

Capitol Journal

News & Views from the 50 States

May 12, 2014

A Charged Situation



©Tesla Motors

Budget & taxes Amazon sales suffer from state taxes	5
Politics & leadership Second GOP wave coming in 2014?	8
Governors Shumlin signs historic GMO bill	11
Bird's eye view	2
Hot issues	12
Once around the statehouse lightly	15

The next issue of Capitol Journal will be available on May 19th.

Top Story

Electric carmaker Tesla is at the cutting edge of automotive technology. But its direct-to-consumers sales model cuts a little too close to the bone for some states.

SNCJ Spotlight

Technology, tradition and Tesla

When it comes to technology, California-based electric car manufacturer Tesla is undoubtedly on the automotive world's cutting edge. But the company's direct-to-consumer sales methods are, for many states, a blade that cuts a little too close to the bone. And as with other consumer-direct companies and products making waves in the marketplace — think Bitcoin, Uber and Airbnb to name



By Rich Ehsen



a few — lawmakers are finding themselves uncomfortably caught between protecting the status quo and fostering innovation.

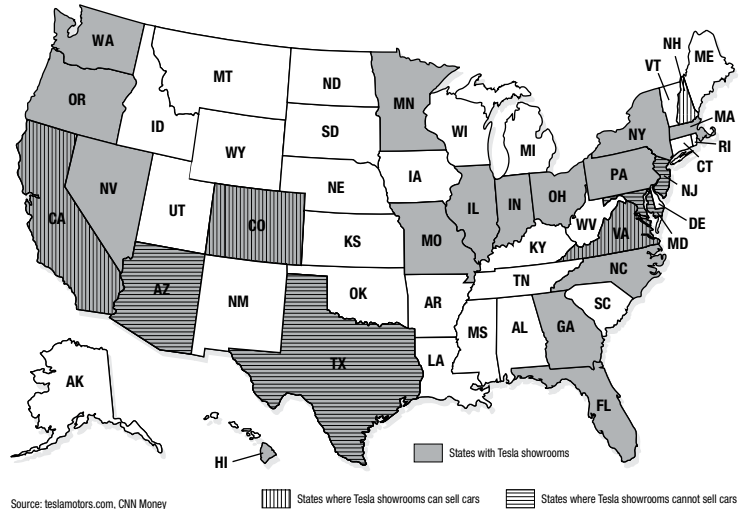
Tesla’s engine-less vehicles are marvels of modern automotive engineering — sleek, fast and stylish in ways that previous electric vehicle makers likely never dreamed possible. They are also pricey, starting at \$60,000 and rising to over \$100,000. Befitting that, the company’s sales model is aimed directly at the well-heeled, tech-savvy consumer who is comfortable with buying just about anything online. Tesla defies the longstanding system that requires cars to be sold only through privately-owned dealerships in favor of a buyer experience similar to visiting an Apple store in the local mall. Which, incidentally, is where many of Tesla’s stores can be found.

But cutting the middleman out of the car deal has embroiled Tesla in a bitter state-by-state fight to be able to sell its products. Tesla currently has stores — it calls them galleries — in 22 states and the District of Columbia. In most, personnel are only allowed to provide information, with the customer still required to go online to make the purchase. In some states, gallery workers can also help a customer through the sales process via kiosks set up in the showroom. But in a handful of states facing intense pressure from car dealers to pull the plug on Tesla, things are not so easy.

In Texas, for instance, gallery workers cannot tell interested consumers what a car costs, take them for a test drive, discuss how to order one or even refer them to another Tesla store out of state. And should a consumer figure that all out on their own and buy one anyway, the company cannot even bring them the car. The vehicle must in fact be delivered by a third party transport company, with Tesla employees specifically barred from being there for the delivery or from providing the customer with any guidance or information about the car for 48 hours after they receive it.

