

STATE AND LOCAL UPDATE*June 7, 2018***Policy and Politics****I. Trending Topics****Issue in Focus**

FOUR STATES COULD EXPAND MEDICAID THIS YEAR – THAT’S A BIG DEAL: 2018 is shaping up to be a watershed year for Obamacare’s [Medicaid expansion](#). Virginia’s legislature signed onto the expansion of coverage for low-income Americans last week. Three additional states are looking at doing the same through ballot initiatives in November, which are starting to gain steam. If all four states join Medicaid expansion in 2018, it will be the highest number since the option first became available when Obamacare launched — and would expand coverage to more than a half-million low-income Americans, many of whom live in deep red states.

A. BUDGETS, TAXES, & REVENUE

TAXES AIMED AT APPLE, GOOGLE COULD START A NEW WAVE: Cupertino, Mountain View and East Palo Alto have [begun](#) to ponder new taxes based on employer headcounts — levies that could jolt Apple and Google — and if voters endorse the plans, a fresh wave of such measures may roll toward other corporate coffers. Alarmed by traffic and other issues brought on by massive expansion projects, the three Silicon Valley cities are pushing forward with separate plans to impose new taxes that could be used to make transit and other improvements. Cupertino Vice Mayor Rod Sinks said he has been holding quiet conversations with leaders of other cities in Silicon Valley that tend to have much higher jobs-to-housing ratios. “Other cities will follow suit,” he said. “I would expect that other cities in the West Valley and North Santa Clara County will consider similar measures.” If those measures become reality in the cities being touted, some of the Bay Area’s highest profile companies could be affected. Elsewhere, Seattle recently imposed a tax on big companies to address the city’s homeless issue. Seattle-based Amazon has joined a corporate coalition that is seeking to overturn the Seattle City Council’s decision with a ballot measure.

“CLOUD TAX” SURVIVES LEGAL CHALLENGE: Chicago raised eyebrows when the city [announced](#) a streaming tax on Netflix and similar internet services, the first of its kind in the country. The so-called “cloud tax” was a 9% surcharge for the privilege of streaming internet-based entertainment, including video, music and gaming services. In response, the Liberty Justice Center filed a lawsuit challenging the tax on behalf of Chicago taxpayers. This week a court ruled in favor of the city, upholding the tax. Chicago has argued that the “cloud tax” isn’t a new tax, merely an interpretation of the city’s amusement tax which imposes a tax “upon the patrons of every amusement within the city.” Before 2015, the tax did not include language that expanded the definition of amusement to include “any paid television programming, whether transmitted by wire, cable, fiber optics, laser, microwave, radio, satellite or similar means.” That language was adopted by [rule](#) effective July 1, 2015. Under the ruling, individuals “whose residential street address or primary business street address is in Chicago, as reflected by their credit card billing address, zip code or other reliable information” are subject to the amusement tax. While it’s ostensibly a tax on end-users, the responsibility of collecting and remitting the tax belongs to the providers of internet services.

NEW TAX LAWS HAVE HOME BUYERS CHECKING NEW PLACES: New tax rules that cap deductions of state and local taxes are having a disproportionate effect on taxpayers who live in states with high income taxes and property taxes. While it’s too early to quantify the impact of the Tax Cuts and Jobs Act, which became effective on Jan. 1, some real-estate professionals say they are beginning to see [early signs of an exodus](#) to low-tax states. Before the new rules, taxpayers who itemized could write off an unlimited amount of state and local taxes, unless disallowed under the

alternative minimum tax. But now, the deductions are capped at \$10,000. The change most affects taxpayers in states with high income and property taxes. According to the Tax Foundation, a pro-growth tax-policy nonprofit, the six states with the highest state and local tax deductions as a percentage of income are New York, New Jersey, Connecticut, California, Maryland and Oregon.

B. HEALTHCARE & INSURANCE

TRUMP ADMINISTRATION RELEASES MORE WAYS TO SKIRT OBAMACARE: The Trump administration [released](#) new regulations aimed at giving states more flexibility to offer cheaper plans on Obamacare's exchanges next year. The new rules would ease the requirements on the health benefits that plans must cover, as well as quality control. The rule outlines how insurers can apply for plans sold on Obamacare's exchanges in 2019. It contains several major changes aimed at allowing plans to offer more affordable options on the exchanges, according to the Centers for Medicare and Medicaid Services. The changes include new flexibility in how states cover essential health benefits and how much money insurers must devote to improving services.

TRUMP SIGNS BILL POTENTIALLY IMPACTING STATE INSURANCE REGULATIONS: PRESIDENT DONALD TRUMP [signed](#) a major financial regulatory package that includes a requirement that federal officials engaging in international insurance negotiations consult with state insurance regulators. The U.S. House of Representatives passed the Economic Growth, Regulatory Relief and Consumer Protection Act by a 258-159 vote. The Senate had previously adopted the bill on March 14 by a 67-31 vote. Much of the bill aims to rescind provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act adopted in 2010 after the financial crisis. But the new legislation also includes provisions from a bill by **SENS. DEAN HELLER**, R-Nev., and **JON TESTER**, D-Mont., related to international insurance negotiations. That proposal — the International Insurance Capital Standards Accountability Act — would require increased transparency in international insurance discussions and mandate that U.S. negotiators achieve consensus positions through the National Association of Insurance Commissioners in international negotiations on insurance standards.

MEDICAID-FOR-ALL RAPIDLY GAINS INTEREST: Last year, a "Medicaid buy-in" or "Medicaid-for-all" bill [made](#) it as far as the governor's desk in Nevada. **GOV. BRIAN SANDOVAL** vetoed it, but it inspired similar efforts around the country. Six states -- Iowa, Massachusetts, Minnesota, Missouri, New Jersey and Washington state -- have active legislation to establish a Medicaid buy-in program. In four others, bills were proposed but stalled. New Mexico has set up a task force to study a Medicaid buy-in program, and Connecticut may do the same. The premise of these buy-in bills is like Nevada's: Medicaid plans would be offered on each state's insurance marketplace, and people who don't traditionally qualify for Medicaid could pay premiums and co-pays. In Missouri, though, the Medicaid buy-in plans would only be expanded to people who have a disability and are employed. According to experts, each state likely has a different reason for considering this option.

HEALTH ADVOCATES SENSE MOMENTUM ON MEDICAID EXPANSION: Virginia's expansion of Medicaid this week is giving [hope](#) to advocates in other states. After Virginia overcame years of Republican opposition to pass the expansion under Obamacare, supporters are giving renewed attention to what could be the next states to expand: Utah and Idaho, where initiatives are set to be on the ballot this November. Activists in Nebraska are also gathering signatures and say they are on track to get the issue on the ballot there. The subject will loom large in governors' races as well, most notably in Florida, one of the largest states that has not expanded the program giving health insurance to the poor. But backers sense that the politics have shifted on the issue. With former **PRESIDENT OBAMA** out of office and Obamacare repeal efforts seemingly dead in Congress, there could be less resistance to accepting changes as part of the health-care law.

ANOTHER STATE ENACTS INDIVIDUAL MANDATE: GOV. PHIL MURPHY [signed](#) into law a bill that will require all New Jersey residents to have health coverage or pay a penalty, making the state the second in the country to enact an individual health insurance mandate. Massachusetts was the first state to enact a mandate, which took effect in 2006 and served as a model for the federal provision included in the Affordable Care Act. With more than 97 percent of its residents insured in 2016, Massachusetts had the lowest percentage of people without health insurance in the country. Vermont Gov. Phil Scott, a Republican, signed a bill on May 28 that would establish an individual mandate, but the details, including the financial penalty and enforcement mechanisms, will be determined during the 2019 legislative session. The Vermont mandate won't go into effect until Jan. 1, 2020.

SEVENTEEN AGs ASK CMS TO BOLSTER SKILLED NURSING OVERSIGHT: A group of 17 state attorneys general recently [asked](#) the Centers for Medicare & Medicaid Services to reconsider decisions they claim reduce federal oversight of nursing homes and put seniors at risk. The officials specifically took issue with CMS's November 2017 decision to delay enforcement of the new Requirements of Participation (RoPs) for 18 months, as well as July 2017 guidance that put a greater emphasis on per-instance monetary penalties — while de-emphasizing per-day penalties for certain violations, effectively reducing the overall financial burden for operators.

C. ECONOMY, TRADE & INFRASTRUCTURE

MAYORS PRIORITIZE ECONOMIC DEVELOPMENT AND INFRASTRUCTURE: Economic development and infrastructure are [among](#) the most pressing concerns for mayors around the country, according to a new report. The National League of Cities (NLC) released its annual "State of the Cities" report based on examination of 160 mayors' State of the City speeches this year. As usual, economic development dominated the addresses across the country, with 58 percent of mayors dedicating a significant portion of their speeches to the topic. Infrastructure, budgets, housing, and public safety also remained high on the list of topics that mayors touched on.

BGR Insight

THE FACTORS THAT WILL SHAPE THE MIDTERMS: BGR Group Chairman Ed Rogers assesses the 2018 midterm elections and [writes](#) in the *Washington Post*, "There are still a few primaries left, but the campaign season is about to enter what I call the summer grind, which consists mostly of fundraisers, Fourth of July parades, etc. Retail politics is not a good summer sport; candidates will try to fight against the tide of serious disinterest in all things political. Regardless, with the primaries about to end, Republicans and Democrats are coming to terms with the factors that will shape the general election in November."

D. EDUCATION & THE ENVIRONMENT

WHICH STATES KEEP SEEING NATURAL DISASTER STRIKE? In the last 16 years, parts of Louisiana have been struck by six hurricanes. Areas near San Diego were devastated by three particularly vicious wildfire seasons. And a town in eastern Kentucky has been pummeled by at least nine storms severe enough to warrant federal assistance. These places are part of a small fraction of the United States that has sustained most of the damage from major natural disasters, forming a pattern of destruction concentrated in specific areas. About 90 percent of the total [losses](#) across the United States occurred in ZIP codes that contain less than 20 percent of the national population, according to an analysis of data from the Small Business Administration.

