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WE INTERRUPT THIS PROGRAM...

Some states will nullify local government actions any chance they get—while at the same time complaining about federal intrusion on their own policies.

By Alan Greenblatt

SHEILA DIXON’S SECOND ACT

Baltimore’s ex-mayor wants voters to forgive her for criminal transgressions. The odds are they will.

By J.B. Wogan

THE NEXT DRUG FIGHT

While states are focused on America’s opioid epidemic, they may be ignoring a dangerous emerging threat.

By John Buntin

CHANGING LANES

Massachusetts Secretary of Transportation Stephanie Pollack is a liberal in a conservative administration and a passionate advocate in an administrative post. She’s making it work.

By Daniel C. Vock

FOLLOW THE MONEY

States and cities want to support women- and minority-owned businesses. But they often don’t know whom they’re really paying.

By Mattie Quinn
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The Customer’s View

The people who manage our public transportation systems, says Massachusetts Transportation Secretary Stephanie Pollack in Daniel C. Vock’s profile of her this issue, tend to see the data they gather in terms of operations and efficiency. But, says Pollack, “I’m much more interested, and the governor’s much more interested, in data from the perspective of the customers who are using the system.”

Using data to deliver services efficiently and effectively is vital, of course, but there’s much wisdom in Pollack’s focus on the people who rely on those services. We hear a lot of talk in government circles these days about managing programs from the point of view of the customer experience, but that is hard to do—so hard that it rarely happens.

I think one of the main reasons that’s true is because there’s a huge but too-often unrecognized gulf between the life experience of the people in charge and those who depend the most on public services. The people in charge are not only those who run our governments but also those in advocacy organizations and in the media who influence public policy. They are almost invariably better educated and make a lot more money than the rest of the population.

There is a world of difference in the daily experiences of these two groups. Who has encounters with the police? Who rides the bus? For the most part, it is those with less education and less money. But who designs and runs public services? Well educated, more affluent professionals. This is most apparent in the area of school reform, but it exists throughout government.

There is a huge but too-often unrecognized gulf between the life experience of the people in charge and those who depend the most on public services. The people in charge are not only those who run our governments but also those in advocacy organizations and in the media who influence public policy. They are almost invariably better educated and make a lot more money than the rest of the population.

I don’t think this was always so. It used to be more likely that there were places where we mixed. It’s interesting that the one place that gets the most attention for government dysfunction is often the Department of Motor Vehicles, and that’s because it’s one of the few services that almost everyone still uses. Under these conditions, government from the point of view of those it serves isn’t something that comes naturally. As thoughtful public officials like Stephanie Pollack understand, it requires real effort.
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More Voters, Less Voting

In February’s Politics Watch, “Vote, It’s the Law,” Alan Greenblatt explored whether using mandatory or compulsory voting would increase voter turnout. Readers were generally against the idea. One reader—a county clerk in Kentucky—wrote in to share his own observations.

I am a local election official, and over the course of the past several decades there has been an effort to expand voter participation for the better. The federal “motor voter law” that in Kentucky offers everyone the ability to register when being issued their driver’s license has increased the voter rolls. We also receive voter registration cards from the state family services office and the local health department. We take applications at the counter in our office, and from candidate-sponsored registration efforts.

I have found that time taken to take our voter registration numbers and compared them to the U.S. Census Bureau’s population numbers for our county, looking specifically for the 18 and older number. The difference between our county’s 18-plus population and our voter registration population is usually around 10 percent. This is not some statistically solid process that I follow or record, but when I have run the numbers I am amazed because I would have thought there would be a much larger divide. This causes me to believe that we have many people registered that have little to no interest in voting.

If you disconnect from the red/blue influence and look at the numbers as a pure math problem, we may be near full voter registration if you account for individuals with felonies and court-related issues that exclude them from the voter rolls, and for those who just refuse to participate for whatever reason. In conclusion, if you continue to increase the number of people eligible, but the core group of participants does not increase, we will continue to have decreased voter participation.

—Kevin Mooney, Clerk, Bullitt County, Ky.

It is just as well that those who are too apathetic to vote—or have some other lame excuse—don’t. Leave the decisions to those who care enough to vote and, better yet, to be informed about the issues. There is no excuse in most states for not voting. Information is abundant, and easier to get. “Vote-by-mail” means greater access to the ballot box, and the qualifications for voting—age, residency, etc.—have never been at such a minimum in our history.

—Gary on Governing.com

Defending Civil Service

In the February feature “Help Wanted,” Katherine Barrett and Richard Greene listed some best practices that have emerged as state and local governments have worked to reform their approaches to hiring. Some of these best practices included enhancing benefits and loosening civil service requirements.

Compensation for civil service workers has been under attack for years now from governors and other public-sector executives that have an open disdain for civil servants and operate under the assumption that all of them are underworked and overpaid. Does anyone really think that there is going to be a mass move toward increasing the compensation for civil servants to attract qualified people to unfilled positions in this kind of climate?

One of the biggest areas that has been under attack are all those “unsustainable” retirement benefits. For years, it was these unsustainable benefits that served as an equalizer to higher private-sector pay, especially in high-demand professional jobs such as engineers, scientists and doctors. All I see when I look across the country is those benefits have been cut—especially for new employees—the very folks government is trying to attract.

As cumbersome as they may be, civil service rules exist for a reason, namely to prevent government corruption and the abuse of civil servants by public-sector executives. Do away with civil service rules and you will see public employees fired for political beliefs or affiliation, nepotism, favoritism and other reasons.

—Ross Bunnell on Governing.com

Knowing, Yet Unprepared

In the February Observer article “Child Welfare Looks into Data’s Crystal Ball,” J.B. Wogan wrote about a program in Los Angeles that uses data to score children’s risk of committing a crime and winding up in juvenile detention. For children identified as high risk, caseworkers connected them to specific services. The city followed these children as well as a control group of children identified as high risk but not given specialized services. The results were promising and could lead to more experiments using predictive analytics in child welfare.

As someone who has done research on how to stabilize at-risk youth, I believe that even with predictive analytics, the problem of not enough slots in programs will persist. While data may tell us who is most likely to commit a crime, jurisdictions typically do not have the necessary resources to address the issues. There are not enough beds, after-school programs, vocational programs, etc., that can stabilize at-risk youth. So even if an agency is able to calculate a high likelihood [that a kid will commit a crime], they don’t dedicate the necessary resources to create programming with the intent to assist all of the at-risk youth in their jurisdiction.

—Nic Jay, Oakland, Calif
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Locked Up?

JOHN CORNYN HAS BEEN hoping to take a Texas approach to crime nationwide. Currently the second-ranking Republican in the U.S. Senate, Cornyn previously served as a judge and state attorney general. Like many people, he’s been impressed with the steps his law-and-order state has taken to address issues such as sentencing and re-entry. “Texas has actually in recent years closed three prison systems, and crime has not spiked,” Cornyn said in a speech on the Senate floor last year.

Criminal justice reforms are being pushed at the federal level by actors from across the political spectrum—from the American Civil Liberties Union to the Obama administration to the Koch brothers. It appears to be the rare issue that might not only pass in Congress, but do so with bipartisan support.

That could still happen, but chances are starting to look dim. “The prospects do seem to be getting dimmer by the day,” says Adam Gelb, public safety director with the Pew Charitable Trusts.

Cornyn co-sponsored a bill that would reduce the number of crimes subject to mandatory minimum prison sentences, while providing judges with greater discretion. It was approved on a 15-5 committee vote last fall, while a package of related legislation sailed through a House committee.

In some ways, the House package was more ambitious. But it also contained a policy change regarding mens rea, a legal formulation that in this context would have the effect of shielding corporations from prosecution in some circumstances. That’s a nonstarter for Democrats, putting bipartisan harmony at risk. “For many members, it’s increasingly their position that mens rea and sentencing reform have to be part of one package,” says Marc Mauer, executive director of the Sentencing Project. “If that’s the case, it’s going to be difficult to get it through. It’s not clear there’s a compromise position that will readily work for both sides.”

Even where there’s agreement, there’s still considerable nervousness among politicians about casting any vote that might appear to give criminals a break, especially in an election year. It’s not at all certain, given the atmosphere in Washington, that members of the two parties are willing to hold hands and take this risk together. Some conservatives such as GOP Sen. Tom Cotton of Arkansas have publicly expressed doubts about the wisdom of proceeding with a bill that would lead to the release of felons. “Unfortunately, it’s caught up in the same sort of tribalism that takes over all our policymaking in the U.S.,” says Glenn Martin, president of JustLeadershipUSA, which advocates for policies to cut incarceration rates.

In response, congressional leaders have grown more hesitant—including Cornyn. After Cotton raised his objections in January, Cornyn, wearing his leadership hat, said, “It is not the kiss of death if you don’t do this in 2016.”

There certainly have been plenty of bills that have taken years and years to work through the maze on Capitol Hill. If federal criminal justice reform is one of the few issues with bipartisan support in Washington this year, but its chances are dwindling.

Criminal justice reform is an idea whose time has come, it will get its vote—if not this year, then sometime in the foreseeable future. Cornyn is not the only member of Congress who’s been inspired by success stories from his home state. More than half the states have passed laws in the past decade addressing sentencing and re-entry programs. “If Congress doesn’t act,” says Gelb, “it will be swimming against a very strong tide in the states.”

In the meantime, states will likely continue on their own, but “the symbolic value of federal legislation is very important,” Mauer says. “There’s been no shortage of research showing we use corrections excessively, but it’s a political climate that’s been nervous about reform legislation.”

—Alan Greenblatt
Chicago’s Shaky Fiscal Ground

YOU’VE PROBABLY READ headlines about the Windy City’s financial woes. About how Chicago’s years of borrowing to pay for its operations has finally caught up to it. About how inadequate funding of its pensions has saddled it with huge annual payments.

But unless you’ve been paying close attention, chances are Chicago is worse off than you think.

The numbers are staggering. The city has about $34 billion in outstanding debt, with roughly $20 billion of that coming from its five pension plans. That’s compared with a little more than $9 billion total annual budget. The teachers’ retirement fund is short about $9.6 billion and owes an additional $6 billion to bondholders. The outstanding bonds alone exceed the system’s annual $5.8 billion budget. Overall, Chicago Public Schools has struggled to sell enough bond debt to get through the current year, and the system is even facing a possible state takeover. Both the city and the school system’s credit ratings have been downgraded to junk status.

It’s an overwhelming set of problems, but not an unsolvable one. Chicago has a stable and growing economy. It is not Detroit, whose bonds are also rated as junk, with a shrinking population and a declining job base. In the coming years, Chicago’s chief challenge will be figuring out how to end this decades-long tradition of charging city expenses to future generations of taxpayers.