Similar prohibitions are in place in Arizona, Virginia and Maryland, though the Old Line State does allow workers at its lone Tesla gallery in Bethesda to take customers on a test drive. Bills that would have added Minnesota and North Carolina

Bird’s eye view



Tesla challenging traditional auto sales model

Tesla Motors has showrooms in 22 states and the District of Columbia, according to the electric car maker’s website. But currently the showrooms in only four states can actually sell vehicles. Bans on direct sales by auto makers in three states prevent the company from selling vehicles through its showrooms, which it owns and operates, unlike the major automakers, which sell their cars through independently owned and operated distributors and dealerships. The company is seeking the right to sell cars at its showrooms in 15 other states.



to that list failed in 2013, though one (HB 1124) cleared the Missouri Senate last Wednesday. The House approved the bill in April, but the measure at that time did not contain any language to bar Tesla sales. Anti-Tesla forces were also handed a major victory in March when the New Jersey Motor Vehicle Commission surprisingly adopted rules that essentially require Tesla to close its two Garden State galleries. That precipitated a nasty public feud between Gov. Chris Christie (R) and Tesla founder and owner Elon Musk, who said Christie misled him into believing he was going to support legislation to allow Tesla sales. In a blog post on the Tesla website, Musk accused Christie of cutting “a backroom deal” with dealer groups to lock Tesla out. The company has since challenged the ruling in New Jersey Superior Court.

Another court case is pending further north, as the Massachusetts State Automobile Dealers Association is suing to stop Tesla sales in the Bay State. The suit has been tossed out twice already, most recently in 2012 by a Norfolk County court that held the association lacked standing to bring the suit. The state Supreme Judicial Court heard an appeal to that decision last Tuesday. If it eventually sides with the dealers, the case would return to the lower court. A similar suit by New York auto dealers failed in 2013.

Not all legislative efforts have been aimed at short circuiting the carmaker. Arizona lawmakers introduced a pair of bills this session that would have freed Tesla to sell directly to consumers without onerous limits. Neither was successful.

“If I was in a legislature pondering one of these measures, I would ask my colleagues ‘What problem are you trying to solve by preventing Tesla from selling cars this way?’”

That doesn’t sit well with Rep. Warren Petersen (R), who authored one of the bills, HB 2123.

That measure cleared the House in February but ultimately stalled in the Senate. Petersen expressed disappointment that the Republican-led Senate didn’t offer more support for something he says would be a boon to consumers.

“It’s a paradox. It’s a disappointment,” he says. “Free markets are part of the Republican platform. If this issue really is about the free market, then

let’s let the consumer decide whether they’re going to buy direct or not.”

Former California Assemblyman Lloyd Levine, now a consultant who specializes in clean technologies, says he understands the dealers’ motivation to block Tesla but not the thinking of lawmakers. Levine, a Democrat, says freezing Tesla out serves no purpose for lawmakers on either side of the political aisle: Democrats who have traditionally favored environmentally-friendly technologies like Tesla’s zero-pollution vehicles or Republicans who champion free markets heavy on consumer choice.

“If you can separate it from cars for a moment, this is just the latest version of how new technologies are changing the old models of doing things, of how the marketplace operates,” he says. “If I was in a legislature pondering one of these measures, I would ask my colleagues ‘What problem are you trying to solve by preventing Tesla from selling cars this way?’”



Tesla argues that their opponents' efforts are about strangling competition in the crib. On his blog, Musk says forcing Tesla to sell its cars through a web of existing dealers would be the death knell for his company because "auto dealers have a fundamental conflict of interest between promoting gasoline cars, which constitute virtually all of their revenue, and electric cars, which constitute virtually none." Car dealers counter that the current system is best for consumers, offering them a way to shop for their best price, a place to have warranty work and other services done and, most of all, a way to hold manufacturers accountable to state and federal laws. And it is consumers, not Tesla, who are the most at risk by changing the system, they say.

That stance doesn't carry much weight with Petersen or Levine.

"A lot of these things are done in the name of consumer protection, but maybe what we need to do is provide more disclosure and more education and let consumers make educated decisions on the risk," Petersen says.

"Are you trying to protect consumers or existing businesses?" Levine asks. "And if it's the businesses, then maybe those businesses ought to innovate and change as well."

Meanwhile, at least three states have worked out compromise deals with Tesla. In April, Washington Gov. Jay Inslee (D) signed SB 6272, legislation that allows the company to keep selling cars through its galleries in Seattle and Bellevue, and to even open more showrooms if it likes. Slightly less Tesla-favorable deals in the works in New York and Ohio would allow the company to keep open current stores without further expansion unless it adheres to a dealership model. Legislation has also been introduced in New Jersey (AB 2986) that would allow Tesla to resume direct sales there.

In the meantime, another factor has also come into play. With plans to mass produce a much less expensive model in the near future — and with Tesla starting sales next year in China, the fastest growing consumer market in the world — Musk is now planning a massive lithium battery "gigafactory" to build the low-cost battery packs he needs to run them. The plant is expected to cost up to \$5 billion to build and produce approximately 6,500 well-paying jobs. And although California has spent millions of dollars on subsidies over the last decade to help him get his company off the ground, the Golden State's tough environmental laws were apparently too much this time around.