FORTIFYING BUILDINGS WITHOUT BUILDING CODES: It is a [debate](#) that has surfaced repeatedly in coastal communities from Texas to New York in the wake of ruinous storms. In an era of rising sea levels and intense hurricanes, measures to harden buildings are key to ensure communities remain viable, risk consultants say. They also make properties more attractive to insurance carriers—essential to create a robust insurance market that can provide homeowners with sufficient coverage at affordable rates. A study released last year by the National Institute of Building Sciences found that every \$1 of federal grant money spent to mitigate the risks of natural hazards avoids \$6 in losses. Because the U.S. has no mandatory national building code, states and localities adopt their own. After Hurricane Andrew struck Florida in 1992, Miami-Dade County toughened its building requirements, mandating more-robust roof systems and strengthening testing standards for construction products. Florida then passed a statewide building code in 2002 that is among the strictest in the U.S.

WHY ENVIRONMENTAL IMPACT BONDS ARE CATCHING ON: Washington, D.C., had a problem. Like many cities with antiquated sewer systems, D.C. was under orders from the Environmental Protection Agency to [reduce](#) storm water runoff that threatened the region's water quality. To solve the problem, the city wanted to experiment with "green infrastructure" as an alternative to building costly new pipes and pumps. But green infrastructure had not yet been tried at that scale, so how could the city finance this unproven approach? The answer, for D.C., was to launch the nation's first environmental impact bond in 2016. An EIB enables the city to share the risks -- and the rewards -- of innovative problem-solving with investors. EIBs are considered a "pay for success" strategy because investors' returns depend on whether the project meets its goals. Because of the need for extensive measurement around those goals, the jurisdiction also learns what works best for future planning. This approach is catching on, with Baltimore and Atlanta recently announcing plans to issue EIBs.

E. TECHNOLOGY & PROCUREMENT

ELECTION SYSTEMS AT RISK: U.S. election systems are [increasingly](#) at risk for cyberattacks ahead of the November midterms as Russia continues information operations to sow political division, according to cyber firm FireEye Inc. State and local election infrastructure is becoming a more popular target for hackers, particularly state-sponsored cyber espionage actors, the Milpitas, California-based company said in a report outlining risks to voter registration, polling places and ballot submission systems. Although the U.S. primary season is well underway, FireEye said it hasn't observed attacks against election infrastructure as of March. But following Russian meddling in the 2016 elections, "malicious actors and nation states likely already have an understanding of the flaws in the U.S. elections infrastructure and will seek to exploit opportunities where they can," the report said.

STATES TAPPING \$210 MILLION IN U.S. FUNDS FOR ELECTION SECURITY: More than two-dozen U.S. states are [receiving federal dollars](#) to boost their election security ahead of the November midterms. The U.S. Election Assistance Commission said Tuesday that 26 states have requested \$210 million from the federal government in election security grants. Earlier this year, the omnibus spending package [set aside](#) \$380 million for states to better protect their voting systems. The commission expects the remaining states will submit their funding requests by mid-July, Hicks said. Texas is receiving \$23 million, while New York will get almost \$19.5 million and Florida \$19 million. States are required to provide a five-percent match to the federal funds.

ELECTRIC CAR BOOM GAINS SPEED IN THREE STATES: In a single day, the electric car boom may have [scored](#) hundreds of millions of dollars of additional investments in three states. First, New Jersey's biggest utility owner Public Service

Enterprise Group laid out a plan to spend \$300 million on electric-car charging stations. Then California cleared utilities to invest a combined \$738 million on projects promoting EVs. And the New York Power Authority committed as much as \$250 million on charging stations, including ones at airports. States are doubling down on efforts to replace gasoline-guzzling cars with emissions-free, electric vehicles, even as the White House moves to unravel automotive efficiency standards. Just as electric-car initiatives were gaining speed in California, New Jersey and New York on Thursday, the Trump administration was said to be seeking an end to California's unique authority to set its own fuel efficiency limits to curb emissions.

THREE WAYS STATES ARE APPROACHING CYBERSECURITY WELL: Cybersecurity experts [often](#) say that there are only computer systems that have already been hacked, and those that haven't been hacked yet. The maxim applies equally to every level of government. In the past six months, governments in Colorado, Connecticut and North Carolina have been the victims of ransomware hacks, to say nothing of the wide-ranging attack in March that crippled Atlanta's government for weeks. With every state having its own information security strategy, there's no uniform approach when a cybercrime occurs. But a few have established teams and bureaucratic structures that are better equipped to respond to hackers, according to a new [report](#) from the think tank New America. Arizona, New Jersey and Washington state have made strides in positioning themselves to deal with cyberattacks, write the report's authors, Natasha Cohen and Bruce Nussbaum. While the federal government needs to take the lead in establishing a national cybersecurity strategy, state governments — and the municipalities they support — are most often the ones on the ground delivering people services.

F. FEDERAL/STATE RELATIONS

SUPREME COURT CASE TO IMPACT NON-RIGHT-TO-WORK STATES: As organized labor braces for a Supreme Court [ruling](#) that could make it easy for public-sector workers to stop paying some dues, unions across the country are reaching out to hundreds of thousands of members to persuade them to keep paying dues. At the same time, conservative groups in Illinois, Michigan, Ohio and Pennsylvania are alerting workers how to opt out of paying dues. They are gathering the names and addresses of tens of thousands of state and local workers through public-records requests. The goal is a political-style campaign using direct mail, phone calls and home visits. The pending Supreme Court case was filed by a child-support worker in Illinois against the American Federation of State, County and Municipal Employees. The high court, with a 5-4 conservative majority, is expected to rule in his favor within the next several weeks. Such a ruling could allow an estimated five million government workers in 22 states to stop paying so-called agency fees, the portion of union revenue that funds collective bargaining. Workers have the right in all states to decline union membership or pay full union dues. 28 states have passed right-to-work laws, which allow workers to avoid paying agency fees. The current battle is around heavily unionized states in the Midwest and along the coasts that don't have right-to-work laws.

II. Politics

A. GOVERNORS & STATEWIDE OFFICES

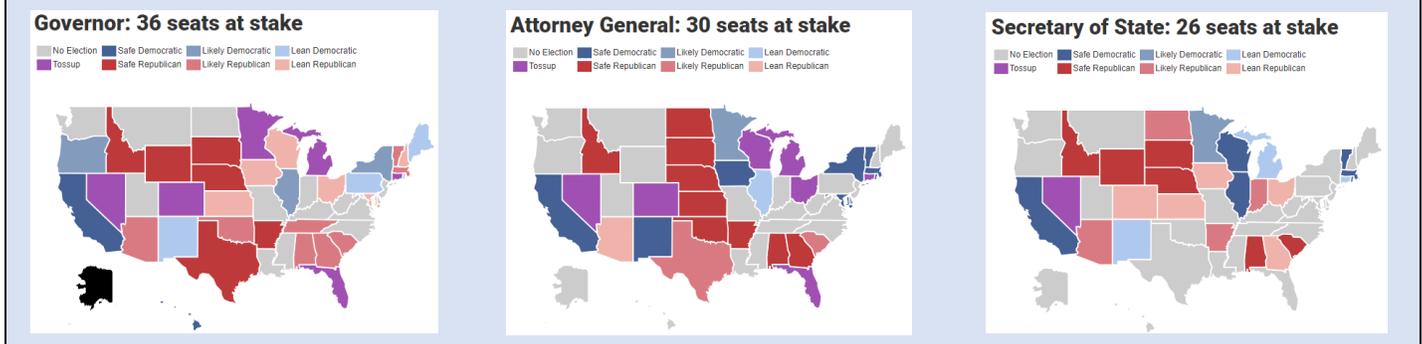
LARRY SABATO PROVIDES UPDATED GUBERNATORIAL RACE RATINGS: Larry Sabato from the University of Virginia's Center for Politics provides updated gubernatorial race ratings for the 36 seats on the ballot this fall. More [here](#).

GUBERNATORIAL CANDIDATES TAKING STRONG STANCE ON SPORTS BETTING: For months, state-level politicians have been on a steep [learning](#) curve regarding sports betting. Open hearings in Connecticut and Kansas proved just that — when stakeholders presented to them nuances of oddsmaking, thin margins, regulations and more. Many other states are quickly realizing that in order to execute a fiscally sound and agreeable structure, they must get their tribal partners

– who often pay states a hefty tax on current gaming revenues – on board before passing legislation. But it's election season and that steep learning curve is, for lack of a better, on hold for some. Thirty-six states will elect new governors in November and in many of those states, sports betting is on the legislative agenda. Of those states, more than a handful see sports betting as a key issue and gubernatorial candidates who favor making sports betting legal in their states are embracing it as part of their platform, pointing to new revenue for states grappling with beleaguered budgets.

ELECTION FORECAST

GOVERNING – 2018 STATE ELECTIONS FORECAST: Louis Jacobson, *Politifact* senior correspondent and *Governing* contributor, [tracks every statewide race](#) for governor, secretary of state, attorney general, and House and Senate. As it stands, Republicans hold the majority of every office -- with 33 governors, 27 attorneys general, 28 secretaries of state, 36 senate chambers and 31 house chambers.



SECRETARY OF STATE RACES ARE MORE COMPETITIVE, IMPORTANT THAN EVER: Voting is one of the more divisive [issues](#) these days. While Republicans are pushing voter identification laws and purging inactive voters from the rolls, Democrats are doing everything they can to make voting easier. This conflict, as well as growing concerns about cybersecurity of elections, has elevated the office of the secretary of state more than ever. It's also made this November's races much more intense. Currently, Republicans hold 28 secretary of state offices, and the Democrats hold 17 (the tally doesn't count Oklahoma's vacancy, Pennsylvania's nonpartisan position, and the three states that lack the position -- Alaska, Hawaii and Utah.) Of the 35 states where voters elect the secretary of state, 26 have contests this fall. As the party with the most offices nationally, the Republicans are at greater risk. They will have to defend a total of seven open seats, in Arkansas, Georgia, Kansas, Michigan, Nebraska, Ohio and South Dakota. By contrast, the Democrats, barring something unexpected, won't have to defend a single open seat.

TRUMP FACTOR LOOMS OVER AG RACES: The top [priority](#) for Democrats pushing back against **PRESIDENT DONALD TRUMP** is gaining control of at least one branch of Congress this year, but they're also focused on a pivotal seat lower on the ballot — state attorney general. The top state law enforcement position comes with a political weapon Democrats have wielded 47 times since Trump took office: They have sued the administration as a way to halt policies they regard as unconstitutional or otherwise harmful. Attorneys general have gone to court over immigration, the environment, birth control and internet regulation, among other issues. That's a key reason the races are starting to gain attention and money.