That will be hard, particularly when it comes to pensions. Until recently, Chicago funded its pensions based on a state law that required it to pony up a certain dollar amount each year. But that amount had nothing to do with actuarial funding, which is how most plans determine what governments should contribute annually to keep the pension system solvent. Chicago’s contributions were essentially arbitrary. In 2004, for example, the city paid in $346 million to its five pension plans, but the actuarily recommended payment was about $367 million, according to Merritt Research Services. Ten years later, the city paid in $447 million, but the actual pension cost was more than three times that amount, or $1.8 billion.

The city played similar games with paying off its debt. Officials would “scoop and toss,” meaning they sold long-term bonds and used the proceeds to pay off debt coming due in the short term. “The city’s problems, when you get right down to it,” says Merritt Research President Richard Ciccarone, “were many years in the making because of all the debt and pension deferrals.”

Right-sizing Chicago’s debt at this late stage is no easy task. Last year, freshly re-elected Mayor Rahm Emanuel pushed through the largest property tax hike in decades. It’s expected to raise more than $588 million annually after it is fully implemented over four years, and the proceeds will go toward the city’s pension payments.

But many say the half-billion-dollar infusion is just one step on the road to recovery. For one, the tax increase, which represents a 70 percent hike in city property taxes, won’t completely shore up the city’s pension funds. Additionally, Chicago’s current budget still relies on a favorable ruling in pending pension litigation. If the state Supreme Court strikes down the city’s pension changes—as it did for the state of Illinois—Chicago will have to come up with hundreds of millions more in pension funding.

The city could raise more revenue through additional tax increases. But that would be a big feat, given the controversy over last year’s property tax hike. Chicago has long prided itself on being a lower-tax city: Even homeowners still pay less in property taxes than their counterparts in the suburbs, according to a Chicago Tribune analysis. Raise taxes too much, and the middle class could flee. As Chicago fully addresses its spending mismatch, says Matt Fabian, a partner at Municipal Market Analytics, the city could face some serious soul-searching: “Keeping the middle class in the city might be an old-fashioned idea,” says Fabian. “If they keep workers local, [officials] have more people voting for them—that’s how the political machine works. But maybe that’s not the way anymore.”

—Liz Farmar
Unions’ Day in Court

THIS SPRING could be one of the most important moments for public workers in a generation, as they await a Supreme Court ruling that could alter the future of government unions. And after the recent death of Justice Antonin Scalia, the outcome of the case is anyone’s guess.

The public sector represents one of the last remaining strongholds of the U.S. labor movement. In a 1977 decision, the court said it was OK for public unions to require workers to cover the cost of negotiating contracts, known as “fair share” fees, even if they aren’t dues-paying members. The case now before the court, Friedrichs v. California Teachers Association, seeks to oust that decision, with the plaintiffs arguing that requirements to pay the fees violate free speech rights. Union members already have the freedom to opt out of paying for unions’ political activities. The plaintiffs, however, contend that all union activity is inherently political, so states shouldn’t require public employees to contribute to costs of negotiating contracts, either. Labor advocates argue that this would lead to “free riders” benefiting from union representation without sharing the costs of negotiating contracts. The second question taken up by the court involves whether workers should have to opt out of paying for any expenses in the first place. Right-leaning groups say union workers should instead opt in before paying any fees related to lobbying or political activity.

Half of states have passed right-to-work laws, prohibiting unions from requiring employees to join or pay dues. Particularly in the remaining states, the court’s decision carries major implications for millions of public employees.

How the court rules on both questions in the case could deal a blow to labor unions’ operating revenues. The extent to which they rely on fair share fees varies. California Teachers Association members pay about $1,000 in annual dues, with roughly $600 to $650 covering fair share fees for representation. Nationally, more than a third of all public employees belong to unions, compared to less than 7 percent of private-sector workers, according to the most recent Labor Department estimates. In right-to-work states, overall union membership rates are typically lower.

Daniel J.B. Mitchell, who studies labor issues at the University of California, Los Angeles, told The Sacramento Bee that the decision had the potential to change the “broader politics” in California, but wouldn’t necessarily put unions out of business. Still, he said unions “would be hurt” by a decision that favors the plaintiffs.

Prior to Scalia’s death, most observers expected the Supreme Court to rule in favor of the plaintiffs. Now, there’s no way to know how the court will decide. In the event of a 4-4 tie, the court would uphold a prior U.S. Circuit Court of Appeals ruling favoring unions. Any victory, though, may be short-lived. In an article on SCOTUSblog, attorney and blog co-founder Tom Goldstein wrote that there is historical precedent for the case to be reargued during the next term after a new justice is confirmed.

—Mike Maciag

THE BREAKDOWN

$25

Amount that Memphis, Tenn., residents can collect in credit toward buying a house each time they cut the grass at an abandoned neighboring property under the city’s “move to own” program. Similar programs exist in Columbus, Ohio; St. Louis; and Rockford, Ill.

2

Number of states (Hawaii and Idaho) that tax Girl Scout cookies. The Idaho House, however, recently approved a bill to make them tax-free.

70%

Portion of surveillance cameras on trains in the Bay Area Rapid Transit system that are fake. In January, a rider was fatally shot on the subway, but the transit authority failed to get it on video.

46

Average wait time, in minutes, for emergency room patients in 2014 in Maryland, the longest wait in the country. Nationally, the average time was 24 minutes, while Colorado and Utah both posted 16-minute wait times, the nation’s quickest.
One of Washington, D.C.'s toniest and most historic enclaves is exploring a novel way to shuttle people to and from the area: aerial gondolas over the Potomac River.

Georgetown, the oldest neighborhood in the city, is also notoriously hard to get to. It has no Metro subway stop of its own; the nearest stations are a mile away in either direction, including one in Virginia, across a busy six-lane bridge over the Potomac. (The story that Georgetown fought a Metro stop in the 1960s, to keep the riff raff out of the neighborhood, is an urban legend.) The neighborhood is tough for car owners too, with narrow streets and scant parking.

The gondola proposal started as a somewhat (ahem) pie-in-the-sky idea. But it's starting to look like it might have wings. The cable car system, which would be similar to those used for mountain ski lifts, would ferry people from Georgetown to the Rosslyn, Va., Metro station just across the river.

Airborne

While passengers would see the Lincoln Memorial and Washington Monument from new vistas, the real goal would be to attract everyday commuters, not tourists.

"We want to connect Georgetown to the regional transportation network, and we're looking at different ways to do that," says Joe Sternlieb, the head of the Georgetown Business Improvement District and one of the biggest backers of the gondola plan. "We're looking for ways to really make it easy to move between Georgetown and one of the Metro stations."

Sternlieb and others have explored lots of possible solutions, including a streetcar to connect Georgetown with downtown D.C. But the gondola became an increasingly intriguing idea, he says. Unlike a streetcar, a gondola runs continuously, meaning passengers wouldn't have to wait long to get on. And because the gondola runs nonstop, it can carry roughly five times as many passengers as a streetcar. Plus, construction costs would likely be far cheaper. That's especially salient in a city that struggled for years with cost overruns and delays with its first modern streetcar line, a scaled-back project that finally opened to riders in February, some four years later than originally planned.

The gondola has a long way to go before becoming reality. D.C. and Arlington County, Va., are spending $35,000 apiece to study the idea. They'll estimate what the ridership would be, what the project would cost, and how and where exactly it would be built. After that, dozens of federal, district and Virginia agencies would have to give the OK before construction could start.

But Sternlieb sees plenty of potential for gondolas, and not just for Georgetown. "The question isn't, 'Why are we studying this technology?'" Sternlieb says. "The question is, 'Why aren't we studying this technology?' And where else can it be used?'"

—Daniel C. Vock
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Just seven years ago, scholars of American government were talking about a resurgence of federal power and initiative in the country's political system. Barack Obama had taken office with lots of ideas for how to use Washington's leverage to redirect public policy at every level of the system. Not only were the Affordable Care Act and a massive financial regulation bill working their way to enactment, but Congress had approved an $831 billion economic stimulus package that was far more than an effort to revive the economy: It was a blueprint for the implementation through federal law of longstanding Democratic priorities in renewable energy, public transportation, subsidized housing, medical research and dozens of other categories that would take pages just to describe. It seemed that a political system balanced uneasily between national and state priorities was about to take a huge turn in a national direction.

That feels like ancient history now, doesn’t it? As the Obama administration prepares to leave office next January, the word “gridlock” serves as an almost universal description of political impotence at the federal level. The balance of power has shifted out of Washington and into state governments. Bill Pound, the dean of state legislative observers, summed it all up succinctly a few weeks ago: “The states are where the action is, and where the innovation is.”

There’s a simple explanation, of course. Republicans took away the president’s congressional majorities, ushering in five years of virtually unbroken federal stalemate. But maybe that's too simple. Maybe the shifts in power over the past few years are the result of something more substantial than changes in the numbers on Capitol Hill.

That is the impression you get, at any rate, from reading Liberty and Coercion, the comprehensive new book on the American federal system by Gary Gerstle, a widely respected scholar of American government who currently teaches at Cambridge University in England. Gerstle traces the history of state and federal competition all the way back to the 18th century, and comes up with a quirky but provocative thesis. Taking a long view, Gerstle believes, one has to conclude that the system is essentially rigged in favor of the states.

All you really have to do to take Gerstle seriously is to think about the Constitution. The 10th Amendment says pretty clearly that there are not supposed to be any implied federal powers. In other words, whatever the federal government isn’t expressly allowed to do, it shouldn’t do. The 10th Amendment hasn’t been invoked much by federal courts over the last century, but it remains in place, impossible to push aside entirely. The feds have rolled over it, but not without a certain amount of residual discomfort.

The first nine constitutional amendments were never intended to be binding on the states. James Madison thought they should be, but he lost that battle, even though he was the primary architect of the Constitution. If a state wanted to pass a law abridging the freedom of the press, Gerstle writes, “it could.” And many of them did.

The states, moreover, were granted virtually unlimited freedom to regulate public and private conduct under the police power doctrine that came over with British common law. Nineteenth-century courts at all levels followed the rules articulated by the Massachusetts Supreme Court that states had the power to “pass all manner of wholesome and reasonable laws ... as they shall judge to be for the good and welfare of the commonwealth.” States could regulate marriage, drinking, gambling, the arts and sexuality.
They could fix railroad rates and grant or deny charters to nascent corporations. They could use their power to enforce slavery, and until the Civil War, many of them did. “In truth,” Gerstle writes, “state governments possessed a staggering freedom of action.” The federal government, on the other hand, possessed no tools adequate to the task of building a large regulatory state.