Or were they? Although Musk recently told *Bloomberg Businessweek* that California's environmental regulations had taken it out of the running for the battery plant, Musk backtracked a bit during an earnings call with analysts last Wednesday. According to the *Wall Street Journal*, Musk said "I think California's still in the sort of improbable but not impossible category at this point," adding that "the governor and Legislature are going to try to do something" to help, though exactly what is not clear. And with Tesla wanting to break ground within a month or so, the chances of the Golden State getting the plant remain remote.

With California most likely out, Musk has narrowed the potential plant site down to one of four states: New Mexico, Nevada, Texas or Arizona. Speculation is rampant

The study found, in fact, that sales of big-ticket items rose 6.5 percent at local brick-and-mortar stores and shot up 60 percent at online merchants that aren't required to collect sales taxes on their sales.

The news isn't all bad for Amazon, however. The company still managed to grow sales 20 percent in the first quarter of this year due to the success of its Amazon Marketplace, which allows third-party sellers to list their goods on — and even outsource billing, warehousing and delivery to — Amazon. Because such items aren't technically sold by Amazon, they aren't subject to local and sales taxes outside the state where the third-party retailer is located.

Dr. William Fox, director of economic and business research at the University of Tennessee, thinks that's an inequity Congress should address.

"From the beginning, we have argued that this is not about getting a small number of big firms collecting the tax," he said. "What we need is to broadly tax retail sales in the same way in every state."

Legislation currently before Congress, the Marketplace Fairness Act, would allow each state to collect sales taxes on purchases from out-of-state retailers, whether they operate in the state or not. But even that measure, in its current form, wouldn't capture all online sales because smaller merchants would be exempt.

States still stand to gain quite a bit from the act, however. The \$30 million Tennessee expects to collect from taxing Amazon, for instance, is only a fraction of the \$400 million to \$600 million in sales tax revenue it would potentially take in if all out-of-state merchants were subject to its sales tax.

But Tennessee Sen. Randy McNally (R), chairman of the Senate Finance Committee, would prefer that all retailers collect sales tax so the playing field is level.

"Unfortunately, we disadvantage those businesses that operate in our state and help our communities by paying franchise and excise taxes to the state and wages to local workers," he said. (TIMES FREE PRESS)

TOLL-ROAD SCARE IN MI: A bill currently before the Michigan House, HB 4925, part of a package of bills aimed at raising an extra \$500 million a year to repair the state's crumbling transportation infrastructure, includes a provision providing for "the charging and collection of user fees."

Michigan has no toll roads, which are common in the neighboring states of Illinois and Ohio, as well as 27 other states. But James Walker of the National Motorists Association, which opposes toll roads, testified before the U.S. House Transportation and Infrastructure Committee this month that the user-fee provision of HB 4925 "opens up an entirely new area of taxation...without legislative oversight."

"Michigan does not need and should not have toll roads that the Legislature has not approved in advance on a case-by-case basis," Walker said.

But although Rep. Marilyn Lane (D), the bill's lead sponsor, said toll roads "at major crossings" such as Michigan's borders with Canada and neighboring states



ought to be discussed, she said she had no plan to push for them, and toll revenues were not part of the state’s \$500-million revenue target.

“People tend to go the most suspicious” of conclusions, she said, adding that a federal waiver would be needed to initiate a toll on any Michigan road. (DETROIT FREE PRESS, STATE NET)

Upcoming stories

Here are some of the topics you may see covered in upcoming issues of the *State Net Capitol Journal*:

- **Millennials in the Legislature**
- **Voter ID**
- **Compassionate use**

CO FLOOD RELIEF STIRS UP DISPUTE OVER SUPERSTORM

SANDY AID: At the end of last month, the U.S. Department of Housing and Urban Development announced its approval of a \$62.8 million aid package for the victims of last year’s devastating floods in Colorado. That news followed reports that HUD was considering devoting the remaining few billions of the \$16 billion in disaster relief Congress appropriated in 2013 mainly for victims of Hurricane Sandy to a national competition for disaster resiliency projects.

Democratic U.S. Sens. Mark Udall and Michael Bennet of Colorado maintain the federal Disaster Relief Appropriations Act of 2013 was never meant to help the victims of Sandy exclusively.