TRUMP TAPS STATE FARM TEAM, REMAKES FEDERAL COURTS: The staffs of state attorneys general have become fertile ground for President Donald Trump to pick appeals court judges, as the president has shifted the federal judiciary in a direction more in line with respecting state authority. At least six circuit court judges nominated by Trump and

confirmed by the Senate have been state solicitors general or deputy attorneys general. Such officials are the litigators on behalf of a state—typically on the front lines of legal fights, while the state’s attorney general is the public and political face. Call them a [farm team](#).

B. STATE LEGISLATURES & MAYORS

DEMOCRATS FLIP 42ND STATE LEGISLATIVE SEAT SINCE TRUMP TOOK OFFICE: Lauren Arthur is a former middle-school teacher who campaigned as a progressive Democrat in a special election to fill a Missouri state Senate seat that a Republican won in 2016 with more than 60 percent of the vote. Her race, which highlighted support for expanded funding of education and access to health care, was run in a district that backed Republican presidential nominees Donald Trump in 2016 and Mitt Romney in 2012. That was a big victory for Arthur, a labor-backed state representative who declared in her victory speech that: “For too long the priorities and pet projects of billionaires and corporations have been put ahead of investing in Missourians. We sent a message loud and clear that we demand great public schools (and) a transparent and responsive state government.” It was also a [big victory for Democrats](#) nationally, as this was the 42nd Republican legislative seat that has flipped to the Democrats since Donald Trump assumed the presidency.

State of the States

ALABAMA

PRIMARY ELECTION IN ALABAMA: WINNERS, LOSERS AND WHAT WE LEARNED: It was Governor Kay Ivey and Tuscaloosa Mayor Walt Maddox capturing the top races, but there were [plenty of other interesting things](#) going on during Tuesday’s primaries.

KAY IVEY TAKES THE REPUBLICAN PRIMARY FOR GOVERNOR: Gov. Kay Ivey [clinched](#) the Republican nomination in Alabama’s gubernatorial primary race Tuesday, and now she seeks to win the office outright after her appointment 14 months ago, when predecessor Robert Bentley resigned in the fallout of a sex-tinted scandal. She will face Tuscaloosa Mayor Walt Maddox, who won the Democratic nomination. Alabama hasn’t elected a Democrat to the governor’s office since 1998, but the party has been energized by a win in December’s U.S. Senate race and seeks a resurgence in state politics.

MARSHALL, KING HEADED FOR AG RUNOFF: After the closest race in Tuesday’s Alabama Republican Primary, **ATTORNEY GENERAL STEVE MARSHALL** and **FORMER ATTORNEY GENERAL TROY KING** were [heading](#) toward a July 17 runoff. The winner of that runoff will face Democrat **JOSEPH SIEGELMAN**, son of **FORMER GOV. DON SIEGELMAN**, in November’s general election. Siegelman defeated attorney Chris Christie in the Democratic primary Tuesday. King and Marshall were swapping the lead late into Tuesday night as votes came in from around the state. With 90 percent of the vote in, Marshall had 29 percent and King 28 percent.

COMPETITION SPARSE IN MANY ALABAMA LEGISLATIVE DISTRICTS: The powers of incumbency and district gerrymandering are [squeezing out competition for seats](#) in the Alabama Legislature. All 140 seats in the Legislature were up for grabs this election year, but voters in many districts didn’t see a choice on their ballots. In the 105-seat House of Representatives, Republicans had 30 contested primaries. Democrats have 23. In the 35-seat Senate, 12 Republican races and four Democratic contests were contested. Almost half of the 69 contested primary races are those with no incumbent.

ALASKA

BEGICH FILES FOR GOVERNOR: FORMER U.S. SEN. MARK BEGICH is [running](#) for governor. The Democrat served one term in the Senate, from 2008-14. He defeated longtime Republican **SEN. TED STEVENS** but was defeated six years later by Republican candidate Dan Sullivan. He previously served six years as Anchorage mayor. Begich's much-speculated-upon entry into the race altered the plans of **GOV. BILL WALKER**, who earlier stated that he and **LT. GOV. BYRON MALLOTT** would run in the Democratic primary. Walker is a former Republican who ran as an independent in 2014; Mallott is a Democrat. Walker and Mallott will revert to their initial strategy of bypassing the August primary and going directly to the November ballot by gathering enough signatures to qualify as unaffiliated candidates.

ARIZONA

LAW GIVES DELIVERY BOTS SAME RIGHTS AS PEDESTRIANS: Robots zigzagging across a sidewalk will have the [same](#) rights as everyone else – and they will have to follow the same laws. A new law signed by the governor earlier this month will allow delivery robots, or personal delivery devices, to operate on sidewalks throughout the state, but the robots must be courteous and use crosswalks just like everyone else. Previously, motor vehicles, including robots, were forbidden on sidewalks. The law makes way for delivery robots to become big business in Arizona. The robot would work like this: Customers place a food or coffee order on an app, the eatery inserts the items inside a delivery robot – and the robot goes off, on its own, to make the delivery.

UBER SHUTTING DOWN SELF-DRIVING OPERATION IN AZ: Uber is [shutting](#) down its self-driving car tests in Arizona, where one of the cars was involved in a fatal crash with a pedestrian in March, the company said. The company notified about 300 Arizona workers in the self-driving program that they were being terminated. The shutdown should take several weeks. Uber plans to restart testing self-driving cars in Pittsburgh once federal investigators conclude their inquiry into the Tempe crash. Uber said it is having discussions with California leaders to restart testing. Uber has engineering hubs in Pittsburgh and San Francisco, and the company said it is easier to test vehicles near those workers. Engineers from those hubs frequently traveled to Arizona to work on the testing project here.

ARKANSAS

SCHOOLS GIVEN NEW ACCREDITATION STANDARDS: The Arkansas Board of Education recently [unanimously](#) approved a revised set of state standards for accrediting schools and school districts, despite most members expressing concerns about the stripped-down requirements. The new standards list 38 courses that schools must provide, which are given only as broad subject areas such as English, math and social studies. They do not list graduation requirements but say that students must acquire "a minimum of 22 units of credit for graduation as determined by the state Board of Education."

ABORTION RESTRICTIONS ENFORCED: The Supreme Court recently [allowed](#) Arkansas to enforce restrictions on how so-called abortion pills can be administered while a legal challenge to the restrictions proceeds, which critics say effectively ends that option for women in the state. The justices didn't comment in rejecting an appeal from the Planned Parenthood affiliate in Arkansas that asked the court to review an appeals court ruling and reinstate a lower court order that had blocked the law from taking effect. The law says doctors who provide abortion pills must hold a contract with another physician who has admitting privileges at a hospital and who would agree to handle complications — and Planned Parenthood says it has been unable to find any able to do so.

CALIFORNIA

BUDGET WRITERS MUST IRON OUT DIFFERENCES: Members of the California Legislature's budget conference committee [convened](#) with one task above all others: reconcile the plans put forth by their two houses, both of which would be more costly than the proposal crafted by **GOV. JERRY BROWN**. The 10-member committee, equally split between the Senate and Assembly but dominated by Democrats, will knit the proposals together to form most of the budget sent to Brown by June 15. The most contentious disagreements are usually settled in closed-door negotiations with the governor. While both houses propose higher spending than Brown did in his blueprint, they also have noticeable policy differences with him on healthcare, higher education and social services. And in some cases, the Senate and Assembly disagree with each other on those topics.

AG BANS TRAVEL FUNDS TO STATES WITH "DISCRIMINATORY" LGBT LAWS: Add Oklahoma to the list of states to which California is [banning](#) state-funded and state-sponsored travel. California **ATTORNEY GENERAL XAVIER BECERRA** announced Friday that as a result of "discriminatory legislation" that became Oklahoma law last month, the western state will prohibit travel to its midwestern counterpart. A 2017 California law requires that its attorney general keeps a list of states subject to a state travel ban because of "laws that authorize or require discrimination on the basis of sexual orientation, gender identity or gender expression," Becerra's office said in a statement. In May, Oklahoma Gov. Mary Fallin signed a bill that allows private adoption agencies to deny same-sex couples from their adoption services based on "religious or moral convictions or policies." The bill sparked backlash from LGBTQ advocates. Oklahoma becomes the ninth state subject to the state-funded ban. Travel to Alabama, Kansas, Kentucky, Mississippi, North Carolina, South Dakota, Tennessee and Texas had previously been prohibited due to the 2017 law.

FIGHT ENSUES OVER KIDNEY PATIENT CLINICS: A battle is [escalating](#) between the dialysis industry and an influential union in California, with allegations on one side of shoddy practices in the treatment of kidney patients and accusations of political bullying on the other. With a growing number of Californians on dialysis, the union has teed up an initiative for the November ballot that would rein in profits at 555 privately owned clinics where patients receive life-sustaining treatment. The measure would cap profits at 15 percent after most clinical costs. And in Sacramento, legislators have been considering measures to regulate staffing, inspections and other elements of the dialysis industry. Proponents say such moves could reduce infection and deaths for fragile kidney patients, partly by encouraging more investment in equipment and training. Their opponents argue that the initiative has nothing to do with improving patient care and could have the opposite effect—financially squeezing dialysis companies to the point where many would close, making it harder for patients to get the blood-cleansing treatment they need.

RENEWED TARIFF TALKS WORRY LOCAL AGRICULTURE GROUPS: Renewed trade tensions [between](#) the United States and China on Tuesday rattled Central Valley ag officials, who worried local growers may end up suffering collateral damage in a dispute that originally had nothing to do with California farming. Golden State ag representatives expressed fears of industry fallout after the Trump administration announced it would move forward with tariffs on Chinese goods, just a week after federal officials said the countries' brewing trade war was "on hold." Local citrus growers have struggled since early April with higher tariffs and a slowdown in produce inspections at Chinese ports. Their experience has raised fears that stone fruit growers could soon face similar problems as their products begin to hit the market.

"GOOGLE TAX" PLAN MOVES AHEAD: Plans for a "Google headcount tax" [moved](#) ahead in Mountain View after a municipal panel recommended that the full city council approve the proposal. A three-member subcommittee of the Mountain View City Council endorsed the concept of a tax on the number of workers a company employs within the

city limits, although government officials refer to it formally as a “restructuring” of the business license tax. The Mountain View City Council was scheduled to meet June 5 to make a final decision on whether it will order the city staff to prepare a ballot measure for voters to approve or reject in November. It’s anticipated the maximum amount required from the largest employer in Mountain View — Google — would be roughly \$5.5 million in the first year the new employee headcount tax would take effect. **COUNCILMAN MCALISTER** said the amounts that businesses would pay could rise over time due to inflation.