That didn’t prevent a long string of presidents, congresses and supreme courts from pretending that the strait-jacket wasn’t there and twisting the meaning of constitutional provisions. For the most part, this was done by the federal courts, and especially the U.S. Supreme Court. To legitimize the New Deal activism of the 1930s, for instance, the Supreme Court inflated the Constitution’s interstate commerce clause to govern virtually any form of public interaction, whether it crossed state lines or had anything to do with actual commerce or not. Most ingeniously, and most famously, the court decided that the Constitution’s 14th Amendment, enacted after the Civil War to grant rights of citizenship to former slaves, imposed on the states most of the language of the Bill of Rights, whether or not that was the intention of the original authors.

One can argue, and many modern scholars actually do argue, that most of this trickery went for a worthy cause. It gave us Social Security and labor unions, civil rights legislation, civil liberties protection and a host of other initiatives that by the late 20th century had become commonly accepted pillars of jurisprudence and federal responsibility. Gerstle himself thinks the goals were beneficial. His point is simply that all those decades of constitutional fibbing did not come without a price.

The price began to emerge in the 1960s, as the Supreme Court took federal power further and further from any common sense reading of the Constitution. In 1965, in order to invalidate a Connecticut law banning the sale of contraceptives, the justices discovered a constitutional right to privacy, even though none had been deployed in a similar way in nearly two centuries of the nation’s existence. The right to privacy was said to exist in the Bill of Rights not as actual language or even intent but in the “penumbras” and “emanations” that surrounded the document and were visible to modern jurists, if not to the naked eye. Justice Hugo Black warned his colleagues on the court that they were on dangerous ground in Griswold v. Connecticut, inventing federal powers that clearly did not exist. But Black was outvoted.

Eight years later, the Supreme Court entered upon its most famous exercise in constitutional imagination, ruling in Roe v. Wade that laws against abortion violated the right to privacy that had been identified in Griswold. Even many supporters of abortion rights understood that the court had reached the outer edges of logic. Abortion opponents went further. Not only was the right to privacy not part of the Constitution, they argued, but even if it were, the link between abortion and privacy was tenuous at best.

It was clear from the outset that Roe v. Wade would generate a backlash, but Gerstle goes further. He believes that it was a backlash not just against one decision or even against Supreme Court activism but also against the whole edifice of thinly justified federal power. The court’s activism over the preceding two decades, in his view, “rested on an insecure foundation.” It was bound to lead to an opposing movement on behalf of states’ constitutional prerogatives. It may seem a bit of a stretch to draw a straight line from the judicial activism of a generation ago to the revival of state constitutional initiatives that has characterized the past five years in American government. It is possible to argue that the election results of 2010, which left Republicans in control of most of the nation’s governorships and most of the state legislatures, are enough to explain what has happened.

But it is hard to ignore the fact that most Republican politicians and much of the electorate routinely talk about the federal government in bitter terms as an alien presence in their political lives. The Affordable Care Act is viewed by nearly all of its critics as a blatant federal power grab, even though that law was designed to be implemented and run at the state level. Chief Justice John Roberts, even as he cast the vote that made the health-care law constitutional, followed up by scolding the Obama administration for trying to force the states to expand Medicaid. The administration, Roberts wrote, must accept the fact that states are “independent sovereigns in our federal system.” They certainly have been acting like independent sovereigns. Republican governors and legislators have launched aggressive campaigns to curtail the rights of labor unions, impose stringent voter identification requirements and enact massive tax cuts. They have made sweeping reductions in social services and aid to cities. They have taken advantage of a stalemate in Washington to force a rewrite of the No Child Left Behind education law. It would be going too far to describe the states the way Supreme Court Justice Louis Brandeis once did, as “laboratories of democracy.” But they have been laboratories of conservative experimentation.

One might expect that Gerstle, as a meticulous student of state power, would be pleased by all this. Actually, the opposite is true. Gerstle thinks the states have been poor stewards of the public good, misusing when it comes to basic human services and lax at protecting personal liberties. He would like to see a more robust and assertive federal government.

But he thinks the only way to create that government would be by constitutional amendment. He believes that in the absence of constitutional change (which he admits is all but impossible in the near future) Washington will only make itself more unpopular by trying to exercise powers it was not supposed to have.

Perhaps the moral of the story is that penumbras and emanations are dangerous weapons to wield, especially when they exist only in the minds of judges.
The number of student borrowers is smaller than it was before the Great Recession, but loan balances and delinquencies have increased. Since the depths of the recession, consumers have been paying down their homeowner lines of credit, credit card debt and car loans, but have increasingly defaulted on their student loans. Some 17 percent of student borrowers, nearly 1 in 5, are in default or are delinquent.

Perhaps even more worrisome, the problem is growing in middle-class households. For people who left school in 2005, the default and delinquency rate five years later for those making between $40,000 and $60,000 was about 30 percent. That number rose to nearly 40 percent for students who graduated in 2009.

The issue is politically explosive. Rising debt, default and delinquency risk crippling the dreams of parents hoping to help their kids get a toehold in the 21st-century economy. Kids are being saddled with damaged credit that will make it harder for them to buy a car, purchase a home or pass background checks for a job. The debt problem is certainly shaping the decisions students make about what to study and what careers to pursue. At a time when boomerang kids are already moving back to their parents’ basements—and when so many families are struggling to stabilize themselves and their savings after the beating they took during the recession—the student loan issue has become one of the biggest worries of middle-class voters.

For the presidential candidates, though, it’s a tough issue to crack. The problem is largely the product of family borrowing, the rising cost of universities and a federal loan program that sits off-budget, apart from regular appropriations. Sanders promised free tuition at public colleges and universities, but the

Duel Over Diplomas
Student debt is a big campaign issue—one not easily solved from the Oval Office.

Stan Greenberg, the veteran Democratic pollster, believes he’s found a wedge. Capturing three key groups, he argues, could help Democrats win the White House and regain the Senate. They need, he says, white unmarried women, white women without college degrees and millennials. To win the support of all three, Greenberg recommends Democrats focus on making college more affordable and helping families get rid of college debt.

Bernie Sanders campaigned hard on these themes in the early stages of his presidential bid, and they paid off handsomely for him. In Iowa, his promise of free college education helped him win 84 percent of the millennial vote, compared with 14 percent for Hillary Clinton. The gambit was especially important because many of the millennials who helped put Barack Obama into the White House had been drifting toward the Republicans. Not to be left on the sidelines, Clinton announced her own higher education plan. Both are working hard to capture this big middle-class issue.

College debt is a quiet policy crisis that’s starting to bubble over. At the height of the Great Recession in 2009, according to the New York Federal Reserve, nationwide debt for homeowner lines of credit, auto loans, credit cards and student loans were all in the same ballpark, between $700 billion and $800 billion. Since then, homeowner and credit card debt have trended down. Car loans are up, but that’s a good sign: Families can afford to buy cars. Student debt is the problem. It has soared to more than $1.2 trillion.

The issue is politically explosive. Rising debt, default and delinquency risk crippling the dreams of parents hoping to help their kids get a toehold in the 21st-century economy. Kids are being saddled with damaged credit that will make it harder for them to buy a car, purchase a home or pass background checks for a job. The debt problem is certainly shaping the decisions students make about what to study and what careers to pursue. At a time when boomerang kids are already moving back to their parents’ basements—and when so many families are struggling to stabilize themselves and their savings after the beating they took during the recession—the student loan issue has become one of the biggest worries of middle-class voters.

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Cross-Party Appeal
Some governors are liked despite party affiliation.

Politics is a popularity contest. One way to be really well liked, it turns out, is to succeed on the other party’s turf.

Consider Larry Hogan. He’s only the second Republican elected governor of Maryland over the past half-century. Unlike his sole GOP predecessor, Robert Ehrlich, Hogan doesn’t seem as hidebound as being at the vanguard of a rising Maryland Republican Party. Instead, he’s successfully argued for the benefits of two-party competition, aided in his pitch by an improving economy and some tax and fee cuts. When Democratic legislators disagree with him—as with a series of veto overrides earlier this year—Hogan has had some harsh words on social media, but the tone he takes for broader public consumption has been fairly conciliatory.

The result is that after a year in office, Hogan’s approval rating has hit 70 percent. “He’s been very smart and very strategic in the policies he’s chosen,” says Melissa Deckman, who chairs the political science department at Washington College in Chestertown, Md. “He’s a Republican in an overwhelmingly Democratic state, so he has not tried to promote any radical change in government.”

Hogan has benefited from goodwill brought about by his struggle with cancer. But a similar political story can be told in Massachusetts, another blue state with a popular Republican governor. Charlie Baker, who has consistently achieved the highest approval ratings in the country since winning election in 2014, has benefitted from goodwill brought about by his words on social media, but the tone he takes for broader public consumption has been fairly conciliatory. As with Hogan, Baker doesn’t have to worry about appeasing his party’s extreme flanks. Having been shut out of power, Republicans have mostly tabled hot-button issues such as abortion.

Democratic politicians might represent Massachusetts values better, but a series of state House speakers going to jail has left voters open to the idea of a Republican with technocratic appeal, says Shannon Jenkins, the political science chair at the University of Massachusetts at Dartmouth. “Baker hasn’t tried to put forward any sort of social agenda,” she says. “He knows where his support is, and where its limits are.”

There aren’t a lot of Democratic governors leading solidly Republican states just now, although the high approval ratings earned by Steve Bullock in Montana could help him overcome a re-election challenge this fall. Still, a number of recent red state Democrats, such as former Kansas Gov. Kathleen Sebelius, managed just like Baker and Hogan to occupy wide swaths of ground in the political center. “Sebelius could rally a moderate Republican-Democratic alliance that would back forward any sort of social agenda,” she says. “He knows where his support is, and where its limits are.”

Democrats believe that they can exploit voter impressions that Republicans are sidestepping a basic pocketbook issue important to millions of Americans, and that they can use Greenberg’s strategy to win over those voters. To make the plan work, however, they will need help from the states, both to bring down the cost of college tuition and to fund a big piece of their national plan. Some analysts are wondering whether the Democrats are writing checks the states won’t even bother finding the dollars necessary to fund the plan of a new Democratic president.

This issue is only going to get hotter, since the debt load is growing and it affects so many middle-class families. Both sides are raising the stakes on a problem that neither really has the ability to solve—because the front lines of the battle are in the states, on turf no president can control. G

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Maryland Gov. Larry Hogan

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By Alan Greenblatt
In Opioid Fight, New Hope

Officials push access to a drug that can save heroin overdose victims.

From suburban Chicago to rural Vermont, the heroin epidemic has hit communities across the country. As federal policymakers grapple with ways to curb the number of fatal overdoses, state and local officials have started ramping up access to a lifesaving drug.

