State Transparency and Accountability**

Under the Recovery Act, state governments took on significant reporting requirements and used state of the art Web sites to communicate it to anyone willing to wade through the voluminous information.

A July study by Good Jobs First, an economic development research group, ranked states according to their Recovery Act Web sites. Maryland ranked number one for both its main Recovery Act Web site and its highway reporting site, both of which are part of StateStat, a performance measurement and management tool implemented by Gov. Martin O’Malley. Maryland is one of eight states with Recovery Act Web sites that use graphic displays based on interfaces developed by ESRI, a California-based geographic information systems firm.

Beth Blauer, Maryland StateStat director, said the state had been working with a GIS-based application at StateStat for some of its other transparency initiatives, particularly in regard to efforts to improve the health of the Chesapeake Bay. So when it came to reporting on the Recovery Act, the state again turned to the California company, which was at the time looking to develop a tracking application.

“We tried to guess what we would have to be reporting,” said Blauer. “We sort of just started based on what we saw on usaspending.gov and some of the other transparency initiatives … and we created a template, which very luckily reflects the federal reporting template pretty much field for field.”

State agencies used that template to start reporting in the spring. Blauer said most states didn’t start reporting until later. “We were just very organized, we anticipated right, we did good research and it paid huge dividends for us,” she said.

“I think this is just the teaser of what’s to come,” she said. “I don’t think that the Obama administration is going to back off any of these transparency mandates that they’ve set on ARRA. … From all angles it looks like this is the direction that we’re going to be moving in for all spending, not just spending related to ARRA. … I see this as our transition into the next era of government accountability.”

Blauer said StateStat helped Maryland and could serve as a model for other states for reporting Recovery Act data.

—Sean Slone is a transportation policy analyst at the Council of State Governments.
States are developing new strategies to better serve children in foster care. Many officials believe the shorter children stay in foster care, the better their lives will be. With that in mind, states work to find permanent homes for foster children and make foster care safer.

By Mikel Chavers
In state foster care systems, some situations inspire tears of joy when something really special happens and changes a child’s life for the better. Then there are situations that make you sick to your stomach at the atrocities that happen to states’ most vulnerable children.

**This is a story about both.**

But more importantly, this is a story about what the states are doing when it comes to foster care. It’s a story about how states are taking the positive and the negative and working to improve the experience of children in the foster care system.

**Looking for Permanency**

Sitting at the bedside of a medically fragile foster child, a Georgia nurse spends her extra time after work to feed him and sit with him. The child was in the hospital, his little body connected to tubes. The nurse was the only person who had real contact with him.

But the child was stuck in the foster care system and caseworkers struggled to find a permanent home for him. It seemed like a “forever home” was out of reach.

“Many people would have given up,” said Isabel Blanco, deputy director of the Georgia Department of Family and Children Services.

But earlier this year, Georgia started permanency roundtables to take a look at the state’s most difficult foster care cases where children were seemingly stuck in the system for years and where it was increasingly difficult to find them a permanent home. The roundtables work like professional review boards where experts tediously pour over cases of the children who are in foster care the longest.

“The longer kids stayed in foster care, the more moves they had, the worse they became socially and emotionally,” Blanco said. “Georgia is busy trying to reverse the effects of kids staying in foster care too long.”

These cold cases, as they became known, involved either children with behavioral problems, mental or other disabilities, or medical conditions that made it more difficult to find willing parents to offer a permanent home, Blanco said.

“They had behavioral issues which got them moved around quite a bit because not very many people could manage safely their behavior,” Blanco said as an example. “It’s very difficult to move you into a family-like environment and it’s very difficult to convince a family that they could safely manage you.”

The biological parents were often totally out of the picture and these kids were stuck in the system and not getting any better.

The medically fragile child in the hospital was one of those tough cases, one where there seemed to be no hope for a legal guardian and a permanent family. His case went to the permanency roundtable where experts considered innovative solutions and tried to think of every possible strategy not previously considered.

Then the child’s caseworker thought of the nurse. She already had a family, but was she willing to become the child’s legal guardian? The permanency roundtable just posed the question.

And she accepted.

The nurse bought a home across the street from the hospital and stays with the child during the week, then goes home to her family on weekends. On Monday, she starts the whole process over, Blanco said.

“We have so many stories that would give you hope,” Blanco said. “(The permanency roundtables) are about the unwavering belief that if we were diligent enough about searching for a forever family, one would appear.”

That’s exactly the stance the state is taking—and the idea is catching on.