TRUMP-BACKED JOHN COX OUTPACES VILLARAIGOSA; WILL FACE NEWSOM IN NOVEMBER: Liberal Democrat Gavin Newsom and Trump-backed Republican John H. Cox will [face off](#) in the November general election to decide California’s next governor. Newsom, the state’s lieutenant governor and an ex-mayor of San Francisco, had been widely expected to be the top vote-getter since he was the longtime frontrunner in the governor’s race. Cox took the number two spot and had been gaining in most recent public opinion polling following President Donald Trump three weeks ago tweeting his endorsement of the conservative San Diego businessman.

NEWSOM QUICKLY MAKES TRUMP THE ISSUE: A Republican businessman backed by President Donald Trump will face Democrat Gavin Newsom in the California governor’s race in November after a weak showing in the primary Tuesday by former Los Angeles Mayor Antonio Villaraigosa, according to an NBC News projection. Newsom [wasted no time](#) framing the fight as one about Trump. “Voters are going to have a real choice this November between a governor who is going to stand up to Donald Trump and a foot soldier in Trump’s war on California,” Newsom said in his victory speech. Newsom, the lieutenant governor, quipped that in California, “We don’t obstruct justice — we demand justice.”

DEMOCRATS LOSE CALIFORNIA STATE SENATE SUPERMAJORITY AFTER RECALL VOTE: California Democrats have been [denied their supermajority](#) in the state Senate, in a key vote that means Senate Democrats won’t hold the two-thirds majority needed to pass tax and fee increases. Democrats temporarily lost their supermajority in February when a lawmaker accused of sexual misconduct resigned. They likely would have gotten it back in a special election in August. But then they lost another seat on Tuesday, when voters in an Orange County district recalled Democratic Sen. Josh Newman from office over his vote to raise gas taxes last year. Former Republican Assemblywoman Ling Ling Chang won the seat.

COLORADO

POLIS PUSHES TO REPEAL GOP TAX CUTS: As the new tax cuts ushered in solely by Republicans begin to take effect, one Democratic congressman is unveiling a repeal plan, signaling that **PRESIDENT DONALD TRUMP’S** primary opposition is serious about reversing his signature legislative achievement. **REP. JARED POLIS** of Colorado plans to [introduce](#) the Students Over Special Interests Act. The legislation would repeal the new tax law and redirect the taxpayer dollars toward erasing the \$1.4 trillion in student-loan debt and investing in Pell grants. It will be the first piece of legislation aimed at unraveling the new tax law. The bill is highly unlikely to advance with Republicans in control of the House and the Senate. Further, even if Democrats retake majorities in the November midterms, Polis will not be in Congress in 2019, as he is running for governor of Colorado. And even then, Trump would not sign a law overturning his administration’s biggest legislative accomplishment.

CONNECTICUT

GOVERNOR SIGNS BILL BANNING BUMP STOCKS: Gov. Dannel P. Malloy [signed](#) a ban on so-called bump stocks — the devices used last year by a shooter in Las Vegas who killed nearly 60 people and wounded hundreds more at an outdoor concert. The law also bans trigger cranks and other accessories that allow semi-automatic weapons to fire at near-automatic speed. From a high-rise hotel, the Las Vegas shooter fired 90 rounds every 10 seconds

LEGISLATORS BALK AT ONLINE SPORTS BETTING: The Connecticut General Assembly is [unlikely to take up](#) on-line gambling when it returns in special session to consider legalizing sports betting — viewing betting by smartphone as a concept that needs deeper study and public input, legislative leaders said Friday. Gov. Dannel P. Malloy said he will take direction from the legislature over the breadth of new gambling compacts he is negotiating with the state's two federally recognized tribes, the Mashantucket Pequots and Mohegans, in response to a U.S. Supreme Court ruling that opens all states to sports betting.

STATE OPERATIONALIZES NEW HEALTH OVERSIGHT AGENCY: On May 14, 2018, Connecticut Governor Dannel P. Malloy signed into law Public Act No. 18-91 "An Act Concerning the Office of Health Strategy" ([PA 18-91](#)), a bill that [operationalizes the Office of Health Strategy](#) (OHS), a new health oversight agency in Connecticut. OHS is a division of the Department of Public Health (DPH) "for administrative purposes only" that was provisionally established by the Connecticut General Assembly within the budget implementer bill passed in a special session in late 2017 and accorded responsibility for developing and implementing a health care vision for Connecticut, among other things. PA 18-91 operationalizes OHS by assigning responsibility for administration of Connecticut's certificate of need (CON) process to a newly created unit within OHS that succeeds the Office of Health Care Access (OHCA), as well as by clarifying and increasing OHS's statutory health oversight duties.

DELAWARE

SPORTS BETTING NOW OFFICIALLY OFFERED IN STATE; 1ST STATE OUTSIDE NEVADA: At Dover Downs on Tuesday, Gov. John Carney reached into his pocket, pulling out a \$10 bill. He handed it to a cashier and placed a bet on the Philadelphia Phillies, making the country's first sanctioned, single-game sports bet outside Nevada. It's also a wager that Carney hopes will turn into a win for Delaware's economy. The odds on that bet still are unclear. While Delaware on Tuesday [became the first single-game sports betting state outside of Nevada](#), others are certain to follow, including neighboring New Jersey. New betting rules in Delaware allow wagers on individual games and events in professional baseball, football, hockey, basketball, soccer, golf, and auto racing. It gives gamblers an alternative to NFL parlay cards, the only sports betting allowed in the state before Tuesday.

FLORIDA

AG COMMISSIONER CANDIDATES SAY NAFTA HURTS STATE FARMERS: Florida's next agriculture commissioner likely will [back](#) White House efforts to change the North American Free Trade Agreement as a way to help the state's farmers. Worried about the impact on Florida farmers, **STATE AGRICULTURE COMMISSIONER ADAM PUTNAM** has been a frequent critic of the 24-year-old trade deal between the United States, Canada and Mexico. But as Putnam prepares to leave the commissioner's job after the November elections, most of the announced candidates from both parties also point to produce dumping from Mexico as one of the biggest negatives in Florida from the pact, which the Washington, D.C.-based Peterson Institute for International Economics has touted as a boon nationally to sectors ranging from oil and natural gas to beef, apple and soybean growers.

GEORGIA

CAGLE, KEMP POLLS YIELD DIFFERENT RESULTS: Lt. Gov. Casey Cagle either has a double-digit lead over Secretary of State Brian Kemp for the Republican nomination for governor, or the two are running neck-and-neck, [depending on which internal poll you read](#). A survey of 500 likely Republican runoff voters the Cagle campaign commissioned following his first-place finish in the May 22 GOP primary shows him with 52 percent of the vote, to 42 percent for Kemp. A second poll Kemp's campaign commissioned of 600 likely Republican runoff voters has Cagle with 46 percent of the vote and Kemp with 45 percent. That's well within the poll's margin of error of plus-or-minus 4 percent.

HAWAII

GOVERNOR SIGNS BILLS TO COMBAT CLIMATE CHANGE: Gov. David Ige [signed](#) three bills this morning that combat climate change in the Hawaiian isles. Ige signed [House Bill 2182](#), which makes Hawaii carbon neutral by 2045 and establishes the Greenhouse Gas Sequestration Task Force. HB2182, authored by state Rep. Chris Lee (D, Kailua-Lanikai-Waimanalo), becomes Act 15 and takes effect on July 1. He also signed [House Bill 1986](#), which creates a framework for a carbon offset program that allows for carbon credits through global carbon sequestration protocols. HB 1986 becomes Act 16 and takes effect on July 1. The Hawaii State Legislature passed the bill unanimously this session.

ECONOMISTS FORECAST SPEEDY GROWTH: Hawaii's economy is [heating](#) up at the same time that part of the Big Island is burning up from devastating lava eruptions. But state economists say growth nevertheless is expected to accelerate this year amid record visitor arrivals and spending, an all-time low unemployment rate, an increase in state general excise tax receipts and additional air seats coming to the islands, according to the latest quarterly report released by the Department of Business, Economic Development and Tourism.

IDAHO

POSSIBLE SPECIAL SESSION ON HORIZON: Legislative leaders announced **Gov. C.L. "BUTCH" OTTER** might [call](#) a special legislative session to address a years-long water battle that has been building in southwestern Idaho. Senate **PRESIDENT PRO TEM BRENT HILL** says all stakeholders have reached an agreement regarding flood control releases from reservoirs in the Boise River system. After years of fighting in court, talks began earlier this year to pursue a settlement that would side-step an ending where the Idaho Supreme Court would be forced to potentially upend decades of how the state allocates its water. The first step, however, is passing key legislation in a special session, said **HOUSE SPEAKER SCOTT BEDKE**, R-Oakley, who has helped oversee some of the state's biggest water fights over the years.

MEDICAID EXPANSION MOVES CLOSER TO POSSIBLE REFERENDUM: A Medicaid expansion proposal has [passed](#) the signature threshold, officials confirmed, but said further review is needed before it gets on the November ballot. Ada County Chief Deputy Clerk Phil McGrane says county clerks across the state have verified roughly 58,000 signatures that organizers submitted. The effort needed at least 56,192 signatures to qualify. However, those signatures must also come from 6 percent of the registered voters in at least 18 of Idaho's 35 legislative districts. McGrane says it'll be up to the state to determine if the signatures meet the legislative district requirements. Reclaim Idaho, the group that organized the Medicaid expansion effort, did not immediately return a request for comment. If successful, Idaho would join 32 other states and the District of Columbia in expanding Medicaid as part of the Affordable Care Act. Nebraska and Utah are currently in the midst of similar ballot initiatives, and Maine passed one last year.

STATE GOVERNMENT HACKED TWICE IN THREE DAYS: Idaho's [recent cybersecurity-training efforts](#) haven't [panned](#) out for the state government so far. As first reported [by Idaho Business Review](#), Idaho fell victim to two separate cyberattacks in just three days earlier this month, including one attack that included the use malware that security experts say they had not previously seen.

ILLINOIS

RAUNER SIGNS FULL BUDGET: Republican **Gov. BRUCE RAUNER** on Monday [signed](#) into law a \$38.5 billion spending plan for state government, approving a full budget on time for the first time since he took office in 2015. Flanked by Republican and Democratic lawmakers, Rauner touted the legislation as the product of "a great team effort, a great bipartisan effort." The budget legislation is the product of negotiations between the Democrats who control the General Assembly and Republican lawmakers allied with the governor. The plan maintains state government spending close to existing levels. It boosts funding for early childhood and K-12 education by a combined \$407 million. And it projects savings of \$445 million from new pension buyout options for state pensioners. Democratic Rep. Greg Harris, another point person on the budget talks, noted that the budget for the financial year that starts in July was "built on the foundations laid by the budget we passed last year on a bipartisan basis. The budget provides a \$5,000 tax credit for families who adopt children. It sets aside \$500 million for a University of Illinois-led innovation center in the South Loop called the Discovery Partners Institute. Rauner also noted that lawmakers had found \$1.5 billion in spending cuts as well.