If administered properly and quickly, naloxone can resuscitate a person experiencing respiratory or central nervous system failure from an opioid overdose. In January, the National Association of Counties, the National Governors Association, the National League of Cities and the U.S. Conference of Mayors reached an agreement with Adapt Pharma to sell Narcan, the company’s nasal spray form of naloxone, to public agencies at a 40 percent discount.

Sallie Clark, the president of the National Association of Counties, says she’s been hearing from elected officials on every level about how bad the epidemic is. “We want to give people help, but we can’t do that if they’re not alive.” She hopes that the discount will remove a cost barrier preventing some localities from purchasing the drug.

When it came on the market in the 1970s, naloxone was primarily used by EMTs and ER doctors, but that’s quickly changed given the scope of the current epidemic. Several cities have authorized pharmacies to sell it without a prescription.

The Colorado Springs Police Department started requiring officers to carry the spray last October, and has seen at least one successful resuscitation as a result. “It truly is amazing to watch the drug work,” says Cmdr. Thor Eells. “You encounter someone virtually dead, spray them in the nose, and within seconds they are cussing and yelling at you.”

The opioid epidemic is unique because the lifesavers are often not doctors but pharmacists, school nurses or police officers. “We’re often the first responders in these situations,” says Eells. “It can take up to eight minutes for an ambulance to get to someone, and that’s a long time if you’re not breathing.” Nineteen states now have programs that equip cops with Narcan, and several states require school nurses to keep it stocked.

Delaware is one of those states. “School nurses have equipment for cardiac arrests and for diabetic shock. Why shouldn’t we have naloxone readily available?” asks Becky King, a Wilmington-area school nurse and a member of the executive committee of the National Association of School Nurses. “If I came across a kid passed out in a bathroom and didn’t have it on me, I would be sick.”

For many in public health, there’s a larger goal in making naloxone widely available. “We want to change the standard of care and reduce the stigma that naloxone carries,” says Jennifer Koziol, manager of the Prescription Drug Overdose Prevention Program in Rhode Island, another state that requires school nurses to keep the drug stocked. “We’re telling anyone with an opioid prescription to get it.”

That’s at odds with the views of those opposed to widespread naloxone distribution, who worry that it will discourage people from getting help for addiction if they know they can be saved from an overdose. But opioids are respiratory depressants whether they’re being used for pain or recreation, and King thinks the public deserves to be equipped to deal with that.

Eells agrees. “The numbers of people dying from overdose just keep rising,” he says. “As a cop, if we can even just help to stabilize those numbers, that will be a victory for me.”

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Kissing Coal Goodbye

Oregon is scrapping coal, and it could have far-reaching effects on the industry.

Coal is not king—at least not in Oregon. Last month, Oregon became the first state in the nation to pass legislation to completely do away with coal from its resource mix. The law puts Oregon among a handful of states with renewable energy standards of 50 percent or higher. What’s more, the legislation could very well spell the end for coal throughout much of the West.

The Clean Electricity and Coal Transition Act phases out coal by 2030 and commits its two largest utilities—Portland General Electric and Pacific Power—to supplying at least half of their electricity from renewable sources by 2040. “The coal piece is more comprehensive than any state legislation we’ve seen in the past,” says Noah Long, legal director of the Western Energy Project for the Natural Resources Defense Council (NRDC). “It’s not unprecedented, but it requires utilities to remove their existing coal generation from their portfolios. It represents a growing trend to move away from the dirtiest energy sources.”

Indeed, Oregon joins several states that have indirectly targeted coal. California passed a 50 percent renewable portfolio standard last year; New York’s governor recently bumped up the state’s renewable energy standard; and Hawaii and Vermont are looking at very high renewable energy standards, 100 percent and 75 percent, respectively.

The Oregon legislation was hammered out with the cooperation of the state’s two biggest utilities, along with consumer advocates and environmental groups, including the NRDC. That’s a big deal, according to Long. “To the extent that [Portland General and Pacific Power] are willing to say, ‘Yeah, we’re ready to start stepping away from coal,’ that’s a pretty clear indication of the kind of choices they are going to be making across their whole territory.”

Both utilities own out-of-state coal plants, which actually gives them reasons for wanting to reduce the role coal plays in their portfolios. For one, most of the coal plants they own in the interior West that supply California, Oregon and Washington are old and face increasing costs and decreasing reliability. Furthermore, the cost of natural gas is low and renewable energy costs are declining, making coal a less attractive source. “Utilities are thinking about this whether or not there’s pressure from state regulators or legislators to move to cleaner sources of generation,” says Long. “Purely based on the economics and, to the extent they are thinking about it, the public health and environmental risks associated with coal as well.”

Utilities tend to plan 20 to 40 years out. So Oregon’s legislation gives its utilities certainty, allowing them to plan and invest in new energies. It also helps them in planning compliance with the Environmental Protection Agency’s Clean Power Plan, which gives states until 2030 to reduce their carbon emissions by a third from 2005 levels. Although the U.S. Supreme Court has temporarily blocked the plan, some states are moving ahead under the assumption it will be upheld.

For its part, the Oregon Public Utility Commission, which regulates state utilities, says it was left out of the process and silenced by Gov. Kate Brown when it tried to speak publicly about the bill. In talking points obtained by The Oregonian, the commission says the plan “could be very expensive to consumers” because Oregon ratepayers would be forced to buy more expensive replacement power and it would do little to reduce greenhouse gas emissions because the out-of-state coal plants would continue running.

But proponents of the bill say coal plants could actually be forced to close. Debates leading up to its passage warned it could lead to job losses in the coal industry. Both critics and proponents alike cite California’s mandates that utilities begin adding renewables to their energy portfolios, as well as a recent bill that precludes new long-term investments in high-emitting fossil resources. The requirements, they say, have led to the retirement of coal plants in several Western states, including Nevada and Utah. “I think we can expect to see the same from this legislation,” says Long. “The result will not just be cleaning up the Oregon electric infrastructure, but really cleaning up the electric infrastructure across the entire West.”

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How Transit Became Hip (Onscreen)

Public transportation is a sign of a good life—in pop culture, anyway.

Television shows and movies like Her depict a future that’s optimistic about mass transit.

Did you catch that? In a world without quality, at least as Pirsig defines it, “we would all use public transportation.” He talks about transit in the same breath as a society where no one dances and everyone wears boring shoes. Can you imagine that today? Can you imagine someone talking about using a subway, light rail line or a shared public bike as being synonymous with a gray, Orwellian world?

Pirsig’s comment highlighted for me the gradual transformation in how we regard public transportation. It is now seen as part of an urban lifestyle, and this has affected how it is portrayed in popular culture. Public transportation now symbolizes not a quality-less realm but the contrary, a sign of the good life or a thrilling component of a possible future.

The pilot episode of Fox’s TV show “Minority Report” shows gleaming trains, I assume some sort of futuristic version of Washington’s Metro system, weaving on pylons through the city a half-century from now. The camera then shifts to the inside of the train, which looks sleek, comfortable and, perhaps unrealistically, uncrowded.

Another Fox show from a few years back but set in the near future, the thriller “Human Target,” depicts a California bullet train up and running, a sexy backdrop for an assassination plot. The present day’s contentious politics are assumed to be all in the past and the train itself part of the Golden State’s bright shining future.

Similarly, 2013’s Her depicted a nearly car-free Los Angeles in which residents ride a gleaming metro to the beach or a bullet train into the snowy mountains. Meanwhile, Netflix’s “Lilyhammer” begins every show with a scene of a high-speed train cutting through the snow as, inside, an American mobster listens to music while nestled in a comfortable seat.

I’m convinced, sadly, that the United States may never have real high-speed train service. The politics are simply too difficult. But be that as it may, it’s clear that high-speed trains have already taken a place in Americans’ imagination as part of a future they want. Other forms of public transportation, such as public bikes and light rail lines, also pop up in movies and shows. In one episode of the USA series “Mr. Robot,” a character bumps into a rack of public bikes while running away from a bad guy.
By William Fulton

In Defense of the Urban Freeway

Access to suburban jobs is fueling the downtown housing boom.

I live in Midtown Houston just off the end of the “527 Spur,” a freeway stub that feeds traffic in and out of downtown. My neighborhood, once known as Little Saigon, is booming with new apartment buildings, bars and restaurants. It’s a quick car or transit ride to either of the city’s two biggest job centers: downtown or the Texas Medical Center. It’s also just a 10-minute commute via freeway to a third giant job center, the Galleria area.

I lived in a similar neighborhood in San Diego. Little Italy, located downtown, was within walking distance of my job at city hall. But most people in my neighborhood commuted to work by driving north on Interstate 5, out of downtown, toward the job centers in La Jolla and Miramar. Every morning when I looked out my window at 5:51, I saw the evidence: Traffic was backed up going out of the city.

We’re getting used to the idea that people want to live at the center of American cities, where they don’t have to rely as much on their cars and have ready access to culture, sports, food, entertainment and, yes, jobs. But one trend that’s been overlooked is the reverse commute. Many of the people who choose to live downtown actually work in the suburbs. And, ironically, it’s the much-maligned urban freeway system that makes this lifestyle possible.

Urban freeways are often blamed for dividing and damaging urban neighborhoods, especially in poor and minority areas. There’s a growing movement to tear them down and replace them with surface streets. There’s a pending plan, for example, to remove the section of Interstate 45 that divides downtown and Midtown Houston.

But our urban freeway systems are one of the drivers of today’s urban renaissance. They originally plowed through city neighborhoods to make it easy for suburban commuters to get to jobs in downtown areas. Now they make it easy for commuters to get out. And that’s helping fuel the downtown housing boom.

In San Diego, for example, close to 50,000 people now live downtown, and that number is growing fast. But the number of people who work downtown is holding steady at around 60,000. There is even some concern that that number will decline as more jobs move to suburban job centers. It’s housing, not jobs, that’s driving downtown San Diego’s success. The same is true in other cities as well.

For policymakers, it’s important to understand that urban freeways are still an integral part of American cities—especially downtowns. The current debate over freeways must focus on where they work and where they don’t. Today’s urban neighborhoods should be thinking about how to accommodate their growth, not tear down the freeways that make it easy for residents to commute to work.

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We Intend... This Project

By Alan Greenblatt
Some states will nullify local government actions any chance they get—while at the same time complaining about federal intrusion on their own policies.
St. Louis can’t get a break from its own state. Last year, Missouri enacted a law preventing St. Louis and other
cities from setting their own minimum-wage rates and from banning plastic grocery bags. This year, state
lawmakers have spent a considerable amount of time debating whether to prohibit the city from taxing the income
of its residents and workers. The state, which took control of the St. Louis police force during the Civil War, didn’t give it back until
2013, when it was forced to by a voter-approved ballot measure.