Georgia began the roundtables in February and since then, roundtable has become a verb, Blanco said. All difficult foster care cases get roundtabled. The first wave of permanency roundtables looked at 494 of the state’s toughest foster care cases—315 from Fulton County, and 134 from DeKalb County, both in the Atlanta area.

“Those were the hardest, longest-staying kids in the system,” Blanco said.

Of those, 17 percent of the children found permanent homes and left the foster care system altogether. The roundtables looked at all kinds of solutions to make
LOOKING FOR PERMANENCY

that happen. Officials revisited families and relatives who hadn’t been engaged in the child’s life for a while, Blanco said. Some were adopted by teachers, mentors and people who had been involved with them but just hadn’t been approached, she said.

Six percent of the children in the first wave of cases aged out of the system by choosing to leave the state’s care at 18 or 21. But of those, 27 individuals volunteered to stay in the system because of the changes Georgia is now making with the permanency roundtables.

Georgia then took on an additional 1,700 tough cases for the roundtables. Staff members take on four to five cases a day, pouring over all of the options.

Since the permanency roundtables started, 175 foster children now have permanent families—69 were reunified with parents; 38 are in the custody of relatives; 36 were adopted; and 32 now have legal guardians who aren’t relatives, according to Blanco.

The national average for kids who re-enter the foster care system after leaving is 8.6 percent, Blanco said; in Georgia, the re-entry rate is 3 percent.

Every region in Georgia is now implementing the permanency roundtables, Blanco said. Other states are implementing them as well.

Kentucky, for one, started using permanency roundtables in August. The state started with 81 of its toughest foster care cases and used a similar approach. Roundtable members are charged with thinking of every possible solution that would offer every child a permanent home.

“We’re feeling as though that’s going to have a real benefit on those cases that are stuck in the system,” Jim Grace said about the roundtables. Grace is the assistant director of the Kentucky Division of Protection and Permanency, part of the Cabinet for Health and Family Services.

Grace said Kentucky’s roundtables handle children who have been in the foster care system for more than a year, anywhere from 18 to 48 months.

“For those (cases) where we are struggling, we’re really focusing on kids who have been in care for a significant amount of time,” Grace said.

Permanency roundtables are also used in California in Los Angeles County’s Department of Children’s Services as a part of the Permanency Partners Program, said Director Trish Ploehn.

Like Georgia, L.A. County foster care officials reconnect with families that have been out of touch for awhile and find alternate caregivers that just hadn’t been approached before, she said.

Ploehn credits the Permanency Partners Program and

ENSURING SAFETY OF FOSTER CHILDREN

Moved from her home and into the foster care system at a very young age, a girl in Oregon is sexually abused by her foster father—a man that together with his wife had been a foster family certified by the state for more than 13 years.

There were multiple warning signs and reports of abuse that state officials handling the case failed to act on, according to a report on the case by an Oregon Critical Incident Response Team. The team was formed this year to look into the case.

“When you expect that children that have already been abused or neglected deserve to be safe in a foster home, to be abused or neglected again it seems worse,” said Gene Evans, spokesman for the Oregon Department of Human Services.

In another case in the state, foster parents neglected medically fragile toddlers and kept them in a small, dark room in cribs covered in chicken wire, what attorneys handling the case called makeshift cages, Evans said.

Those were the kind of cases that started Oregon down a path of reform.

“We had some things that we needed to address,” Evans said. In 2008, 83 of the nearly 14,000 foster children in state care were abused or neglected, according to Evans.

“It’s a small number but not when you think … these kids should be safer,” he said.

So the state studied the cases in-depth. Special Critical Incident Response Teams were formed to find out how the abuse and neglect of these foster parents had gone unnoticed.

“I think this is the first time any state has looked into whether these reports are discounted in the foster families’ long-time status,” Evans said. “It’s just not OK.”

In the sexual abuse case, there were several documented reports alleging anger issues, sexual abuse and inappropriate disciplinary issues filed against the foster father, but no action was taken until years later.

Oregon is revamping its system to better monitor foster parents.

As part of the effort involving multiple strategies and measures, Oregon’s Critical Incident Review Teams study a case in-depth when a foster child is seriously injured or killed as a result of abuse or neglect, according to an Oregon Department of Human Services press release. The teams bring together agency staff, law enforcement and others to review whether there were problems in the system or gaps in practice or procedures, the press release said. Reports from the teams are posted on Oregon Department of Human Service’s Web site, including the one about the little girl who was sexually abused by her foster father. None of the reports include names.