ILLINOIS BECOMES 37TH STATE TO RATIFY EQUAL RIGHTS AMENDMENT: Illinois has [become](#) the 37th state to ratify the Equal Rights Amendment to the U.S. Constitution. The House voted 72-45. The vote came nearly 38 years to the day that supporters thought the amendment was dead because the Illinois Legislature failed to endorse it. The constitutional amendment guarantees equal rights for all citizens regardless of sex. Thirty-eight states must ratify it to make it effective. Illinois was one of 15 states not to ratify before a congressionally set 1982 deadline. But supporters have argued there's precedent to show that deadlines on constitutional amendments don't apply.

FERC, DOJ SUPPORT ILLINOIS NUCLEAR SUBSIDIES: The Federal Energy Regulatory Commission and Department of Justice [filed](#) a joint legal brief in support of Illinois nuclear subsidies. Lawyers for the two agencies wrote the zero emission credits (ZECs) for Illinois nuclear plants do not interfere with FERC's authority to regulate wholesale power markets, as generators claimed. If the subsidies disrupt market operations, "the solution lies with the Commission, not the courts," the agencies wrote. The legal opinion will likely also apply to a pending court challenge against New York nuclear subsidies, as well as a New Jersey subsidy program enacted last week. The FERC opinion could also make a Supreme Court case over the subsidies less likely, analysts say.

STATE HIRES NEVADA CIO: For the past two years, Illinois state government's technology department has [led](#) a comprehensive project to unify its IT assets, and now that effort has entered a new phase with a new goal: unification of strategy and workforce. To lead the strategy piece, **FORMER NEVADA CHIEF INFORMATION OFFICER SHANNA RAHMING** has taken a position as Illinois' chief strategy officer, state officials announced at a public forum this week. Rahming, who resigned as CIO of Nevada in March after nearly three years in the role, will now head Illinois' new Office of Strategy and Planning, she and other state officials announced at a quarterly town hall meeting.

GOVERNOR'S RACE SPENDING SURGES PAST \$200 MILLION: The eye-popping totals are [rivaled](#) only by the 2010 California governor's race in which eBay executive **MEG WHITMAN** spent \$159 million while **JERRY BROWN** spent around \$36 million. Despite being outspent five-to-one, Brown won by 13 percentage points.

IOWA

REYNOLDS SIGNS LARGEST TAX CUT IN STATE HISTORY: Iowans will [have](#) their state tax bills reduced by an average of \$300 annually under a tax cut bill signed by **Gov. Kim Reynolds** that could become a major campaign issue this fall. Reynolds, a Republican who made changes in tax policy a cornerstone of her agenda for the 2018 legislative session, celebrated with about 75 people, including key GOP lawmakers, during a ceremony at MobileDemand, an eastern Iowa manufacturer of rugged tablet computers. [Senate File 2417, which was passed after heated debates between Republicans and Democrats in the final hours of this year's legislative session](#), slashes state revenues by a total of \$2.1 billion over the next six fiscal years. Republicans insisted the legislation is fiscally sustainable and that Iowa's economy is on sound footing that will generate additional growth of state revenues. They also said almost every Iowan will see a tax cut from the legislation.

MEXICO PORK TARIFF THREATS PUSH \$560 MILLION: Iowa pork producers already dealing with a 25 percent tariff on U.S. pork exports to China [could](#) face another trade hit, with Mexico considering a 20 percent tariff on hams and pork shoulders. Growing trade worries have cut pork prices in recent weeks, costing Iowa producers about \$560 million, said Dermot Hayes, an Iowa State University economist. Mexico is the largest export market for U.S. pork, based on volume. Mexico bought \$1.5 billion of U.S. pork last year, followed by China-Hong Kong at nearly \$1.1 billion.

KIM REYNOLDS WINS REPUBLICAN NOMINATION FOR IOWA GOVERNOR: Kim Reynolds has [won](#) the Republican nomination for Iowa Governor as she ran unopposed. She previously had stated her focus was on the general election. Reynolds says her campaign focuses on the positive things happening in Iowa. She cites small business growth, like Great American Popcorn.

FRED HUBBELL WINS DEMOCRATIC NOMINATION TO RUN AGAINST REYNOLDS: Des Moines businessman Fred Hubbell [clinched the Democratic nomination for governor](#) Tuesday, rounding off a volatile primary election cycle and setting the stage for a high-stakes general election against incumbent Republican Gov. Kim Reynolds. At stake in November is the fate of Iowa's highly controversial privatized Medicaid program, which Hubbell has said he would dismantle but Reynolds wants to keep intact. Other newly enacted laws, including the nation's strictest anti-abortion legislation and sweeping income tax cuts, also hang in the balance. Beyond policy, Democrats say the race is a must-win as they try to reverse a trend of electoral losses and reconnect with independent and rural voters who abandoned the party in 2016.

DEMOCRAT DEJEAR WINS SECRETARY OF STATE PRIMARY; WILL FACE REPUBLICAN PAUL TATEH: Des Moines businesswoman Deidre DeJear has [won](#) the Democratic nomination for Iowa secretary of state and will face Republican Paul Tateh in November. DeJear was the only African American woman seeking statewide office in Iowa this year. She becomes the first African American to win a major political party nomination for a statewide office in the state. She won the primary election Tuesday over Army veteran Jim Mowrer.

LOUISIANA

LOUISIANA BUDGET SPECIAL SESSION COLLAPSES WITHOUT TAX DEAL: Louisiana lawmakers [failed to reach](#) a tax deal by Monday's deadline, cratering their second special session this year without agreement and passing a budget that would force deep cuts across state government next month. The House and Senate couldn't agree on what level of taxes to raise in the budget year that begins July 1, and the House ended at midnight in meltdown as lawmakers tried to scramble to bring up a sales tax bill that was opposed by House GOP leaders. Gov. John Bel Edwards said he'll call

another special session to try to avoid steep slashing across the TOPS tuition program, college campuses, the child-welfare agency and public safety programs. He didn't say when the session would start but said it would end before the new budget year begins.

HOUSE COMMITTEE VOTES ON HOLLYWOOD SOUTH TAX CREDITS: After a heated debate over priorities given the state budget shortfall, a House committee [decided](#) to keep the cap on credits for movies, TV shows and commercials shot in the state at \$180 million a year rather than cutting it to \$90 million. The House Ways and Means Committee voted 8-4 to maintain the current subsidy even though some legislators suggested that the money should be used instead to stave off possible cuts in vital public services. The state-subsidized credits incentivize production companies to film in Louisiana, once deemed "Hollywood South." But the Legislature also is trying to solve an estimated \$648 million "fiscal cliff," and it is not clear if it will approve enough revenue measures to avoid the cuts.

STATE SEES MAJOR DROP IN PRISON POPULATION: A recent report [shows](#) Louisiana's prison population dropped more than five percent from 2016 to 2017. That's one of the largest decreases in the country, in a state that had become known as the 'Prison Capital of the World'. A Marshall Project report says the 5.4 percent drop means more than 1,900 fewer prisoners are behind bars in Louisiana. **STATE CORRECTIONS SECRETARY JIMMY LEBLANC** credits the drop to criminal justice reforms.

MAINE

JUDGE ORDERS IMPLEMENTATION OF MEDICAID EXPANSION: A Maine court has [ordered](#) the state to move ahead with Medicaid expansion, which was approved by voters last year but blocked by Republican **GOV. PAUL LEPAGE**. Michaela Murphy, a Maine Superior Court justice, ruled Monday afternoon that the state must submit a plan to the federal government by June 11 detailing how it plans to expand Medicaid. Maine voters approved expansion in November through a citizen-led ballot measure, but LePage has fought back at every turn. He said he wouldn't implement expansion unless state legislators found a way to pay for it without raising taxes. But expansion supporters argued the governor's estimate was too high. His administration missed the April 3 deadline to send a plan to the federal government, prompting lawsuits from the Maine Equal Justice Partners and Consumers for Affordable Health Care. Maine became the first state to expand Medicaid through a voter referendum.

MARYLAND

HOGAN VETOES BILLS PUSHED BY TEACHERS UNION: **GOV. LARRY HOGAN** vetoed three education bills, [calling](#) them "a crude attempt" to dilute accountability in Maryland public schools. Two of the bills were backed by the Maryland State Education Association, the state's largest teachers' union and a frequent target of Hogan's ire. The legislation would have changed the composition of the Maryland Board of Education to include two teachers and a parent, made it possible for more school supervisors to join the union and made it harder to fire hundreds of political appointees at the state Department of Education. Hogan's veto of the bills is final because it is the last year of the four-year term and the next General Assembly does not have authority to override him.

MICHIGAN

LEGISLATURE REPEALS STATE'S PREVAILING WAGE LAW: The Republican-controlled Michigan Legislature on Wednesday [rescinded](#) the state's decades-old law that guarantees higher wages for construction workers on government projects, quickly enacting the repeal initiative rather than letting it go to a public vote. Though Gov. Rick Snyder opposed the measure, it was veto-proof because it was initiated through a ballot drive by nonunion contractors. The prevailing wage law requires paying the local wage and benefit rate — usually union scale — on state-financed construction of schools, university dorms and other public works projects. Michigan is the fifth conservative-led state to annul its prevailing wage law since 2015. The repeal will take effect immediately but not affect existing contracts.

MARIJUANA LEGALIZATION PROPOSAL HEADING TO BALLOT AS LAWMAKERS PUNT: Michigan voters [will decide](#) the fate of recreational marijuana legalization in November after the Republican-led Legislature failed to muster enough support to adopt and amend a citizen-initiated proposal. The House and Senate adjourned without taking up the measure to allow adult use and commercial sales. They missed the 40-day deadline to act on the proposal from the Coalition to Regulate Marijuana Like Alcohol, which now heads to the fall ballot.