If St. Louis feels ill-treated by state officials, it’s got lots of company
to the country: Birmingham, Ala., passed a minimum-wage increase last year, only to see the state block it and other
cities from setting their own rates this year. In North Carolina, after Charlotte adopted an ordinance offering anti-discrimination
protection to gay, lesbian, bisexual and transgender individuals, state legislators immediately vowed to take away cities’ authority
to do so—as Arkansas lawmakers did last year. The only argument
among North Carolina legislators was whether they would wait two months until they were scheduled to reconvene, or hold
a special session immediately to block Charlotte’s move.

There’s a fundamental mismatch right now between the desires of many cities and the policy preferences of states. Out
of power in Congress and in two-thirds of the nation’s legislature
chambers, progressives from President Obama on down are increasingly turning to cities to carry out their agenda. Democrats
are in charge of the lion’s share of big cities. Right now, just three
of the nation’s 25 largest—Fort Worth, Texas, Jacksonville, Fla.;
and San Diego—have Republican mayors. Many of the current
Democratic mayors are to the political left of those who governed
in their cities a generation ago.

But, as in physics, every movement in politics prompts an
opposite if not always equal reaction. As cities attempt to fulfill liberal wishes, they are increasingly stymied by the Republic-
ans who dominate state offices. The GOP currently controls all
branches of government in more than three times as many states as Democrats. There’s rarely much doubt about who will win an
argument between a Democratic city and a Republican state—
the state nearly always has the upper hand. “I’m not afraid of the
don’t tread on me’ complaints from the municipalities,” says Mis-
souri state Rep. Dan Shaul, who sponsored last year’s preemption
law. “We’ve worked with the cities of St. Louis and Kansas City and continue to try to help them anyway we can,” he says, “but our response is to do
what’s best for the state.”

Legislators such as Shaul remain quick to praise urban areas as
states’ primary economic engines. Still, they insist that busi-
nesses shouldn’t have to put up with a patchwork of regulations
that vary from city to city, and that citizens shouldn’t have any
level of government butting unduly into their lives. “What they’re doing is trying to keep cities out of social policies,” says Larry Sha-
horn, a GOP consultant based in Charleston. “They’re trying to get
city governments out of the lives of their citizens.”

This isn’t exactly new. Cities may have been even more out-
mated by states during the first half of the 20th century, before the
Supreme Court abolished the practice of apportioning legisla-
tive districts by county, rather than by population. But the politi-
cal dynamic between cities and the rest of their states has shifted
more recently in ways that have put urban centers at a new dis-
advantage. Land mass no longer determines legislative power, but
there’s lots of room left outside the main cities for Republicans to
dominate. In Missouri, there’s barely a Democratic legislator who
hails from outside St. Louis or Kansas City. The 113 other coun-
ties are almost all overwhelmingly Republican, giving the GOP
supermajority control of both legislative chambers.

Many states follow a similar pattern. Far fewer Democrats are elected to state legislative seats outside major metropolitan
areas than was the case 15 or 20 years ago. Conversely, there aren’t a lot of Republicans elected from districts representing big
cities or even many inner-suburban areas. The result is that
traditional regional rivalries almost perfectly align with parti-
san divisions.

Cities have long chafed at restrictions placed by states on their
ability to raise revenue. And outstate residents and legislators
have perennially cried that the leading city—whether it’s Indi-
apolis or Louisville or Milwaukee—uses more than its fair share
of resources. In Wisconsin, “the common saying goes, Madison
sucks up all our tax dollars and spends it on Milwaukee or itself,”
says Katherine Cramer, author of the

new book The Politics of Resentment, which looks at rural anger in her state
toward big cities. “There’s a perception that decisions are made in Madison and
there’s no respect for small towns or our way of life.”

But now, in states where Democrats are in the minority, cities have few allies
within majority caucuses at the state level. And Republicans are left with little
incentive to help them. “If you looked at the Texas Democratic delegation, every-
body in it is from an urban area, except the [heavily Hispanic] Rio Grande Val-
ley,” says Mark P. Jones, a political scien-
tist at Rice University in Houston. “Any legislation that benefits the urban core is
growing to be perceived much less favor-
ably by the Republican majority.”

State lawmakers have not been satis-
fied with just squelching cities on
contentious social issues such as LGBT
rights and gun control, or labor policies
like minimum-wage increases and paid
sick leave requirements. States are step-
ping on urban toes at practically every
turn, from limiting hotel taxes to ban-
ning requirements that builders install
sprinkler systems. “From our legislators, I’ve heard some comments that ‘we have
those cities moving in retreat,’” says Ned
Hill, a public policy professor at Ohio
State University. “What they really mean
are the policies of big-city mayors.”
States like to complain that they are shortchanged by federal programs—receiving back less money than they send to Washington—but they feel little compunction about dealing a similar blow to their local governments. When it comes to funds for roads, schools and universities, states are becoming less likely to invest in their own major cities. A recent survey of 89 mayors in 31 states by the U.S. Conference of Mayors showed they believe relations with their states are now actually worse than relations with the federal government. One Midwestern mayor, whose party controls the legislature, said simply, “Our state is nuts.”

“In many ways, the mismatch between state political power and city market power has never been more dramatic,” says Bruce Katz, a Brookings Institution scholar who consults with metropolitan regions. “A lot of the focus is on the skirmishes around progressive policies, but the bigger issue is states impeding the ability of cities to realize their full economic potential.”

In response to the pressures of living under a rural-dominated legislature, state Sen. Mike Colona, a Democrat who represents St. Louis, has taken what seems like a logical—if fanciful—step. He filed a pair of bills last month aimed at allowing St. Louis to secede from Missouri and become the 51st state.

Cities are now dominated almost completely by Democrats—not just in mayoral elections, but straight on up the ticket. In 2012, Obama carried the lowest percentage of U.S. counties of any winning presidential candidate in history—just 22 percent. But his vote in cities was so overwhelming as to guarantee his re-election. Obama took 69 percent of the vote in cities with more than 500,000 people, according to exit polls. A similar story can be told about the disparities in congressional voting—and, importantly, state legislative contests. It’s no mystery why. The Obama coalition—racial and ethnic minorities, young people, gays and lesbians, unmarried women, and highly educated young professionals—disproportionately chooses to live in cities.

Having gained and retained political power thanks almost solely to the urban vote, Obama has turned to mayors to promote ideas that can’t get through Congress. Many mayors have worked closely with the Obama administration on early childhood education, development of green energy, community policing and the president’s My Brother’s Keeper initiative, meant to give a boost to young African-American and Hispanic men. “In Congress, programs like that are suffocated to death,” says Pittsburgh Mayor Bill Peduto. “In Pittsburgh, we’re like an urban lab where they can be sent to grow.”

Obama’s budget for the coming year calls for expanding aid sent directly to cities in everything from poverty programs to manufacturing innovation. His most recent proposals may go nowhere, but the administration has already had success in using cities as venues for its ideas. “We’ve been quite proactive throughout the administration in taking these policies around the country,” says Cecilia Muñoz, director of the White House Domestic Policy Council. “It’s a terrific mechanism for implementing progress and creating momentum.”

Given gridlock in Washington, the absence of national policy in many areas has allowed lower levels of government to go their own way. That has sometimes set cities and states on a collision course. While most Republican governors were calling on the administration to block Syrian refugees from entering the country late last year, more than five dozen mayors signed a letter calling on Congress to keep the door open. Long before the debate over gay rights, Charlotte officials clashed with GOP lawmakers in North Carolina over broader policy toward immigrants, mirroring arguments in many states.

Last fall, Texas Gov. Greg Abbott moved to cut off state grant funding for sheriff’s offices in localities that failed to prosecute undocumented immigrants because they had enacted so-called sanctuary city policies. Just before taking office last year, Abbott complained that the state was becoming “California-ized” by local bans on fracking and plastic bags, as well as restrictions on property use. Abbott conceded that some might see a disconnect between his actions as state attorney general, when he repeatedly sued
what he considered to be an intrusive federal government, and the stance he’s taken as governor, intervening to block city initiatives. But Abbott insists he’s still working to protect people from encroachments on their personal liberty, from whatever level of government. “The governor believes cities are economic drivers that help create jobs,” says spokesman John Wittman, “but they are often overregulated, generating unnecessary burdens on businesses.”

If a state official doesn’t like a city’s policy, there’s little penalty involved in trying to block it. A tax on earnings may be an essential source of revenue for St. Louis, but voting to kill it allows a legislator from outside to take an anti-tax stand essentially for free. It won’t in any way affect revenues or programs back home.

The same pattern of state legislative indifference to urban desires holds true for spending decisions. Consider infrastructure: The percentage of urban roads that have “poor pavement quality” has increased more than 50 percent over the past decade, according to the Congressional Budget Office. When it comes to public transit—and light rail in particular—state officials have been abandoning projects pretty decisively in recent months. Last year, Maryland Gov. Larry Hogan canceled a $2.9 billion light rail project in Baltimore, which he described as a boondoggle. (He subsequently proposed a $135 million aid package for the public transit system.) Last fall, the North Carolina General Assembly canceled all but $500,000 of the state’s $138 million commitment to light rail. “If the cities want to do it, fine,” said a senior GOP consultant. “As a Republican, that makes me so giddy, I can barely contain it.”

Republican governors represent less populous parts of any state may be especially reluctant to send money to larger cities right now because the rural areas are having a hard time economically. It’s a spiky economy, with an outsized share of growth occurring in a relatively limited number of metropolitan areas. It’s hard for some legislators to explain why they would want to send more money to parts of the state that are already performing well in terms of income levels and jobs.

In many states, the type of contempt generally felt for Wall Street is channeled toward the major urban area. Mayors are left to complain that the easiest way for rural legislators to score points at home seems to be taking a shot at their cities. It’s possible that, if it were not for the city of Portland, Maine would be the poorest state in the country. That doesn’t mean rural and small-town residents want to see Portland get more money. “Local economies in small places are so endangered, and there’s very little sense that anything is going to bring them back,” says Cramer, the author who also runs a public service center at the University of Wisconsin. “The resentment toward the city is based on what they see as forces that are ending their way of life as they know it and want it to be.”

If states were smart, they would invest heavily in their successful urban areas, suggests Katz, the founding director of the Metropolitan Policy Program at Brookings. They could do more to encourage economic development in dense areas that are most likely to be fertile for growth, spending money on things like higher education and medical centers right in the heart of cities. “If states were rational actors, what they would be doing is augmenting, not subtracting,” Katz says. “Instead, it’s almost like states are embarrassed by the success of their cities.”