“We’re asking that HUD continue to adhere to the statute and continue to provide assistance judiciously, paying rigorous attention to the unmet needs of the most severely distressed communities,” the senators said in a joint statement.

The act, in fact, states that the \$16 billion “Community Development Fund” was intended for relief, recovery and restoration expenses resulting from “Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.”

But U.S. Sen. Charles Schumer (D-New York) contends Sandy victims in New York and New Jersey, which took the brunt of the 2012 storm, should be the first priority.

“We all know that Sandy victims throughout New York and New Jersey are still getting back on their feet and making repairs to their homes,” he said in a statement. “And I will fight for them to be the number one priority for remaining housing aid, as has always been intended, before a single dollar is put up for grabs in a national resiliency competition.”

HUD’s decision on the matter is expected in the spring. (DENVER POST)

BUDGETS IN BRIEF: A report from the CALIFORNIA Legislative Analyst’s Office says about \$200 billion of the state’s key liabilities, which include debt and deferred payments, have not been addressed by the state and require legislative attention. The California State Teachers’ Retirement System (CalSTRS) pension program is expected to run out of money in the next few decades, for example (CALIFORNIA LEGISLATIVE ANALYST’S OFFICE). • **MISSOURI’s** General Assembly voted to override Gov. Jay Nixon’s (D) veto of a bill reducing the state’s

But Democrats have their sights set on their own targets. They include the senates of New Hampshire, Pennsylvania and Wisconsin, where a gain of three seats would give the party a majority. And Michael Sargeant, executive director of the Democratic Legislative Campaign Committee, said his party also intends to vie for control of Iowa's House.

Nationwide, however, Republicans will have the benefit of the legislative district lines they drew in their own favor after the 2010 census, according to Storey.

Vermont Gov. Peter Shumlin, who heads the Democratic Governors Association, agreed that Republicans did a better job of positioning themselves to control the last round of legislative redistricting.

"Democrats didn't pay enough attention to investing in electing legislators, so that when reapportionment came up, [Republicans] did it, and they did it pretty well," he said. "That's why we're in the mess we're in." (WALL STREET JOURNAL)

PA HOUSE COMMITTEE CONSIDERS IMPEACHMENT OF AG KANE: Pennsylvania Attorney General Kathleen Kane "openly defied her duty" as the state's chief law enforcement officer by refusing to defend the state's 1996 law banning same-sex marriage, Michael Bekesha, an attorney with the Washington, D.C.-based nonpartisan legal watchdog group Judicial Watch, told a House committee last week.

"In plain English, the attorney general cannot decide which laws she wants to uphold and defend," Bekesha said to the Republican-controlled House State Government Committee, which was considering a resolution to impeach Kane, the state's first female and Democratic attorney general.

"Today's hearing was nothing more than an attempt by the Commonwealth's most anti-equality legislator to discredit Attorney General Kane and curry favor with the most extreme elements of his party," the Kane campaign said in a statement, presumably referring to House State Government Committee Chairman Daryl Metcalfe (R).

Upcoming elections

(5/9/2014 - 5/30/2014)

05/10/2014

Texas Special Election

Senate District 4

05/13/2014

Nebraska Primary Election

Legislature (Even)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor of Public Accounts

US House (All)

US Senate (Class 2 Johanns)

West Virginia Primary Election

House Districts 1-67

Senate Districts 1-17

US House (All)

US Senate (Class 2 Rockefeller)

05/20/2014

Arkansas Primary Election

House (All)

Senate Districts 3-6, 8-10, 14-15, 17-20, 24, 30-31, 33 and 35

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Auditor, Commissioner of State Lands

US House (All)

US Senate (Class 2 Pryor)

Georgia Primary Election

House (All)

Senate (All)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Attorney General, Comptroller General/Commissioner of Insurance, Superintendent of Education, Commissioner of Labor

US House (All)

US Senate (Class 2 Chambliss)

Idaho Primary Election

House (All)

Senate (All)

Constitutional Officers: Governor, Lieutenant Governor, Secretary of State, Treasurer, Attorney General, Controller, Superintendent of Public Instruction

US House (All)

US Senate (Class 2 Risch)



Democrats on the committee didn't hear Bekesha's testimony or that of three other witnesses; they walked out when Metcalf asked House security to remove one of them who had repeatedly called for the hearing's adjournment.

"Have your kangaroo court, pal," Rep. Mike O'Brien (D), said before leaving the chamber.