MINNESOTA

STATE OF THE LEGISLATURE: Minnesota lawmakers and **Gov. MARK DAYTON** wrapped up this year's legislative session last month in a familiar spot, with the DFL governor and Republican leaders at odds over much of their work. Dayton did sign off on \$1.5 billion in public works projects, but he vetoed tax changes and money for schools and other priorities. [Here's](#) a look at what got done and what didn't.

DAYTON SIGNS PUBLIC WORKS BORROWING BILL: **Gov. MARK DAYTON** recently [signed](#) a bill funding \$1.5 billion in public construction projects, even though he considered it "woefully inadequate" for college campuses, aging state buildings and mass transit. The DFL governor said it "underfunds critical investments" in higher education, state parks and sewer and water improvements, ensuring those needs will become more urgent and expensive in the future. But **SENATE MAJORITY LEADER PAUL GAZELKA**, R-Nisswa, said the bill is "big enough to make a significant difference in Minnesotans' lives, but not so big to put future budgets at risk." The public works measure — called a "bonding bill" because most of the money, \$825 million, will come from the sale of general obligation bonds to be repaid with revenue from income, sales and other general taxes — will fund projects ranging from college classrooms and park improvements to highways and sewer systems around the state.

MURPHY, JOHNSON GET PARTY NODS FOR GOVERNOR: Republican activists [endorsed](#) Hennepin County **COMMISSIONER JEFF JOHNSON** for a second run at governor and Democrats backed longtime **STATE REP. ERIN MURPHY** for the same race, but both still face certain primary challenges. Johnson easily beat two rivals to clinch his party's endorsement in Duluth. But **FORMER GOV. TIM PAWLENTY**, a late entry in the race seeking a return to politics, skipped the convention altogether and will compete with Johnson in an Aug. 14 primary. A Democratic primary could be even more crowded for Murphy, who outlasted **U.S. REP. TIM WALZ** over six rounds of voting to secure the blessing from Democratic activists gathered in Rochester. Moments after withdrawing from the endorsement, Walz told supporters he would continue to a primary. And three-term **ATTORNEY GENERAL LORI SWANSON** is considering a late entry in the race after losing her party's endorsement for another run at her current job, a spokesman said.

PAWLENTY PICKS FISCHBACH AS RUNNING MATE: **FORMER GOV. TIM PAWLENTY** has [selected](#) current **LT. GOV. MICHELLE FISCHBACH** as his lieutenant governor running mate for his bid to become Minnesota's next governor and reclaim the seat for Republicans. In picking Fischbach, Pawlenty can show a seasoned tactician

with decades of experience in the Legislature. The announcement came a day before the statewide Republican endorsing convention in Duluth — where both Pawlenty and Fischbach will be no-shows, they said. Pawlenty, who entered the race in April after months of widespread speculation, said he entered the race too late to seek the endorsement from the 2,200 convention delegates — the party faithful who will put the official GOP blessing on a candidate.

SWANSON SHAKES UP DFL FIELD FOR GOVERNOR: ATTORNEY GENERAL LORI SWANSON [jumped](#) into the DFL primary for Minnesota governor, immediately shaking up the contest between **STATE REP. ERIN MURPHY** and **U.S. REP. TIM WALZ** and complicating the Democratic effort to hold onto the state's top political job. Swanson announced her plans at a hastily arranged, 20-minute news conference in Minneapolis. At her side was **U.S. REP. RICK NOLAN** of northeastern Minnesota, her newly minted lieutenant governor running mate. A three-term attorney general, Swanson was unable to secure the DFL endorsement in her re-election bid at the party's state convention. Her last-minute shift to the governor's race promises to intensify what already looked to be a competitive primary between Murphy, the DFL-endorsed candidate and state lawmaker from St. Paul, and Walz, a six-term congressman from southern Minnesota.

ELLISON TO RUN FOR AG: Democratic **REP. KEITH ELLISON** [jumped](#) into the race for Minnesota attorney general Tuesday, the final day candidates were allowed to file. Ellison will not leave Congress immediately, but he will not run for reelection. He will also remain deputy chair of the Democratic National Committee during his campaign. Ellison will enter a crowded primary. The party convention backed activist and attorney **MATT PELIKAN**, who made the case against **ATTORNEY GENERAL LORI SWANSON** on the grounds that the office needed a strong and authentic progressive — which Pelikan argued she wasn't. Ellison, though, will enter as a national progressive leader, with deep ties to Bernie Sanders and activists and prominent supporters all over the state and throughout the country.

MISSOURI

GREITENS RESIGNS AMID SCANDALS: **ERIC GREITENS** stormed into the Governor's Office in January 2017 vowing to clean up a state government he said was corrupt. He resigned just as abruptly as he had arrived on Missouri's political scene, his career buried under an avalanche of scandal and felony charges. Even as he announced his historic decision to step down, Greitens asserted his innocence and argued that he was the victim of a political conspiracy.

MEET MIKE PARSON, THE NEW GOVERNOR: Missouri is switching governors. It would be difficult to find a [replacement](#) as different from outgoing **GOV. ERIC GREITENS** as **MIKE PARSON**, the state's lieutenant governor. Parson is a much more conventional politician than Greitens, a former Navy SEAL who had never held an elected position before and announced his resignation five months after news broke about a sex and blackmail scandal. Parson is a solid conservative, receiving perfect or near-perfect ratings from the National Rifle Association, the American Conservative Union and the National Federation of Independent Business. As a legislator, Parson supported tax cuts and co-sponsored an expansion of Missouri's "castle doctrine" law, which allows individuals to use deadly force in defense of their homes.

LAWMAKERS PASS "SURPRISE" MEDICAL BILL LEGISLATION: Missourians would be [protected](#) when they receive out-of-network care at an in-network facility and the bill that comes with it after an emergency. In a move applauded by consumer advocates and the hospital lobby, Missouri lawmakers passed a bill that protects consumers from balance billing, and also takes steps to protect consumers affected by Anthem's controversial emergency room policy that refuses to pay for an ER visit if it's later deemed unnecessary by Anthem. If the governor signs the measure, Missouri

will join at least 21 other states in protecting consumers from a billing practice that can have significant financial consequences for patients. It's known as balance billing — when a patient is on the hook for the remaining balance of an out-of-network bill their insurer has only partially paid.

MISSOURI SPECIAL ELECTION RESULTS; DEMOCRAT FLIPS GOP-HELD STATE SENATE SEAT: Democratic candidate Lauren Arthur [won a special election](#) for a formerly GOP-held Missouri state Senate seat Tuesday night by a 20-point margin. That's the 42nd state legislative seat Democrats have flipped since Donald Trump's inauguration, and though that only slightly reverses Democrats' massive down-ballot losses during the Obama administration, it is a solid down payment considering that few seats have been up so far. Both Donald Trump and Mitt Romney won this seat by a four-point margin, so the Democratic victory amounts to a 24-point improvement on their presidential candidates' performances in 2016 and 2012.

NEVADA

MARIJUANA TAX RAKES IN RECORD AMOUNT: Tax revenue from marijuana [sales](#) in Nevada continues to climb, setting a new high of more than \$7 million in March, the ninth month of legal recreational pot sales, officials said. That's up from the previous high of \$5.95 million in February. The revenue includes a 15 percent wholesale tax on medical and recreational marijuana and a 10 percent excise tax on recreational weed sales, the Nevada Department of Taxation said. The 15 percent wholesale tax — paid by cultivation and production facilities that supply dispensaries — generated nearly \$3 million in March. The 10 percent excise tax brought in a little more than \$4 million. The excise tax, paid only on recreational pot, has raised \$30.47 million this fiscal year.

NEW HAMPSHIRE

A LOOK AT GOV. SUNUNU'S LEGISLATIVE WINS, LOSSES: Gov. Chris Sununu [signed dozens of bills](#) in the last week, and dozens more are awaiting his approval. And while his legislative agenda suffered some significant defeats, about two-thirds of the bills he publicly promoted at the outset of this year's session made it to his desk. The successes include bills aimed at strengthening the state's mental health and child protection systems and maintaining high standards for water and air quality. And while a bill to create tax credits for businesses that support workers in addiction recovery failed, a \$1 million provision was added to another bill to for nonprofit organizations that educate employers about how to reduce substance misuse in the workplace and create workplaces that help people re-enter the workforce.

HOUSE MAJORITY LEADER ANNOUNCES RUN FOR SPEAKER: House Majority Leader Dick Hinch, R-Merrimack, [announced his candidacy for Speaker of the House](#), citing accomplishments of the Republican legislative majorities in the past two-year session and promising to keep things moving in the same direction. Now in his fifth term representing Merrimack, Hinch served as House Majority Leader for the past two-year session and was House Majority Whip in the previous session. He also is chairman of the Committee on Legislative Administration and the House Rules Committee and serves on several others. He was chairman of the Merrimack Board of Selectmen from 2003 to 2006.

NEW JERSEY

MURPHY SIGNS NATION'S STRONGEST LAW ON 'SURPRISE' MEDICAL BILLS: Advocates for patients, senior citizens, labor unions, and businesses [hailed](#) Gov. PHIL MURPHY'S signing of a complex and controversial measure designed to curb the impact of costly "surprise" medical bills in New Jersey. Supporters said the law, nearly 10 years in the making,

is the strongest of its kind nationwide. But physicians and specialists in particular, remain concerned the reform will erode their negotiating power with insurance companies and sap them of critical revenue they can use to offset the cost of treating those without healthcare coverage — and eventually diminish patient care. Several professional groups are now coordinating resources to help doctors who may face payment struggles as a result of the new law and are refocusing other efforts to reduce the regulatory burdens on Garden State providers.

ALSO SIGNS NUCLEAR POWER SUBSIDY BILL: Gov. PHIL MURPHY [signed](#) several legislative initiatives to advance the state's clean energy goals, including a controversial bill that would subsidize the continued operation of nuclear power plants. The new nuclear law, which could cost about \$300 million a year, establishes a Zero Emissions Certificate (ZEC) program to maintain New Jersey's nuclear energy supply, which contributes close to 40 percent of the state's electric capacity and is by far its largest source of carbon free energy. Plants seeking to participate in the program would be required, among other things, to demonstrate that they make a significant contribution to New Jersey air quality and are at risk of closure within three years.

MURPHY HOPES TO TAX E-CIGARETTES: Borrowing from a bill that's languished in the state Legislature, Gov. PHIL MURPHY's state budget [anticipates](#) raising \$59 million from new taxes on e-cigarettes and tobacco products in New Jersey for cash-starved state coffers. That bill combines a 75 percent wholesale tax on e-cigarettes with a rise in the wholesale tax on tobacco products from 30 percent to 68 percent and per-ounce hikes on other tobacco products.