Maybe it’s not embarrassment so much as a fundamental and growing mismatch. Big cities now tend to vote differently from the rest of their states. They hold different values when it comes to diversity. Their economies may be robust, but that hasn’t translated to improving fortunes for other areas. Governors and legislators aren’t always at odds with cities, but when they are, they have little reason to give cities a break.

North Carolina Gov. Pat McCrory may be a former Charlotte mayor, but nearly all the top legislative leaders in his state come from much less populous, more rural areas. In addition to quarreling Charlotte on gay rights, immigration and light rail, last year the legislature shifted a share of sales tax revenues from cities to more sparsely populated counties. “Before, cities were getting everything they asked for, but now the deck is stacked against them from a philosophical perspective,” says Shaheen, the GOP consultant. “As a Republican, that makes me so giddy, I can barely contain it.”

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Pittsburgh Mayor Bill Peduto is one of many mayors working closely with the Obama administration on education and development of green energy.
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Dixon’s Second Act

Baltimore’s ex-mayor wants voters to forgive her for criminal transgressions. The odds are they will.

By J.B. Wogan
Photographs by David Kidd
Sheila Dixon could very well win a comeback election and a new term as mayor of Baltimore. A lot of people hate that.

The last time Dixon held that job, from 2007 to 2010, she had to give it up when a jury found her guilty of embezzling gift cards intended for poor families. Now she’s the clear frontrunner in the April 26 Democratic primary. That should be enough to return her to office. No Republican has won the mayoralty since the 1960s. The prospect of a Dixon victory has driven her critics to panic. It’s prompted the formation of an anti-Dixon super PAC and a blog that offers free campaign advice for her opponents.

“Are you willing to bet the future of your family and your city on a candidate who is a convicted criminal?” asks the blog Baltimore Rising, which argues that any of Dixon’s five main rivals is suited to be mayor—just not her. “You put fur coats and expensive shoes above us,” an actor says to Dixon in an ad by Clean Slate Baltimore, a super PAC. “You cannot be mayor again.”

Dixon responds to all this calmly and patiently. “Of course, I’ve got to win people’s trust back,” she says. Despite some of the negative things that have happened, “we can heal.” She’s promised to raise the minimum wage, lengthen school days and reduce the crime rate.

In a January poll, nearly half of likely voters expressed support for someone other than Dixon. But a quarter of the electorate is firmly behind her, and a crowded field has divided the opposition. So while perhaps a fifth of the electorate is still undecided, the candidate who is many people’s last choice for mayor is also the odds-on favorite. “There’s a break between people who say [the embezzlement] is forgiven because she did such a good job as mayor and people who are just surprised that voters are willing to look past it,” says Mileah Kromer, a political scientist at Goucher College in Baltimore County.

The election comes at a crucial time for Baltimore. The city, already emblematic of the fight against gang violence, drug use and urban decline, now finds itself at the center of a national conversation on community policing and race relations. It’s a city at a crossroads, and the actions of the next mayor—whomever it is—could reverberate well beyond Baltimore.
A year ago, Dixon’s chances of winning seemed significantly smaller. That’s because it was widely assumed that the current mayor, Stephanie Rawlings-Blake, would be seeking another term. While Baltimore has long been a symbol of urban decline, there were signs under Rawlings-Blake that the city was finally turning around. After six decades of population loss, annual estimates showed more people moving into Baltimore than leaving it. Unemployment was at a seven-year low. Perhaps most important, the city that once inspired crime dramas such as The Wire and Homicide saw some of the lowest annual homicide rates in decades.

Then Freddie Gray, a 25-year-old black man from West Baltimore, died of neck injuries suffered while in police custody. Gray’s death sparked protests against police brutality, intensifying the national debate about the use of deadly force by law enforcement in poor black neighborhoods. On the day of Gray’s funeral, some protesters became violent, looting stores, pelting police with bricks, and setting fire to a senior center, a pharmacy and dozens of cars. An analyst on CNN went so far as to predict that the destruction would set back Baltimore 30 years. Months later, as she prepared to leave office, Rawlings-Blake still seemed to resent the way the Baltimore media handled the disturbance. “The focus of the coverage,” she says, “was putting on a constant loop what was in effect a few fires. In the ’68 riots, entire neighborhoods were decimated. … Not one person was killed because of the Freddie Gray riots.”

But after the protests were over, violent crime in Baltimore began to surge. Last year police recorded 344 homicides, the highest number since 1993—when the city had 100,000 more residents. While the number of homicides rose in many large cities, Baltimore’s increase was on a much greater scale. And it wasn’t just murder: Robberies, burglaries and automobile thefts all saw percentage increases in the double digits.

The spell of bad news hurt Rawlings-Blake politically and in remarkably short order. Earlier in 2015, she was being mentioned as a top prospect to fill a U.S. Senate seat. By September, she had announced that she would be leaving office. After her decision, polling by the University of Baltimore revealed that if she had stayed in the race, 7 in 10 likely voters would have chosen someone else. The opposition stemmed in part from her handling of the riots, but voters believe “that’s not the root cause,” says Steve Raabe, who ran the poll. “There are much more fundamental issues at play in these neighborhoods. The problems are very difficult and complicated.”

As an immediate matter, the next mayor will be called on to address community concerns about policing. There’s no question that will happen. Several of the leading candidates, including Dixon, have called for police to wear body cameras, stronger civilian oversight of law enforcement and an expansion of foot patrols to improve officers’ relationship with residents.

But the focus of the candidates’ platforms goes well beyond public safety. State Sen. Catherine Pugh, who ranks second in the polls, talks about adult literacy and universal pre-kindergarten. Nick Mosby, a first-term councilman running for mayor, wants to cut property taxes and redevelop vacant properties. Carl Stokes, another councilman in the candidate field, promises to institute regular audits of every city agency. And DeRay Mckesson, a Black Lives Matter activist, would hire more lead paint inspectors and institute a fund to help tenants fight in court the threat of eviction.

It is a reminder of just how many problems the next mayor will have to contend with. Persistent homelessness, child poverty, urban blight, joblessness among ex-offenders and a discredited public school system are only a partial list. When a recent poll asked likely voters to identify the No. 1 underlying issue in Baltimore, the top answer was a lack of job opportunities. Respondents had the option to pick “lack of law enforcement,” but most of them didn’t. Voters believe “that’s not the root cause,” says Steve Raabe, who ran the poll. “There are much more fundamental issues at play in these neighborhoods. The problems are very difficult and complicated.”

Gray’s death shed light on racial and economic inequality in Baltimore, a condition that former Mayor Kurt Schmoke, echoing the rhetoric of Mayor Bill de Blasio in New York, refers to as a “tale of two cities.” In the past decade, a half dozen Baltimore neighborhoods have flourished with new coffee shops, bars, restaurants and gyms. along with an influx of well-off residents, mostly white, who enjoy those amenities. This is the city of Johns Hopkins University,
the T. Rowe Price brokerage house and Under Armour athletic apparel. But beyond these bright spots are neighborhoods such as West Baltimore, where Gray lived. They continue to see high rates of crime, poverty and vacant housing. While the city’s overall population has been growing, many of these neighborhoods have seen no increase at all. Gray’s death amplified the feeling that the city’s revival has left most of the residents behind. “Certain parts of the city were moving rapidly in the right direction,” says Councilman Mosby, “but it created a chasm.”

To deal with the chasm, the next mayor needs to address the concerns of Freddie Gray’s Baltimore. This, as much as anything else, explains why Dixon is likely to win. The 62-year-old Dixon grew up in West Baltimore and taught in Head Start, the early childhood education program for low-income families. Her election to the city council in the 1980s was part of a power shift from white elected officials to a new generation of black leaders.

“People who are from West Baltimore, from the areas that haven’t been touched by gentrification, she’s their voice,” says Kromer, the political scientist. “She’s one of them.” This was evident at Gray’s funeral, where both Rawlings-Blake and Dixon attended, but only Dixon received a standing ovation.

Dixon’s opponents have tried to attract voters with white papers and detailed policy proposals, but her appeal is more intimate. Voters interviewed by The Baltimore Sun last summer said they supported Dixon because they knew her personally—she had helped them out over the years, connecting them with food stamps or finding them a job in the city. Jaqueline Joi, a resident of the Canton neighborhood, says Dixon won her support when the then-council president showed up on a rainy morning at a community event. Joi was hosting. Dixon hadn’t even been expected to come. Dixon doesn’t have the problem of introducing herself to voters. They already know her. They know what a Dixon administration would look like. Much of her campaign has been about re-establishing trust with voters. “I’m asking the citizens to forgive me,” she said. She has pledged to do more to improve West Baltimore and to bring in more businesses and development to the area. Dixon has also promised to address the issue of blighted neighborhoods, which continues to be a major problem in the city.
said in an interview with the local podcast On Background. “I made a bad choice, a couple bad choices. That’s not who I am.”

While most of the other candidates pitch themselves as outsiders who can fix Baltimore, she has cast herself as a symbol of the wounded city. Her comeback, she says, would be Baltimore’s comeback too.

To Dixon supporters, she’s already served her time. As part of her probation, she gave $45,000 to charity and completed more than 500 hours of community service. Her record has been expunged. In another city, at another time, her ignominious departure would have ended her political career. But in Baltimore, where all too many have faced their own probation sentences, or know someone who has, enough voters seem willing to forgive Dixon. “There are erasers on pencils for a reason,” Joi says. “Sometimes you have to look past [the mistakes] and move on.”

Her detractors argue the gift cards were indicative of other ethically dubious behavior. When she became council president, she dragged her feet on giving up a job that a state board ruled to be a conflict of interest. Later she pressured Comcast to award work to a company that employed her sister. While she was convicted only of stealing gift cards, she had to take a plea deal to avoid going to trial again on perjury charges.

Still, many voters feel some nostalgia for the Dixon years, which included an 11 percent decline in violent crime and a drop from 282 annual homicides to 238. Her administration implemented a popular free downtown bus service and an easy-to-use recycling program. She also ended zero-tolerance policing, an anti-crime strategy now credited with the mass arrest and incarceration of black men for nonviolent offenses.

If Dixon wins, her detractors will dismiss it as the freak result of a well-known candidate running in a crowded field in a low-turnout election. The anti-Dixon blog, Baltimore Rising, has gone so far as to beg some of Dixon’s low-polling rivals to drop out so one person can mount a proper challenge. “Their continued presence in the race,” the blog argues, allows “a small minority of fervent voters to elect the least desirable major candidate.”

There is some political logic to this argument. Dixon is one of 16 candidates in the Democratic primary. Her rivals include a state senator, two sitting councilmen, a criminal prosecutor, a businessman and a civil rights activist. Because the top five candidates are all well funded—some have raised more money than Dixon—no one has a financial incentive to drop out of the race. Having won three citywide elections (two as council president and one as mayor), Dixon has better name recognition than anyone else. She polls poorly among white voters, but only about a third of Baltimore’s electorate is white, and support from that voting bloc is evenly spread among four candidates. In the two most important demographic groups, African-Americans and women, Dixon led by wide margins in polls earlier this year.