But the committee continued on with its examination of what Metcalfe considers Kane's "misbehavior in office," which, in addition to Kane's stance on the state's gay-marriage ban, also included the promotion of her twin sister, Ellen Granahan, and her decision not to prosecute four Philadelphia Democratic lawmakers caught in a bribery sting conducted under previous attorneys general (TRIBLIVE.COM)

POLITICS IN BRIEF: The U.S. Supreme Court ruled 5-4 that a town in upstate **NEW YORK** did not violate the Constitution by starting its public meetings with a prayer from a "chaplain of the month" who was nearly always Christian. The ruling clears the way for sectarian prayers before meetings of local governments across the nation with little judicial supervision (NEW YORK TIMES). • Only four of the 26 candidates running for **IDAHO's** top political offices this year are women. Historically, only three of the state's seven executive offices have been held by women: state controller, state treasurer and superintendent for public instruction (TIMES-NEWS [TWIN FALLS]). • **CALIFORNIA's** new top-two primary election system failed to significantly boost voter turnout two years ago, although it did increase the number of independent voters who showed up at the polls, according to a report by the nonpartisan Public Policy Institute of California (LOS ANGELES TIMES). • "American Idol" runner-up Clay Aiken led former Commerce Secretary Keith Crisco in **NORTH CAROLINA's** Democratic primary for the 2nd Congressional District by just 372 votes last week, making the race too close to call. The winner will face Republican Rep. Renee Ellmers in the general election (POLITICO).

Upcoming elections (cont.)

(5/9/2014 - 5/30/2014)

Kentucky Primary Election

House (All)
Senate (Even)
US House (All)
US Senate (Class 2 McConnell)

Oregon Primary Election

House (All)
Senate Districts 3, 4, 6, 7, 8, 10, 11, 13, 15, 16, 17, 19, 20, 24, and 26
Constitutional Officers: Governor, Commissioner of Labor and Industries
US House (All)
US Senate (Class 2 Merkley)

Pennsylvania Primary Election

House (All)
Senate (Even)
Constitutional Officers: Governor, Lieutenant Governor
US House (All)

05/27/2014

Texas Primary Runoff

House (All)
Senate Districts 2, 3, 5, 7-10, 14-17, 23, 25, 30, 31
Constitutional Officers: Attorney General, Comptroller of Public Accounts
US House (CD 4, CD 23, and CD 36)
US Senate (Class 2 Cornyn)

— Compiled by KOREY CLARK

Governors

S **HUMLIN SIGNS HISTORIC GMO BILL:** Ignoring threats of litigation from the food industry, Vermont Gov. Pete Shumlin (D) signed legislation on Thursday making the Green Mountain State the first to require genetically modified foods to be labeled accordingly. The law is set to take effect July 1, 2016.

Two other states, Maine and Connecticut, have adopted similar laws in recent years, but each comes with a significant caveat: a requirement that a number of other states also adopt the law before it can go into effect. At least 13 states have similar bills pending. But in the meantime, Vermont seems fine with going solo.

“Vermonters will have the right to know what’s in their food,” Shumlin said during the signing ceremony at the Capitol. “We are pro-information. Vermont gets it right with this bill.”

The bill, HB 112, is the latest salvo in a long running battle between consumer groups, which say food with genetically modified organisms (GMO) pose a threat to public health, and food retailers and manufacturers, which contend that there is no proof of that, and that labeling would be misleading and force food prices to skyrocket. (See “In an up and down year, GMO opponents have a very down week” in the Nov. 11, 2013 *SNCJ* and “Momentum grows for labeling genetically engineered food” in the July 8, 2013 *SNCJ*)

Legislation is pending in the U.S. House of Representatives that would bar states from adopting Vermont-style laws, though it is highly unlikely such a bill could get through the Senate or be signed by the president. That leaves a lawsuit as the most likely scenario. The Grocery Manufacturers Association said as much last week, saying in a statement it is “currently in the process of evaluating the legislation to determine the best course of action in response to its passage.”

Shumlin said the state is ready for that probability, noting the bill has a “food fight fund” element that sets aside \$1.5 million to pay for legal fees to defend the law. Citizens may also contribute to the fund. The measure also allows the state attorney general to fine violators up to \$1,000 a day, with proceeds marked for the defense fund. (REUTERS, USA TODAY, BLOOMBERG BUSINESSWEEK)

GOVERNORS IN BRIEF: OKLAHOMA Gov. Mary Fallin (R) suffered the first veto override of her tenure last week as Sooner State lawmakers overwhelmingly re-endorsed HB 2461, a bill that gives law enforcement 15 days to sign off on applications for silencers, suppressors, short-barreled rifles and shotguns, and automatic weapons. Supporters had complained that some law enforcement officers had refused to sign federal forms allowing those items and that nothing in state law could force them to do so (OKLAHOMAN [OKLAHOMA CITY]).