FILM TAX CREDITS POISED TO RETURN: After [criticizing](#) his predecessor's use of tax incentives as an overused tool that yielded questionable returns, Gov. PHIL MURPHY is poised to bring back a film credit program that could lose up to \$425 million. Murphy has reaffirmed his support for the Garden State Film and Digital Media Jobs Act, which he had said during the Montclair Film Festival over the weekend he would sign. The bill, S-122, was passed last month and would give up to \$75 million in tax credits for film production and up to \$10 million for digital media over five years. New Jersey began offering tax credits for film and television production in 2005, though for much lower amounts. Republican Gov. CHRIS CHRISTIE suspended the program in 2010, saying it wasn't affordable.

STATE LEADS RESISTANCE TO TRUMP OFFSHORE DRILLING: The Trump administration's bid to expand offshore drilling sounds like a sweet deal when the oil and gas industry sells it: more jobs, increased local revenue and possibly an energy surplus that could lower home heating costs. But Asbury Park Mayor JOHN MOOR's opinion of the [proposal](#) to drill off the Atlantic Coast for the first time in decades is set: "I don't think the risk is worth all the money in the world," he said at City Hall, a few blocks from the popular beach boardwalk that is fueling his city's economic turnaround. "You could stack billions atop of billions atop of billions and it's just not worth the risk." Moor's unwavering view stretches the length of the 142-mile Jersey Shore, from northern municipalities such as Asbury Park to Cape May in the south. As Memorial Day and beach season approached, several mayors whose economies rely heavily on tourism said they are united in opposition to PRESIDENT DONALD TRUMP'S plan.

NEW AG ITCHING TO TAKE ON TRUMP: The man [aspiring](#) to be the new face of the resistance is a practicing Sikh who likes to call attention to his turban and happens to have jurisdiction over 20 of PRESIDENT DONALD TRUMP'S properties, including Bedminster. New Jersey ATTORNEY GENERAL GURBIR GREWAL says he sees an opening in the continuing wake left by New York ATTORNEY GENERAL ERIC SCHNEIDERMAN'S surprise resignation, and he's ready to take it. In four months on the job, Grewal has joined or started 30 actions against the federal government, from debt collection to carbon emissions. He has embedded himself with the Democratic attorneys general who've banded together since last year to take on Trump, and which Schneiderman had been a national leader on. Last month, Grewal

added another, writing to **EDUCATION SECRETARY BETSY DEVOS** saying that if she wasn't going to investigate fraud at for-profit colleges, he would.

NEW MEXICO

TAKEAWAYS FROM THE NEW MEXICO PRIMARY: Three Democratic state House incumbents were given the boot last night: Bealquin "Bill" Gomez in southern New Mexico, and two northern New Mexico lawmakers who found themselves in heated races, Debbie Rodella and Carl Trujillo. Other incumbents lost too. Democrats Sandy Jones and Lynda Lovejoy on the Public Regulation Commission lost their seats. More [here](#).

GRISHAM CRUISES TO VICTORY IN DEMOCRATIC GUBERNATORIAL PRIMARY: One of the less-surprising moments on Tuesday was when U.S. Rep. Michelle Lujan Grisham [won the Democratic primary](#) for governor. A recent Albuquerque Journal poll showed Lujan Grisham more than 40 points ahead of former television executive and son of a past New Mexico governor, Jeff Apodaca. On Tuesday night, election numbers showed Lujan Grisham with more than 60 percent of the vote against Apodaca and state Sen. Joe Cervantes.

INCUMBENT STATE LAWMAKERS DEFEATED: Two incumbent New Mexico lawmakers have [lost primary bids](#) to Democratic challengers, including a Santa Fe-area representative who fought accusations of sexual harassment. Democratic voters on Tuesday nominated Andrea Romero of Santa Fe to replace Rep. Carl Trujillo in a race with no Republican challenger. Trujillo denies a former lobbyist's harassment allegations, which a panel of four lawmakers and an outside attorney are investigating. Democrats also voted out Rep. Debbie Rodella of Espanola, who has served in the Legislature since 1993. They nominated retired education foundation director Susan Herrera of Embudo in a district with no Republican contenders.

NEW YORK

MALONEY TO RUN FOR AG: REP. SEAN PATRICK MALONEY is [joining](#) the race to become New York's next attorney general. However, he said that he will still run for his congressional seat, raising questions about the legality of simultaneously running for two offices at once. Maloney will face off against New York City public advocate **LETITIA JAMES**, law professor and former gubernatorial candidate **ZEPHYR TEACHOUT** and **LEECIA EVE**, who served as an adviser to **HILLARY CLINTON** and **GOV. ANDREW CUOMO**.

DEMS ENDORSE JAMES FOR AG: New York City Public Advocate **LETITIA JAMES** is the Democratic [nominee](#) for New York attorney general. Delegates picked James at the party's state convention on Long Island. If elected she'll succeed **EX-DEMOCRATIC ATTORNEY GENERAL ERIC SCHNEIDERMAN**, who resigned earlier this month after being accused of assaulting four women he dated.

REPUBLICANS NOMINATE WOFFORD FOR AG: New York Republicans [tapped](#) political newcomer and Manhattan attorney **KEITH WOFFORD** as their candidate for state attorney general at the party's nominating convention. The Republican candidate is running for the position formerly held by **ERIC SCHNEIDERMAN**, the state's former top legal officer who resigned earlier this month following allegations of assault, which he denies.

PATERSON TALKS DOWN CELEBRITIES WITH POLITICAL HOPES: FORMER GOV. DAVID PATERSON [said](#) Sunday that celebrities like **CYNTHIA NIXON**, who is running for New York governor, believe they can run for office based on their fame. Paterson criticized Nixon's decision to enter politics at the gubernatorial level without first getting experience at a lower office of government and has speculated that Nixon's lack of experience could cost her votes in November's election. Incumbent **GOVERNOR ANDREW CUOMO** currently leads Nixon 50 percent to 28 percent, according to a May 2 poll from Quinnipiac University.

NORTH CAROLINA

COOPER VETOES STATE BUDGET: Gov. Roy Cooper announced he has [vetoed](#) the state budget proposal passed by the legislature. As long as Republicans stick together, their budget will survive the Democratic governor's veto. The GOP holds such large majorities in both the North Carolina Senate and House of Representatives that they can override vetoes. That's what happened last year after Cooper vetoed lawmakers' two-year budget plan.

FLASHBACK - BUDGET HEADS TO COOPER: The North Carolina General Assembly [approved](#) a state budget for the next year on after several days of heated debate over the controversial process Republicans used to force their changes through. But although Democrats repeatedly criticized the spending plan and especially the process used to pass it without the opportunity for any changes or amendments, Democratic **GOV. ROY COOPER** hasn't said what he will do with the budget. He has 10 days to sign it into law, veto it, or simply do nothing and allow it to become law. Cooper vetoed last year's budget, saying it directed too much money to tax cuts for wealthy people and corporations, and didn't spend enough on teachers and state employees. This year's budget, written by Republican leaders and passed mostly along party lines this week, keeps planned tax cuts and also contains pay raises for all state employees — similar to Cooper's budget proposal — ranging from teachers to prison workers to road crews. Cooper previously released his own budget suggestions, most of which the legislature did not adopt. He had called for larger teacher pay raises of about 8 percent, instead of 6.5 percent, which he said is what's needed for North Carolina to reach the national average in a few years' time.

OHIO

LAWMAKERS MAKE BIDS TO LEGALIZE SPORTS BETTING: Two weeks after the U.S. Supreme Court brought down the 26-year-old federal [wall](#) between states and sports betting, legislation and ballot issues already were proposed to legalize and regulate a new industry potentially worth billions in Ohio. But where should Ohioans place those bets on the outcomes and point spreads of football, basketball, and other professional and college games? Who would regulate this newly legal type of gambling, how much would it be taxed, and who would benefit? One approach would keep it within the walls of where major gambling already takes place — at the Las Vegas-style casinos in Toledo, Cleveland, Columbus, and Cincinnati and seven racetrack slots parlors. Another plan would spread the wealth across the state to sports bars, restaurants, bowling alleys, and fraternal organizations like the Veterans of Foreign Wars and Elks. It would also allow slot machines in such establishments, the first time they could be played outside a casino or racino.

HOUSE ENDS IMPASSE, VOTES GOP'S SMITH SPEAKER: The Ohio House has [picked](#) former Speaker Cliff Rosenberger's chosen successor as their leader through the end of the year. Finance Chairman Ryan Smith, of Gallia (GAL'-yuh) County, won the competition Wednesday, ending a weeklong impasse. He didn't receive a majority but had

more votes than any other candidate during the 11th round of voting, which gave him the win. Lawmakers supported Smith over Democratic Minority Leader Fred Strahorn, of Dayton, and a surprise entrant, Republican Jim Hughes, of suburban Columbus. He also beat out conservative Republican Andy Thompson, the candidate initially favored by former Speaker Larry Householder.

POLL SHOWS DEWINE LEADING: Republican **ATTORNEY GENERAL MIKE DEWINE** [leads](#) Democratic former federal consumer watchdog **RICHARD CORDRAY** in the governor's race according to a recent poll. The poll surveyed 800 registered general election voters with a history of voting and new registrants from May 21-25. It was conducted by Fallon Research via live callers and included cell phones and has a margin of error of plus or minus 3.46 percent. The poll showed DeWine leading the governor's race with a 6.5 percentage point advantage on Cordray, leading the Democrat 40 percent to 33.5 percent. Green Party candidate Constance Gadell-Newton had 1 percent while 22 percent said they were unsure. That's closer than a similar poll by the same outfit in January, which showed DeWine leading 49 percent to 28 percent - a 21-percentage point lead. DeWine also remains more well-known than Cordray. A full 93 percent of respondents said they had heard of DeWine, compared with 66 percent for Cordray.

PENNSYLVANIA

HOUSE OKS BILL TO RELAX RULES FOR DRILLING: A Republican [bill](#) to relax regulations on the shallow oil and gas drilling that has gone on in Pennsylvania for more than a century [passed the state House](#) despite firm opposition from Democratic Gov. Tom Wolf. The GOP-majority chamber voted 111-84 for a proposal that covers permits, rules for wells, spills and enforcement for drilling that does not include the much deeper wells tapping into the Marcellus Shale formation. Backers say the bill is needed because "conventional" well operators can't afford to meet tougher standards designed for Marcellus Shale production. Wolf's legislative affairs secretary, Will Danowski, said in a letter to lawmakers sent Tuesday that the administration was strongly opposed, warning the bill would harm the environment and lessen landowner protections.