If the polls prove accurate, Dixon would win with a plurality of the vote—not exactly a mandate. But she would treat it as a form of vindication. “Here’s the thing about Baltimore,” she says in a campaign video. “When you get knocked down, someone is there to help you back up. This is the city of second chances.”

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Overdoses of synthetic drugs, which are often sold in colorful packages and marketed to teenagers, have surged in the last year.
While states are focused on America’s opioid epidemic, they may be ignoring a dangerous emerging threat.

By John Buntin
In early 2010, teenagers began overdosing on “bath salts.” The substance looked innocent—white powder or crystals that were sold freely in gas stations, convenience stores and tobacco shops. But bath salts had nothing to do with bathing. They were snorted, producing a euphoric high that’s been described as “excited delirium.” They could also bring on intense hallucinations, paranoia, heart attack, kidney failure and death. Unlike heroin or cocaine, which come directly from the poppy flower and coca plants, respectively, bath salts came from cathinones that were synthesized in labs.

Bath salts weren’t the only new synthetic drugs appearing on retail shelves. So was another product, often described as “synthetic marijuana,” “K2” or “Spice.” The product consisted of dried plant leaves, suitable for smoking, that were sprayed with a synthetic cannabinoid similar to THC, the primary psychoactive ingredient in marijuana. It was sold in a variety of forms. Some retailers packaged them to appeal to kids under names such as Scooby Snax or Blueberry Haze. Others described them as “herbal incense” or plant fertilizer. The implication was that these substances were marijuana-lite. In fact, like bath salts, they were sold freely in gas stations, convenience stores and tobacco shops. But bath salts had nothing to do with bathing. They were snorted, producing a euphoric high that’s been described as “excited delirium.” They could also bring on intense hallucinations, paranoia, heart attack, kidney failure and death. Unlike heroin or cocaine, which come directly from the poppy flower and coca plants, respectively, bath salts came from cathinones that were synthesized in labs.

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Synthetic drugs were sold freely in gas stations and convenience stores.

Between 2010 and 2011, calls to poison control centers related to synthetic drug overdoses surged, rising to a peak of 15,000 calls in 2011. At the same time, the number of emergency room visits involving synthetic cannabinoids nearly tripled, leaping from roughly 1,500 to more than 28,500 in 2012. More than half of those visits involved people who were under 21 years old.

Faced with the dangers of synthetic drugs, states and localities promulgated emergency orders that outlawed specific compounds used to make the drugs. Legislatures passed laws that added problem compounds to state schedules of restricted drugs. They also enacted so-called “analogue laws” to restrict the sale of look-alike drugs. Law enforcement, often working with the federal Drug Enforcement Administration (DEA), targeted retail sales.

These approaches seemed to work. Synthetic cannabinoids disappeared from the counters of retail stores. Visits to the ER for overdoses declined, as did calls to poison control.

Last year that all changed.

In 2015, calls to the nation’s 55 poison control centers regarding synthetic drug overdoses doubled, rising from 3,700 in 2014 to roughly 7,800 in 2015. Many of the largest increases were in the East and Southeast. New York City reported a nearly fivefold jump, Alabama saw a tripling of overdoses. The largest percentage increase in the country occurred in Mississippi, where the poison control center reported a leap of 3,000 percent—from 40 calls about synthetic drugs in 2014 to 1,350 in 2015.

Compared to the nation’s opioid epidemic, synthetic drug overdoses are currently a small-scale problem, even after accounting for last year’s doubling in calls. Crime labs nationwide report that only about 5 percent of the substances they seize and analyze turn out to be synthetic drugs, a number that has remained constant since 2012. However, policymakers say that several attributes of these drugs justify a high level of concern and a need to take action. The first is that they target children and young adults—teenagers and college students are the heart of the market. The second is that their side effects can be unsuspectingly severe and dangerous both for users and those around them. “These are the worst drugs I have ever seen,” says Dr. Mark Ryan, director of the Louisiana Poison Control Center. “Take the bad attributes of PCP, cocaine, meth and Ecstasy, lump all the bad things into one drug, and that is what you sometimes get with those.” The violent hallucinations are particularly disturbing. In Elkhart, Ind., Prosecuting Attorney Curtis Hill recalls an unusually grisly case that his office was involved with this spring. A couple had taken a bad batch of synthetic drugs. She zoned out. He got delusional and killed her with a knife, which he then used to remove some of her organs.
Controlling these substances is by no means straightforward. For policymakers, synthetic drugs pose confounding choices. The early attempts—outlawing the compounds used in making the drugs and banning look-alikes—gave prosecutors and law enforcement the tools they needed to remove synthetic cannabinoids from gas station and convenience store shelves. Since then, however, matters have gotten more complex. Overseas chemists continue to create new synthetic cannabinoids designed to evade state and federal restrictions. Identifying these substances is time-consuming for drug labs. Meanwhile, more compounds are constantly appearing. “We are entering new frontiers every day with this stuff,” says DEA spokesperson Rusty Payne. “With the advances in chemistry and science, things that used to take years to develop and synthesize now take months, maybe even weeks.”

Faced with this emerging and ill-defined problem, state and local governments are not sure what to do. With the heroin crisis raging, there is a reluctance to put too great a focus on synthetic drugs. But a few states are beginning to address the issue before it blows up into a major crisis.

Synthetic drugs began with the best of intentions, as an attempt to create a safe, medicinal and legal form of marijuana. While non-medicinal users may indulge themselves in the drug for the sensory experiences it provides, people with medical conditions that cause loss of appetite, nausea, chronic pain, sleeping disorders or intense anxiety report that consuming cannabis brings relief. As a result, researchers had long been interested in developing synthetic forms of THC in the hope of developing a licensed drug that could relieve these symptoms.

One of the most committed researchers was a chemist at Clemson University, John W. Huffman. During the 1990s, with funding from the National Institute on Drug Abuse, Huffman created hundreds of synthetic cannabinoids that he named after himself, starting with JWH-007. Then he did what researchers do: He published his results. A series of papers and journal articles included the formula of one of his creations, JWH-018.

In 2008, Huffman got a call from the DEA. Authorities in Germany had recently come across a new drug, a chemical being sprayed onto plant leaves so that it could be smoked and consumed. The resulting substance was being sold as synthetic marijuana. A forensic lab had identified the chemical in question as JWH-018. The drug’s street name was Spice. Today, Spencer Collier, Alabama’s Secretary of Law Enforcement, calls Spice “the No. 1 narcotics-related issue in Alabama.”

Alabama’s experiences with Spice show just how challenging crafting an effective response to synthetic drugs can be. In 2011, Gov. Robert Bentley issued an executive order that temporarily outlawed five chemicals used to make bath salts and other synthetic drugs. Agents from the state Alcohol Beverage Control Board visited gas stations, tobacco shops and convenience stores across the state to let the retailers know that products such as Spice could no longer be stocked. In some ways, these efforts worked. Synthetic drug sales that once took place openly in retail outlets were pushed into the

For toxicologists like Dr. Erica Liebelt, synthetic overdose cases are becoming all too familiar.
"K2" or "Spice" consists of dried plant leaves that are sprayed with a synthetic cannabinoid similar to THC.
William Alabama and other states were just beginning four or five years ago to see an upsurge in poisonings from synthetic cannabinoids, the DEA was already working on the problem. In March 2011, the federal agency had issued an emergency rule that made JWH-018 and four closely related compounds subject to the same restrictions as cocaine, heroin and marijuana. Six months later it added the chemicals used to make bath salts to the list. Suppliers—primarily located in China, according to the DEA—responded by tweaking the molecular structure of those substances in ways that would allow the drugs to stay off the restricted list. To control these copycat drugs, the DEA turned to a molecule or class of chemicals to the section of the statute governing synthetic drugs.

Local authorities also looked for innovative ways to reduce the sales of synthetic drugs. In DeKalb, Ill., City Attorney Dean Frieders was one of the first to use retailers’ alcohol and tobacco licenses to pressure them to stop selling synthetic drugs. The law he drafted has been widely disseminated by the National Alliance for Model State Drug Laws. The threat of loss of license, Frieders says, has been a powerful spur to cooperation on the issue of synthetic drugs.

In an effort to overcome this hurdle, states undertook some odd initiatives. In Missouri, for instance, the highway patrol tried to document synthetic cannabinoids’ intoxicating effects by inviting officers to voluntarily ingest some. The experiment ended after several officers overdosed.

Because of the complexity of establishing substantial similarity, many prosecutors were reluctant to use analogue laws. Instead, most states developed systems whereby state health departments or pharmacy boards could quickly outlaw—a new basis—new substances as soon as they appeared. The state legislature would then come in later to add those chemicals or class of chemicals to the section of the statute governing synthetic drugs.

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Law enforcement had ways to target these types of operations. Confidential informants could do buys or relay passwords to undercover agents. But the work was tedious. Establishing operator culpability was challenging. Convenience stores in many states are controlled by byzantine webs of holding companies. Ownership changed frequently. As a result, law enforcement agencies were wary of asking judges to seize private property and risk getting sued.

“We’re not going to arrest our way out of this. We’ve tried.”

—Paul Hayes of the Alabama Law Enforcement Agency

Ultimately, these approaches proved faulty. Cases were hard to take to court. Investigations were costly and time-consuming. The laws passed by states were untested. In Indiana, plaintiffs challenged a state law that sought to schedule categories of synthetics as overly broad. The statute was upheld by the state Supreme Court. Many prosecutors shied away from using analogue drug laws. The cost and difficulty of establishing that these drugs truly were analogous to existing scheduled drugs was simply too much. It’s easier for those selling synthetic drugs. Take the cost-benefit calculation. An investment of $3,000 is easy to parlay into $100,000 from Internet and street sales. Entering the market is effortless. Would-be narcotics entrepreneurs don’t even have to know the names of the chemicals they need, says Heather Gray, the legislative director for the National Alliance for Model State Drug Laws. She recently spent a few hours Googling the street names of synthetic marijuana. When she arrived at work the next morning, she found two emails from distributors in China offering to send her the chemicals to make synthetic cannabinoids. “That’s how easy it is,” she says. “You literally do not have to leave your desk.”

Not surprisingly, the market has attracted a wide variety of criminals. In Birmingham, a student at UAB built a mail-order synthetic drug empire in the bathroom of his apartment. He ordered chemicals, herbal leaves and packaging from an overseas producer. Then he dissolved the chemical powder into a liquid and sprayed it onto the leaves in his bathtub before packaging the product and mailing it to customers around the country. The day state police raided his apartment, they were startled to discover the dealer was in Las Vegas playing poker at a high-roller table with poker legend Doyle Brunson.