In September, the state also convened a Foster Care Safety Team with members representing the Oregon Foster
Parent Association, law enforcement, the Oregon Department of Justice Juvenile Courts Programs, Oregon Foster Youth Coalition and the Oregon Department of Human Services.

The team is charged with reviewing some of the state’s long-term foster care parents as well as analyzing all 2008 foster care abuse and neglect cases.

The Oregon legislature also approved funding for an additional 130 child welfare workers who will have face time with foster children and foster parents—a pretty significant measure since Oregon, like so many states, is suffering from budget cuts in this recession.

“Oregon is no stranger to budget cuts—we have one of the highest rates of unemployment in the nation,” Evans said. “Everybody is taking this very seriously.”

And improving state foster care systems is a serious issue, Ploehn, from L.A., said.

“We believe that there are still children in our system that we can and should be moving into permanency,” she said. “The next step is to look at the front end of our system—how we can ensure we can keep a child safe but not even bring them into the front door of the system in the first place.”

That step might include counseling for families in need and helping to improve parenting skills, for example.

—Mikel Chavers is associate editor of State News magazine.

STRATEGY 2020: Safely Reducing Foster Care by Half

Trish Ploehn, director of Los Angeles County’s Department of Children’s Services, will speak about what her county is doing to improve the foster care system and reduce the number of children that enter the system at a session at The Council of State Governments Annual Conference in La Quinta, Calif., Nov. 14. It’s part of a discussion of the Casey Family Programs’ 2020 Strategy, whose goal is to drive the political and public will for making comprehensive changes to foster care systems in the U.S.
he American and Canadian economies are going through a difficult downturn. Citizens in both countries have lost jobs, and both the U.S. and Canada have implemented sizeable stimulus packages to help kick-start the economy.

More than 7 million U.S. jobs are supported by trade with Canada. Close to $2 million worth of goods and services cross the border every minute of every day, with total Canada-U.S. merchandise trade topping $557 billion in 2008. Canada buys four times more from the U.S. than China does; in fact, more than the United Kingdom, Japan, Germany and China combined.

In June, with those remarkable statistics in mind, Canada’s deputy ambassador to the U.S. joined Canadian consuls general from across the U.S. in bringing an important message to the U.S. Congress: Our two economies are profoundly integrated; we are partners and, as partners, we must work together to effect economic recovery in North America. The explicit and implicit corollary to that message is that protectionist measures—such as the Buy American provisions included in the U.S. economic stimulus package—have no place in that relationship.

Our two countries share a lengthy friendship and a border stretching 5,525 miles—the longest common, unmilitarized border in the world. It is no surprise then that our economies have become inextricably linked.

The supply and value chains that breathe life into our trading relationship have replaced the old notion of trade constituting a simple exchange of finished merchandise. Canadian and American agricultural and industrial goods routinely cross the border up to six times before a finished product is ready for consumers. In short, we make things together. By taking policy actions respectful of that high level of integration, we can strengthen our shared economy and create jobs in both countries.

Canada is the largest export destination for 35 of the 50 states, including New York, New Jersey and Connecticut. In New York alone, 468,750 jobs are supported by Canada-U.S. trade. Canadians made more than 3 million visits to New York in 2008 where they spent $901 million. For their part, New York residents made about 1.6 million visits to Canada, spending $557 million.

One local example of the benefits derived from the U.S.-Canada supply chain is the automotive industry, with more than 80 percent of the stamped body parts used in Ford Edge and Lincoln MKS crossover vehicles coming directly from Ford Buffalo Stamping and shipping via truck 18 times a day to the Ford Oakville (in Ontario, Canada) assembly plant.

Another example is the close relationship in the trade and manufacture of airplanes. In 2007, Connecticut supplied Canada with $182 million in aircraft engines and parts. In return the Canadian aerospace industry—comprising more than 400 firms—manufactured and supplied Connecticut with $527 million in complete aircraft. In total, the partners exchanged $924 million in transportation sector components and finished goods—a testament to the high degree of manufacturing integration on both sides of the border.

Aircraft engine leader Pratt & Whitney, headquartered in Connecticut, and Canadian manufacturer Bombardier are part-
nering on a next-generation aircraft. The Bombadier CSeries aircraft is exclusively powered by two PurePower PW1000G engines, which target double-digit reductions in fuel burn, environmental emissions, engine noise and operating costs. PurePower engine R&D for the CSeries is conducted in Connecticut and at partner facilities, while final engine assembly and flight testing will take place at the Mirabel Aerospace Centre, which is being built near Montreal.