• **PENNSYLVANIA** Gov. Tom Corbett (R) said he won’t appeal a state court



ruling that struck down its voter identification law. Corbett said he will work with lawmakers to change the bill to meet legal muster (ABCNEWS.COM). • Federal regulators rejected **LOUISIANA** Gov. Bobby Jindal’s (R) plan to privatize the administration of six public Pelican State hospitals. The U.S. Centers for Medicare and Medicaid Services rejected the administration’s use of \$260.8 million in advance lease payments from private interests taking over public hospitals in New Orleans, Lafayette and Houma. Jindal said the state will appeal the ruling (ADVOCATE [NEW ORLEANS]).

– Compiled by RICH EHISEN

Hot issues

BUSINESS: The **VERMONT** Senate approves HB 552, legislation that would implement a tiered, phased-in increase of the minimum wage: \$9.15 by Jan. 1, 2015; \$9.60 in 2016; \$10 in 2017 and \$10.50 by 2018. The bill has returned to the House (STATE NET, RUTLAND HERALD). • Also in **VERMONT**, the House approves SB 316, a bill that would allow home-based child care operators with 12 or fewer children in their programs to form a union to negotiate with the state over subsidies given to many of the families they serve. The measure moves to Gov. Pete Shumlin (D), who has indicated he will sign it (ASSOCIATED PRESS). • Sticking in **VERMONT**, Gov. Shumlin signs HB 112, a bill making it the first state to adopt no-caveats legislation requiring labeling of all genetically modified foods. **MAINE** and **CONNECTICUT** have also passed laws requiring labeling, but they do not go into effect until multiple other states adopt similar laws as well (RADIOBOSTON, WBUR.ORG [BOSTON]). • **MARYLAND** Gov. Martin O’Malley (D) signs HB 295, which raises the Old Line State minimum wage to \$10.10 by 2016 and indexes it to inflation beginning in 2017 (BALTIMORE SUN, STATE NET). • Also in **MARYLAND**, Gov. O’Malley signs SB 75, which bars retailers from selling an alcoholic beverage with an alcohol content of 95 percent (190 proof) or more (MARYLAND GOVERNOR’S OFFICE). • Staying in **MARYLAND**, Gov. O’Malley signs SB 585, so-called “patent troll” legislation that bars patentees from making “bad faith” patent infringement claims. Violators face a variety of financial penalties (STATE NET, MARYLAND GOVERNOR’S OFFICE). • Also in **MARYLAND**, O’Malley signs SB 737, a bill that requires most employers to give their workers six weeks of unpaid parental leave and to maintain health insurance coverage during that time (WASHINGTON POST, STATE NET). • Again in **MARYLAND**, O’Malley signs HB 137, which allows hair salons to serve their customers beer or wine (WASHINGTON POST). • **PENNSYLVANIA**

Gov. Tom Corbett (R) signs HB 1259, which bars anyone younger than 17 from using tanning beds and requires parental permission for 17 year-olds to do so. The bill, which also requires tanning salons to register with the state, goes into effect in 60 days (WFMZ.COM [ALLENTOWN]). • The **MISSOURI** Senate endorses HB 1411, which would also bar teens younger than 17 from using tanning beds and require 17-year-olds to have parental permission. It returns to the House (KY3.COM [SPRINGFIELD]). • The **MINNESOTA** House approves the Women’s Economic Security Act, which among several things would expand family leave and require employers to accommodate pregnant employees’ needs for more rest periods and more frequent restroom breaks. It moves to the Senate (DULUTH NEWS TRIBUNE). • The **CONNECTICUT** House approves SB 24, which would bar the sale of e-cigarettes to minors. It moves to Gov. Dannel P. Malloy (D), who is expected to sign it into law (WILTON BULLETIN).