RHODE ISLAND

MISSED DEADLINE COULD COST STATE MILLIONS: The state's [failure](#) to file a "timely" court appeal has opened a budget sinkhole that could require the retroactive payment of millions of Medicaid dollars to dozens of nursing homes. The financial consequence is so potentially large it could seriously affect legislators' plans to roll out a new state budget this week. In the interim, the Executive Office of Health and Human Services has placed two staff lawyers on administrative leave pending an investigation into what happened, according to spokeswoman Ashley O'Shea. In a filing last Friday, the state also pleaded with the court for an opportunity to appeal, even though the deadline has passed, based on "excusable neglect," which the state in its pleadings blamed on the "egregious" lack of attention of a state lawyer assigned this important case who — unbeknownst to anyone in the Executive Office of Health & Human Services — was no longer allowed to practice law. The snafu involves an April 9 decision by Superior Court Judge Jeffrey Lanphear in a case that pitted dozens of nursing homes, including the Alpine Nursing Home in Coventry, against the Raimondo administration. The deadline to appeal Lanphear's decision was May 23.

SOUTH CAROLINA

GLOVES OFF IN LAST GOP DEBATE BEFORE PRIMARY: The [gloves came off](#) in the homestretch of the battle for South Carolina's Republican gubernatorial nomination, as all four of Gov. Henry McMaster's challengers went after the incumbent for everything from crumbling infrastructure to a wide-ranging state corruption probe. A contentious disagreement came after a question about how to fix ethics problems in the state, where an investigation into Statehouse corruption has been ongoing for years resulting in guilty pleas and resignations from several lawmakers. Former state public health director Catherine Templeton said she feared McMaster would become wrapped up in the probe that ensnared his longtime political consultant, Richard Quinn, saying she was fired from a job at the State Ports Authority because she went public with "corrupt" contracts that involved Quinn and his firm.

DEMOCRATIC CANDIDATES ARGUE OVER TRUMP AND EDUCATION: Phil Noble argued at the [final Democratic gubernatorial debate](#) he's the only candidate who wants to blow up the Columbia establishment. Rep. James Smith presented himself as the only Democrat who can win in November. And attorney Marguerite Willis said her "girl power" sets her apart. Willis, an attorney, called this year's election a referendum on President Donald Trump, saying the "racist, sexist president" is what caused her to enter the governor's race. As a woman, she said, "I felt devalued by his election."

SOUTH DAKOTA

U.S. REP. KRISTI NOEM WINS SOUTH DAKOTA GOP GOVERNOR PRIMARY: U.S. Rep. Kristi Noem [won South Dakota's Republican primary for governor](#), defeating Attorney General Marty Jackley to emerge as the favorite to become the state's first female governor. GOP primary voters made Noem the only woman South Dakota Republicans have nominated for the state's top job. She advanced to face well-funded Democrat Billie Sutton, a state senator and former professional rodeo cowboy, in the November general election. Noem credited her primary victory in part to traveling around the state and talking about policies that cast a bold new vision for South Dakota.

TEXAS

ABBOTT LAYS OUT SCHOOL SAFETY PLAN: Citing a need to make "our schools and our state a safer place," **Gov. GREG ABBOTT** [unveiled](#) a slate of policy and legislative changes that range from boosting security at schools to doing more to keep guns out of the hands of people who shouldn't have them. The proposals are part of the Governor's School and Firearm Safety Plan — a list of 40 recommendations for making communities safer. He detailed his new school-safety plan at the Dallas Independent School District's administration building. Abbott's plan calls for adding more school marshals — teachers who are licensed to carry firearms and go through training — as well as increasing the number of marshals per campus. Noting that social media often contains clues of shooters' intentions before they act, Abbott said he wants to expand a program that has been tested in West Texas, which "uses mental health screenings to identify students at risk of committing violence," Abbott said. Called the Telemedicine Wellness, Intervention, Triage, and Referral (or TWITR) Project, the approach has been led by Texas Tech University.

UTAH

BUSINESSES SELF-IDENTIFY AS DO-GOODERS, BUT DO CUSTOMERS CARE? Mark Miller Subaru has donated more than \$7.4 million and 28,000 volunteer hours over the past eight years, from rescuing animals to planting a tree for every car sold, and operates its buildings on more than 60 percent solar power. Now it's among the first Utah companies to

take advantage of a new state legal status that alerts consumers it's pursuing social and environmental good alongside profits. But buyers who want to target their spending to companies making an impact as significant as Mark Miller Subaru can't count on the new designation. To maintain what's called [Benefit LLC status](#), a limited liability company is only required to file an annual report outlining any social benefits it generated. Doing the paperwork is enough — companies can disclose they didn't implement any social good and remain in good standing.

PRISON POPULATION ON THE DOWNTURN: From 2004 to 2013, Utah's prison population rose by 19 percent, five times the national average. Without changes to policies and practices, the state projected additional growth of 37 percent at a cost to taxpayers of \$500 million over 20 years. Seeking to safely reverse this trend, lawmakers passed comprehensive criminal justice [reform](#) in 2015. The law prioritized prison space for people convicted of serious and violent offenses, strengthened community supervision, improved and expanded re-entry and treatment services, and provided oversight of the legislation's implementation. Since then, the state has reinvested over \$35 million in evidence-based treatment and other alternatives to incarceration, and its prison population has declined. The state's overall crime rate decreased 13 percent in the decade before the legislation was passed (2006-15) and continued to fall in the first year after reform (2016), dropping another 1 percent.

VIRGINIA

LEGISLATURE SENDS MEDICAID EXPANSION TO GOVERNOR: Legislation to [expand](#) Medicaid in Virginia is on its way to the governor's desk after the House voted in favor of a state budget. When **GOV. RALPH NORTHAM** signs the legislation, Virginia will be the 33rd state, along with Washington, D.C., to expand Medicaid under Obamacare. "The loudest voices in this long-standing conversation on Medicaid expansion have been those of Virginians. We have heard you. Thank you," Northam tweeted following the House vote. He is expected to quickly sign the bill. The Virginia Senate overcame five years of Republican resistance and narrowly passed the budget earlier, setting the stage for the House vote. This is the third time this year the Virginia House has passed a state budget that would expand Medicaid, but the Republicans in the Senate previously blocked the attempts in February and April.

VERMONT

HOUSE AGAIN APPROVES STATE BUDGET: Lawmakers in the Vermont House have once again [approved](#) a state budget, but it doesn't appear the logjam with Republican **GOV. PHIL SCOTT** caused by a dispute over property taxes has been cleared. The House gave preliminary approval to the budget by a vote of 86-44. Democratic House Speaker Mitzi Johnson said the bill raised no property taxes, reduced income taxes by \$30 million and takes the threat of a government shutdown off the table while ensuring Vermonters continue to receive vital public services. It will give lawmakers time to work with Scott on the remaining areas of disagreement that led to his original budget veto. But Scott spokeswoman Rebecca Kelley says House Democrats rejected amendments, including one that appears to remove the one remaining point of dispute. She says the Democratic-led House is poised to submit yet another budget that increases nonresidential property tax rates by \$23 million. Scott vetoed the original budget last week.

WASHINGTON

FERGUSON SUES GOOGLE, FACEBOOK: Washington state **ATTORNEY GENERAL BOB FERGUSON** is [suing](#) Alphabet Inc.'s Google and Facebook Inc. for allegedly failing to provide adequate information about who is purchasing election

advertisements on their platforms. The complaint alleges that the tech giants have not properly maintained or publicized information about the purchasers of election ads, and that Google and Facebook declined to produce any data about ad buyers when a local newspaper asked for the information.

AMAZON, STARBUCKS PLEDGE MONEY TO REPEAL SEATTLE HEAD TAX: Amazon, Starbucks, Vulcan and other companies have [pledged](#) a total of more than \$350,000 toward an effort to repeal Seattle's newly passed tax on large employers intended to combat homelessness. Just days after the Seattle City Council approved the levy, the No Tax On Jobs campaign, a coalition of businesses, announced it would gather signatures to put a referendum on the November ballot to repeal it. Amazon, Starbucks, Vulcan, Kroger and Albertsons each promised \$25,000 to the effort last week, according to a report filed by the campaign. The Washington Food Industry Association pledged \$30,000. Referendum backers will have to gather 17,632 signatures of registered Seattle voters by June 14 to get the measure on the ballot. The so-called head tax will charge businesses making at least \$20 million in gross revenues about \$275 per full-time worker each year. The tax would begin in 2019 and raise about \$48 million a year to build affordable housing and provide emergency homeless services.

SEATTLE-AREA PROSECUTOR FLIPS FROM GOP TO DEMS: King County Prosecutor **DAN SATTERBERG**, a longtime Republican, [says](#) he's now a Democrat. Satterberg confirmed the switch in an interview with The Seattle Times. He's been elected to three terms as a Republican, and he was the chief of staff to late King County Prosecutor Norm Maleng — also a moderate Republican — for nearly two decades before that. But Satterberg is facing his first contested re-election campaign against Democratic public defender **DARON MORRIS**, and Satterberg says he didn't want anyone confusing him for a supporter of **PRESIDENT DONALD TRUMP**.

WISCONSIN

BLUE WAVE BELLWETHER? Political observers will get their next [glimpse](#) into which way the political winds are blowing in Wisconsin — and the nation — on June 12. Two special elections will decide the next lawmakers for the state's northeastern 1st Senate District and the state's southern 42nd Assembly District. The races are one more opportunity for politicos to gauge voters' opinions going into November's general elections.

HOLDER GROUPS SPENDS BIG TO BACK DEMOCRATS: A group [led](#) by **FORMER U.S. ATTORNEY GENERAL ERIC HOLDER** is plunking down \$175,000 to help two Democrats running for the state Legislature in special elections next month. The National Democratic Redistricting Committee, or NDRC, announced the move Tuesday. It will support **CALEB FROSTMAN** of Sturgeon Bay in the state Senate District 1 race and **ANN GROVES LLOYD** of Lodi in state Assembly District 42. The spending will fund a digital and TV advertising campaign and get-out-the-vote efforts run by For Our Future, a liberal group active in eight states including Wisconsin. The special elections are June 12. They're being held to fill two seats vacated by the retirements of **FORMER SEN. FRANK LASEE**, R-De Pere, and **FORMER REP. KEITH RIPP**, R-Lodi.