To further demonstrate the strength of the bilateral economic partnership, Canada and the U.S. are among each other’s largest sources of foreign investment. In 2008, U.S. direct investment in Canada was $275 billion, while Canadian direct investment in the U.S. was $291 million. For example, New Jersey’s innovation sector has been supported with $6 million in investment from MMV Financial, a Toronto-based specialty finance company. Just this year, MMV invested in Sentrx, based in Little Falls, N.J., a leading provider of technology-enabled solutions and services for global drug safety. And last year, the Canadian company invested in Jersey City-based Pivot Inc., a real-time enterprise collaboration network using Web 2.0 communications to serve capital markets.

Mindful of the deep interconnectedness of the American and Canadian economies, Canada has consciously avoided discriminatory trade measures that would keep U.S. suppliers out of the Canadian market. By contrast, the discriminatory Buy American provisions included in the U.S. stimulus package are keeping long-established Canadian suppliers out of the New York market and affecting jobs on both sides of the border. These provisions not only work against the spirit of our larger trading relationship—a relationship that is unique in history—but they simply don’t work. Protectionist policies in the 1930s triggered a retaliatory cycle that deepened the Great Depression, and they would be even more detrimental now, given the increased integration of our two economies since those days.

While Buy American sounds patriotic, it is not; some of its unintended consequences in practice can work against U.S. interests. In fact, it’s a short-sighted, wrong-side-of-history approach that would result in economic insularity in an era of expanding free trade and integrated, open markets.

The Canada-U.S. Free Trade Agreement and then the North American Free Trade Agreement have successfully fostered an environment in which U.S.-Canada supply chains and economic integration have been allowed to flourish. To close the door on those developments would be a step backward, a job-depleting move that would, ultimately, move the relationship of our two countries in the wrong direction.

On a recent visit to Canada, President Obama said, “I came to Canada on my first trip as president to underscore the closeness and importance of the relationship between our two nations.”

In a time of global economic contraction, it is expansiveness that will win the day, and to ensure rapid economic recovery, Canada and the U.S. are depending on the closeness of our relationship more than ever. It is imperative that we work together to ensure that our economies remain free from protectionist measures.

—Daniel F. Sullivan is a consul general of Canada in New York City.
SPECIAL THANKS to those Henry Toll Fellows who supported the program with a generous personal contribution.

Rep. Maxine Bell Idaho, ’08  
Sen. Diane Black Tennessee, ’07  
Ms. Laura Boyd Oklahoma, ’96  
Mr. Martin Brown Washington, ’96  
Judge Kevin Burke Minnesota, ’96  
Sen. Karen Facemyer West Virginia, ’02  
Mr. Craig Hall Massachusetts, ’08  
Sen. Ruth Hassell-Thompson New York, ’07  
Mr. Robert McCurley Alabama, ’92  
Rep. Helen Miller Iowa, ’08  
Rep. Bobby Moak Mississippi, ’86  
Mr. Brian Moore New Mexico, ’02  
Mr. Aaron Otto Kansas, ’08  
Sen. Stan Rosenberg Massachusetts, ’99  
Sen. Vicki Schmidt Kansas, ’07  
Mr. Gary Sherrer Kansas, ’99  
Rep. Tom Sloan Kansas, ’03  
Justice Richard Teitelman Missouri, ’03  
Ms. Kathy Tingelstad Minnesota, ’06  
Rep. Linda Upmeyer Iowa, ’05  
Advisory Council Sets Stage for Postsecondary Readiness, Access, Success

A group of leading educators, stakeholders and public officials have begun setting a framework for recommending significant policy changes to improve college access through improved postsecondary readiness among high school students.

The National Advisory Council on Postsecondary Education Access at its inaugural meeting in Stuart, Fla., in September began a comprehensive examination of policies and programmatic strategies in three broad areas of college preparation: academic, financial and social.

The council was appointed by The Council of State Governments through a grant from the 21st Century Foundation. The National Education Association and Darden Foundation also are providing financial support for the study.

Council members represent national, state and local higher education, K–12 associations and schools, as well as policymakers.

The National Advisory Council is expected to create a roadmap of policy solutions that will become the basis for a series of CSG policy solutions, guides and summits. Initial discussions among council members focused on aligning K–12 and postsecondary core curriculum standards and increasing rigor in high school curricula.