CRIME & PUNISHMENT: The **MINNESOTA** Senate approves HB 3238, a bill that would bar anyone convicted of child or domestic abuse from possessing rifles or handguns. The measure moves to Gov. Mark Dayton (D), who is expected to sign it into law (MINNEAPOLIS STAR TRIBUNE). • **MARYLAND** Gov. Martin O’Malley (D) signs HB 416, so-called “Good Samaritan” legislation that provides limited immunity to people who seek medical assistance for someone who has become sick after drinking or consuming illicit drugs (MARYLAND GOVERNOR’S OFFICE, WASHINGTON POST). • **UTAH** Gov. Gary Herbert (R) signs HB 71, so-called “revenge porn” legislation that makes it a crime for someone to post nude or sexually explicit images or videos of another person online without their consent (FOX13NOW.COM [SALT LAKE CITY]). • **ARIZONA** Gov. Jan Brewer (R) signs HB 2515, another revenge porn measure that makes the act a felony punishable by more than a year in jail (MSNBC.COM).

EDUCATION: **MARYLAND** Gov. Martin O’Malley (D) signs SB 58, which bars school bus drivers from having passengers who are not students or school employees (MARYLAND GOVERNOR’S OFFICE). • **HAWAII** Gov. Neil Abercrombie (D) signs SB 2768, a measure that makes kindergarten mandatory for children who will be at least 5 years of age on or before July 31 of the school year, unless otherwise exempt (HAWAII24/7.COM [HONOLULU]).

The week in session

States in Regular Session: CA, DC, DE, IL, LA, MA, MI, MN, MO, NH, NJ, NY, OH, OK, PR, RI, SC, TN, US, VT

States in Special Session: CA “b”, MS “b”, VA “a”

States currently prefilng for 2015 Session: MT

States adjourned in 2014: AK, AL, AR, AZ, CA “a”, CO, CT, DE “b”, FL, GA, HI, IA, ID, IL “a”, IL “b”, IN, KY, MD, ME, MS, MS “a”, NE, NM, OR, PR “a”, PR “b”, SD, UT, VA, WA, WA “a”, WA “b”, WA “c”, WI “c”, WV, WV “a”, WY

Letters indicate special/extraordinary sessions

— Compiled By FELICA CARILLO
(session information current as of 5/7/2014)
Source: State Net database



ENVIRONMENT: **MARYLAND** Gov. Martin O'Malley (D) signs SB 259, which allows Old Line State farmers to place renewable energy generation facilities on lands subject to preservation easement by the Maryland Agricultural Land Preservation Foundation. (MARYLAND GOVERNOR'S OFFICE). • **HAWAII** Gov. Neil Abercrombie (D) signs SB 2175, legislation that allows the University of Hawaii to grow and study hemp for biofuels (PACIFIC BUSINESS NEWS).

HEALTH & SCIENCE: The **LOUISIANA** House passes HB 1279, which would allow the sale of raw milk in the Pelican State. It moves to the Senate (TIMES-PICAYUNE [NEW ORLEANS]). • **MARYLAND** Gov. Martin O'Malley (D) signs SB 654, which requires state health officials to obtain the latest information about Down Syndrome and to share that information with health care facilities and providers around the state (MARYLAND GOVERNOR'S OFFICE, STATE NET). • Also in **MARYLAND**, O'Malley signs HB 99, which bans child care products for children under 3 containing the flame-retardant chemical TCEP, one of several flame-retardants health advocates claim have toxic effects in laboratory studies (MARYLAND GOVERNOR'S OFFICE). • **IOWA** Gov. Terry Branstad (R) signs SF 2360, legislation that legalizes the possession and use of marijuana oil for the treatment of epilepsy (STATE NET).

IMMIGRATION: The U.S. Department of Homeland Security rejects **CALIFORNIA's** initial design for a driver's license for unauthorized immigrants, saying it is not distinguishable enough from permits given to citizens. Gov. Jerry Brown (D) signed legislation in 2013 allowing unauthorized immigrants to legally drive, but it cannot go into effect until the state develops a license the federal government endorses (LOS ANGELES TIMES).

SOCIAL POLICY: The **CALIFORNIA** Assembly Committee on Health rejects AB 2336, a bill that would have made it illegal to knowingly perform an abortion for a mother who did not want to give birth to a girl (LA WEEKLY [LOS ANGELES]).

In the hopper

At any given time, State Net tracks tens of thousands of bills in all 50 states, the US Congress and the District of Columbia. Here's a snapshot of what's in the legislative works:

Number of 2014 Prefiles last week: 124

Number of 2015 Prefiles last week: 14

Number of Intros last week: 1,586

Number of Enacted/Adopted last week: 1,363

Number of 2014 Prefiles to date: 20,684

Number of 2015 Prefiles to date: 124

Number of 2014 Intros to date: 72,800

Number of 2013 Session Enacted/Adopted overall to date: 40, 747

Number of 2014 Session Enacted/Adopted overall to date: 17,365

Number of bills currently in State Net Database: 163,528

— Compiled By FELICIA CARILLO
(measures current as of 5/7/2014)
Source: State Net database



POTPOURRI: In a 5-4 decision, the U.S. Supreme Court rules that it is constitutional for local governments to open their meetings with a sectarian prayer (NEW YORK TIMES). • **ARIZONA** Gov. Jan Brewer (R) signs SB 1282, which among several things requires publicly available records to be kept for greyhound dogs injured while racing. The law requires that signed records show which dog was injured and how, where on the track the injury occurred and how long recovery is estimated for the dog. It goes into effect in July (TUCSONNEWSNOW).

— Compiled by RICH EHISEN

Once around the statehouse lightly

DON'T MESS WITH THE PROM: It took three years of effort but Pennsylvania is finally joining most other states in restricting the use of tanning beds by minors, which have been linked to increased occurrences of skin cancer in teenagers. Last week, Gov. Tom Corbett signed a bill that bars kids 16 and under from using them at all and requiring 17-year-olds to first get their parents' written permission. And how did lawmakers arrive at 17 as the magic age of being able to bake yourself to a crisp? Are 17-year-olds less susceptible to skin cancer? Nope. But they generally are high school juniors and seniors, and that means they need to look their best for the prom. As the website NewsWorks.org reports, bill sponsor Rep. Frank Farry acknowledged it had no chance to pass without the "prom carveout." Because we all know a high school dance is more important than avoiding skin cancer.

GOV. BATMAN: Oregon Gov. John Kitzhaber is a licensed physician who spent the bulk of his time in practice working chaotic hospital emergency rooms. And thankfully for a Portland woman, he hasn't forgotten the skills he honed there. As the *Portland Oregonian* reports, Kitzhaber was on his way to dinner last week when his party came across someone trying to resuscitate an unconscious woman on the street. Batman...uh, Kitzhaber immediately sprung into action, performing CPR on the woman and ordering his staff to call paramedics. They did, it arrived and she went to the hospital and is now expected to live. Such feats are actually becoming commonplace for Kitzhaber, who came to the aid of a man four years ago who was suffering a seizure and who has reportedly performed other acts of first aid multiple times since around the Capitol. All he needs now is to get a sidekick named Robin.



OH THOSE INTERWEBS: Maryland Gov. Martin O’Malley took to the website Reddit last week to do a little “ask me anything” q&a with his public. But it’s doubtful O’Malley was prepared for the trollfest that is today’s fractured interwebs. As *Washingtonian* magazine reports, the gov didn’t help himself by picking and choosing questions to answer with his best boilerplate bromides before bailing out early to go sign some bills. That sparked some heat in his audience, some of whom vented their anger with posts like “Hey I’d just stop now everyone hates you.” He also deftly ignored numerous queries about “Tommy Carcetti,” the fictional mayor of Baltimore from the TV show “The Wire,” whom is alleged to have been modeled after O’Malley during his time running that city. Other pressing queries that came his way included whether he likes lacrosse (he does) and how many crabcakes he has devoured at one sitting.

AND HE JUST KEEPS DIGGING: California Assemblyman Tim Donnelly is running a longshot campaign to take down incumbent Gov. Jerry Brown. And as any longshot politico will tell you, any press is good press. Well, except when it makes you look kinda stupid. As the *Los Angeles Times* reports, Donnelly recently railed that his top rival for the GOP gubernatorial nod, former U.S. Treasury official Neel Kashkari, supports sharia law, an Islamic code that governs Muslims’ personal and business behavior, because during his time at the Treasury he once participated in a conference call about Islamic finance. Never mind that Kashkari is a Hindu, not a Muslim. The goof earned Donnelly an intense scolding from fellow Republicans, many of whom were quite unhappy to have yet another candidate with foot-in-mouth disease making their party look, well, stupid. Meanwhile, that mumbling sound you hear is Jerry Brown praying GOP voters make Donnelly his opponent in November.

— By RICH EHISEN

In case you missed it

Data breaches and credit card fraud are in steep decline around the world. But not in the U.S., where a failure to embrace more secure technology has made America the one place data theft is on the rise.

In case you missed it, the story can be found on our Web site at

http://www.statenet.com/capitol_journal/05-05-2014/html#sncj_spotlight



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