The council’s next meeting, tentatively scheduled for January 2010, is expected to examine several policy and programmatic initiatives in greater depth.

Attending the first meeting were representatives of the Arizona P–20 Council, the American Association of School Administrators, the American Association of Colleges and Universities, The College Board, the Council of Chief State School Officers, the Darden Foundation, the Educational Policy Institute, Jobs for the Future, the Kentucky Council on Postsecondary Education, the Lumina Foundation for Education, the National Education Association, the National Rural Education Association, the Preuss School at the University of California San Diego, the Alternative Education/Safety Nets program at Duval County Public Schools in Florida and the International Baccalaureate School at Bartow High School in Florida. New York Assemblywoman Barbara Clark, vice chair of Education Commission of the States, also attended the meeting.

State Officials Meet in Pennsylvania for CSG/ERC’s Leadership Training


The annual program, held in Philadelphia, helps the region’s best and brightest develop leadership skills and examine major policy issues facing the Northeast and Eastern Canada.

This year’s program focused on leadership development skills from senior elected officials, as well as consensus building and conflict resolution programs, developing relationships with the media and strategies for time and priority management. Fellows also worked to enhance their personal skills in communicating and solving problems.

Speakers included Michael Useem from the Wharton School of Business, Kathleen Hall Jamieson, director of the Annenberg Public Policy Center, retired Nebraska Sen. David Landis, leadership trainer Dr. Daniel J. Miller Jr., and renowned media trainer Arch Lustberg.

The Eastern Leadership Academy is named in memory of Sen. Robert J. Thompson of Pennsylvania, a beloved and respected state and local government leader whose 30-year career was a model of personal and professional integrity, fairness, optimism and humility. Thompson played a key role in having the Commonwealth of Pennsylvania and the University of Pennsylvania’s Fels Institute of Government become the host for this unique regional program.
This calendar lists meetings as designated by CSG’s Annual Meeting Committee. For details of a meeting, call the number listed. “CSG/” denotes affiliate organizations of CSG. Visit www.csg.org for updates and more extensive listings.

› November 2009

Nov. 2–9  Interstate Commission for Adult Offender Supervision (ICAOS) Annual Business Meeting—Reno, NV—Grand Sierra Hotel. Contact Barno Saturday at (859) 244-8235 or bsaturday@interstatecompact.org.

Nov. 4–7  20th Border Legislative Conference/2nd Annual Americas 2020 Summit—San Antonio, TX. Contact Edgar Ruiz or Martha Castañeda at (916) 353-4423 or eruiz@csg.org or mccastaneda@csg.org.

Nov. 12–15  The Council of State Governments 2009 Annual Conference—La Quinta, CA—La Quinta Resort & Club. Contact registration at (800) 800-1910 or registration@csg.org.

Nov. 16–18  Military Interstate Children’s Compact Commission 2nd Annual Meeting—La Quinta, CA—La Quinta Resort & Club. Contact Crady deGolian at (859) 244-8068 or cdegolian@csg.org.

Nov. 19–22  National Hispanic Caucus of State Legislators (NHCSL)—Santa Monica, CA—Lowes Santa Monica Beach Hotel. Contact Rhina Villatoro at (202) 434-8070 or rhina@nhcsl.org.

Nov. 30–Dec. 2  National Association of State Treasurers (NAST) Issues Conference—New York, NY—The Barclay Inter-Continental Hotel. Contact Adnée Hamilton at (859) 244-8174 or ahamilton@csg.org.

› December 2009

Dec. 1–3  Interstate Commission for Juveniles 2nd Annual Meeting—Albuquerque, NM—Hyatt Tamaya Resort & Spa. Contact Crady deGolian at (859) 244-8068 or cdegolian@csg.org.

› January 2010

Jan. 29–31  National Association of State Personnel Executives (NASPE)—Washington, D.C.—Dupont Hotel. For state executive HR directors and deputies only. Contact Jessica Ruble at (859) 244-8179 or jruble@csg.org.

Jan. 31–Feb. 3  CSG/American Probation and Parole Association (APPA) Winter Training Institute—Austin, TX—Hilton Austin. Contact Kris Chappell at (859) 244-8204 or kchappell@csg.org.

› February 2010

Feb. 27–March 2  National Association for State Technology Directors (NASTD)—2010 Southern Region Seminar—Charleston, SC—Doubletree Guest Suites Historic Charleston. Contact Pamela Johnson at (859) 244-8184 or pjohnson@csg.org.

› March 2010

March 6–9  National Emergency Management Association (NEMA) Mid-Year Conference—Alexandria, VA—Hilton Alexandria Mark Center. Contact Karen Cobuluis at (859) 244-8143 or kcobuluis@csg.org. Information will be available December 2009.

› April 2010

April 24–27  National Association for State Technology Directors (NASTD)—2010 Eastern Region Seminar—Charleston, WV—Marriott Charleston Town Center. Contact Pamela Johnson at (859) 244-8184 or pjohnson@csg.org.

› May 2010

May 16–19  National Association for State Technology Directors (NASTD)—2010 Midwestern Region Seminar—Columbus, OH—Crowne Plaza Hotel Columbus Downtown. Contact Pamela Johnson at (859) 244-8184 or pjohnson@csg.org.

May 20–23  The Council of State Governments Spring Conference—New York, NY. Contact registration at (800) 800-1910 or registration@csg.org.

› June 2010

June 13–16  National Association for State Technology Directors (NASTD) 2010 Western Region Seminar—Deadwood, SD—The Lodge at Deadwood. Contact Pamela Johnson at (859) 244-8184 or pjohnson@csg.org.

› July 2010

July 12–15  CSG-WEST/Western Legislative Academy—Colorado Springs, CO. Contact Mary Lou Cooper or Cheryl Duvauchelle at (916) 533-4423 or csgw@csg.org.

July 31–Aug. 4  CSG/Southern Legislative Conference—64th Annual Meeting—Charleston, SC. Contact Elizabeth Lewis at (404) 633-1866 or elewis@csg.org.
Although the federal government tends to get more attention, state officials are often on the front lines of cutting-edge trends and issues. On the other hand, sometimes in the community of state governments, the more things change, the more they stay the same.

In print since 1958, *State News* (formerly *State Government News*) has chronicled many of the changes … and continuities.

Here’s what we reported on:

**40 years ago—December 1969**

**State Bond Market Woes**

A June 1969 Supreme Court ruling in two cases prompted bonding attorneys to refuse to certify issues in three states—Idaho, Nevada and Utah, according to an article in the December 1969 *State Government News*. The rulings dealt with state laws in New York and Louisiana that required voters in local and school bond elections to be property taxpayers, the article said. The court ruled that a state may not limit participation in school district elections to property owners and parents of school children. The court ruled a Louisiana statute in municipal bond elections to property taxpayers was unconstitutional.

Laws in other states were questioned, according to a survey by *State Government News*. The magazine found at least 14 other states required voters in local elections to be property taxpayers, while 10 other states required voters to be property taxpayers in certain instances.

**25 years ago—November 1984**

**Comparable Worth in State Governments**

Four states in 1984 rejected comparable worth bills in 1984, according to an article in the November 1984 *State Government News*. Most state governments were expected at the time to consider such bills, which called for compensation plan review to reduce the pay gap between male and female employees based on the concept of equal pay for work of equal value.

Four states—Iowa, Minnesota, New Mexico and Washington—had already begun implementing new compensation plans at that time, according to the article. Minnesota adopted the plan in 1983 and approved a biennial appropriation of $21.8 million for comparable worth raises separate from funds for general wage adjustments. More than 8,000 workers in 151 job classes received the pay hike.

New Mexico budgeted $3.2 million for pay equity raises in 23 low-paid, female dominated jobs. Washington appropriated $1.3 million for the 2004 fiscal year to raise pay of employees whose salary ranges were 20 percent below the comparable worth line in 1982. Iowa was in the midst of a pay adjustment plan expected to be completed by 1987.

**10 years ago—November/December 1999**

**States Offer Innovative Solutions**

Programs from Arizona, Georgia, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania and Washington were highlighted in the November/December 1999 *State Government News* as winners of the 1999 Council of State Governments Innovations Awards. The innovative programs at the time addressed changes to construction codes for buildings to encourage use of older buildings in New Jersey; online tracking of companies complying with environmental laws in Pennsylvania; early childhood initiatives in Michigan and North Carolina; providing greater access to scholarly journals online in Ohio’s higher education institutions; assistance to parolees from prison to communities; efforts to prevent child abuse and neglect in Arizona; and a program to train state government managers to curb illegal and disruptive behavior in Washington, according to the article.

**Update:** States are still on the cutting edge, offering innovative solutions to today’s problems. See the winners of the 2009 Innovations Awards beginning on page 15.
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