Other actors have entered the market as well, including people with close ties to fighting in the Middle East. In Northern Alabama alone, the DEA and state law enforcement agency identified three stores operated by Yemenis who authorities believed were selling synthetic cannabinoids and who were sending millions of dollars a year back to Yemen.

Thanks to constantly changing ownership, even pursuing these targets has been challenging. The result has been a game of cat and mouse—a game where the authorities always seem to be one or two steps behind as variations of the compounds have escalated from an original five to more than 400. While the rate of innovation has slowed somewhat in recent years, crime lab scientists say that new compounds continue to emerge every couple of months.

It can take even the most qualified lab technicians a full month to identify and validate an unknown substance—if everything goes well. Sometimes states can’t identify the compounds at all. Last spring, Mississippi’s Poison Control Center went from receiving two to four calls a month about synthetic drug overdoses to receiving over 700 in April and more than 500 in May. In two months’ time, synthetic drug overdoses contributed to the deaths of 17 people. The outbreak was traced back to two distributors who were importing synthetic cannabinoids from China. “You had people literally mixing it up in a cement mixer,” says Dr. Robert Cox, the head of Mississippi’s Poison Control Center. “They had no concept of how much they were giving people.”

aced with these challenges, some agents on the front line of the fight against synthetics say a different approach is necessary. “We’re not going to arrest our way out of this,” says Paul Hayes of the Alabama Law Enforcement Agency. “We’ve tried.”

What approach authorities should pursue, though, is unclear. In Alabama, narcotics agents now spend a significant amount of time focusing on education. But alerting teenagers to the dangers of drug use is problematic. When kids take the drugs, says Deb Sims, the medical director of the Beacon Addiction Treatment Center, which is affiliated with UAB, “they’re trying something new, taking it to the edge a lot of times. It’s the lure of something that might give them a different bump.” Education campaigns that focus on the danger of substances, she suggests, could serve only to heighten their appeal.

Some law enforcement officials question the extent to which they should focus on synthetics at all. Last year, two people in Alabama died from synthetic drug overdoses, notes Nicholas Derzis, the police chief of Hoover, a town outside of Birmingham. In contrast, Jefferson County alone had more than 100 deaths from heroin. “You talk about the issues of synthetic drugs in the community,” he continues. “Even though there have been some, it’s nothing like the last few years of heroin.”

It’s a legitimate point. Opioids like heroin are clearly the more serious threat. But most of the officials who have seen the effects of synthetics firsthand say it would be a mistake to minimize the dangers they pose. “Sometimes we get so mired down in what is staring at us in the face—heroin, prescription drugs—that we don’t look outside to see what is coming next,” says Clay Morris, who heads the DEA’s Birmingham office. “If we pay attention to the youth, they will tell us by their actions what they are using and trying and what could be the next big thing.”

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Changing Lanes

Massachusetts Secretary of Transportation Stephanie Pollack is a liberal in a conservative administration and a passionate advocate in an administrative post. She’s making it work.

By Daniel C. Vock

Photographs by David Kidd
WHEN Stephanie Pollack first met with Charlie Baker last year, she figured the new Republican governor of Massachusetts would be too conservative to consider hiring her for his administration. So instead of treating the session like a job interview, Pollack, then a transportation researcher at Northeastern University, decided to use the time to school Baker on how she thought the state’s transportation policy ought to work.

Pollack didn’t figure they would agree on much. The two, after all, were fresh off a disagreement over a ballot measure to decide whether the state should tie its gas tax rates to inflation. Pollack supported the idea, Baker led the fight against it. Voters sided with Baker. Pollack had made her name as an environmental activist with the Conservation Law Foundation, arguing successfully for lower fares on the local transit system and getting the state to add light rail service as part of its Big Dig highway project in Boston. Baker, on the other hand, rose through the ranks of conservative organizations. He was one of the first executive directors of the right-leaning Pioneer Institute, served as a top official for two Republican governors and, just before running for election, headed a health insurance company.

“The first conversation surprised both of us,” Pollack recalls. The two had more in common than they thought. In fact, Baker knew he wanted to hire Pollack as transportation secretary by the end of that first meeting. But he wasn’t sure what the reaction would be. “I actually said to her at the end of the interview, ‘If I offer you this job, my friends are going to kill me,'” he says. “She looked at me and said, ‘If I take it, my friends are going to kill me.'” A few weeks later, after several more meetings, Baker picked Pollack for the post. It has turned out to be one of the most consequential decisions of his administration.

“What we bonded over,” Pollock says, “was that we both see transportation as a tool for achieving a lot of other things. It’s a tool for spurring economic growth. It’s a tool for improving people’s quality of life. It’s a tool for helping workers get to jobs and students get to school. It’s not an end in itself. In the profession, there tends to be more traditional thinking that we do transportation for transportation.”

“She’s the right person at the right time,” Baker says, “The only people who think she is unconventional are people who think this is all about Democrats and Republicans.”

Pollack, who has an engineering degree from the Massachusetts Institute of Technology and a law degree from Harvard University, also found that she and Baker worked on problems in similar ways. They dive into details, push for hard data and try to view things the way ordinary riders would.

That became apparent during last year’s record-breaking snowfall. It’s a crisis that still defines Pollack’s job to this day. Even before she was sworn in, she worked with Baker on imposing a statewide travel ban in the hours before a historic blizzard. She stood at his side when the governor announced the ban, and at several subsequent press conferences as snowstorms hammered the state again and again. The blizzards punished the Boston area with more than nine feet of snow, crippling its transit system. All or part of the region’s transit services were out of operation for most of February 2015, leaving commuters few options for getting to and from work. Worse, the stress from the storms exposed deeper problems with the region’s transit agency. Fixing the transit system became a top priority—and remains one today—for the new governor and his unlikely pick for transportation secretary.

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“The first conversation surprised both of us,” Pollack recalls. The two had more in common than they thought. In fact, Baker knew he wanted to hire Pollack as transportation secretary by the end of that first meeting. But he wasn’t sure what the reaction would be. “I actually said to her at the end of the interview, ‘If I offer you this job, my friends are going to kill me,'” he says. “She looked at me and said, ‘If I take it, my friends are going to kill me.'” A few weeks later, after several more meetings, Baker picked Pollack for the post. It has turned out to be one of the most consequential decisions of his administration.

“What we bonded over,” Pollock says, “was that we both see transportation as a tool for achieving a lot of other things. It’s a tool for spurring economic growth. It’s a tool for improving people’s quality of life. It’s a tool for helping workers get to jobs and students get to school. It’s not an end in itself. In the profession, there tends to be more traditional thinking that we do transportation for transportation.”

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Reported last April that it expected MBTA’s annual deficit to nearly double in the next five years, from $295 million in 2015 to $558 million in 2020, in an agency with an annual budget of around $2 billion. With all the bad news piling up, the T also had to win back customers who were fed up by poor service. In an effort to rectify that, the MBTA offered a fare-free day for customers in April and discounts for frequent riders in May to apologize for the winter troubles.

To address these problems, Pollack and the governor have pushed for structural changes. Baker convinced lawmakers to place the T in the hands of a five-member fiscal control board for at least three years to focus on giving the agency a more solid financial footing. At the governor’s request, the legislature loosened a decades-old anti-privatization law, making it easier for the agency to contract out services. And Baker announced a five-year $83 million plan to improve trains, signals, tracks and snow removal service—a plan it will be up to Pollack to implement.

When it comes to overhauling and expanding the T, Pollack says, “If people want a better system, you do have to pay something for it.”

Liberals advocates are thrilled to see one of their own at the helm of the state’s transportation department. Pollack is a regular transit user who proudly calls herself an “urbanist.” Although she and her family own two cars, as most suburban families do, her favorite way of getting around is by walking, even if it means braving the bitter Boston cold to get from a meeting with the governor to her office 10 minutes away. Pollack’s priorities have begun to register in many different corners of the transportation department. The high-way division, for example, has launched a program to help municipalities create pedestrian- and cyclist-friendly “complete streets.”

“It couldn’t be a more challenging time for transportation in Massachusetts,” says Kristina Egan, the executive director of Transportation for Massachusetts, a left-leaning coalition. Specifically, Egan mentions the “abysmally low” public confidence in transportation agencies, aging infrastructure and increased demand for service in both high-income job centers and low-income neighborhoods. “I couldn’t think of anybody better than Stephanie to balance those issues.”

As the T goes through a top-to-bottom review of its finances, Pollack the transportation secretary has taken some stances that seem unlikely to have come from Pollack the transportation advocate. The dissonance is most notable when it comes to fare increases and the extension of the Green Line light rail to Somer-ville and Medford, cities northwest of Boston. As an advocate, Pollack pushed for structural changes. But he adds that “what I’ve seen since she took the helm is someone who has helped to recruit top-notch people to the T and other places, some-one with the desire to follow the data, and someone with a can-do attitude.”

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Jim Stergios, executive director of the Pioneer Institute, which Baker helped launch, admits he was “really disappointed” when he heard about Pollack’s appointment. But he adds that “what I’ve seen since she took the helm is someone who has helped to recruit top-notch people to the T and other places, someone with the desire to follow the data, and someone with a can-do attitude.”
the opposite party. “If you think you are in the governor’s cabinet and can be a freelancer, you are mistaken,” he says. “You have to adhere to the governor’s philosophy.”

Pollack insists, though, that her altered takes on familiar issues aren’t a matter of her mind changing as much as the underlying data changing. This January, for instance, the T unveiled two fare hike proposals to help cut the agency’s deficits. Fares would rise between 6.7 and 9.8 percent. Riders have chafed at the idea, and the T Riders Union has vowed to fight the move, arguing the state should provide more money instead. But Pollack counters, “If people want a better system, you do have to pay something for it. We think modest, regular fare increases are a good way to go.”

Pollack says today’s situation is far different from the one she faced in the early 1980s, when the T tried to triple its fares—from 25 cents to 75 cents a ride. Pollack, then working at the Conservation Law Foundation, argued that the huge hikes would hurt ridership. She secured an agreement with the agency that, if ridership dropped by more than 10 percent, it would roll back its fares to 60 cents. The agency said the number of passengers dropped by 9.9 percent, but Pollack dug into the data and proved that the decrease was much larger. The T rolled back its fares.

“While the T was not able to triple fares at a time when both jobs and population in the region were stagnant, that is very different than a 9 percent increase in fares when the economy is booming,” she says. “The model is saying, ‘Maybe we’ll lose 1 percent of our riders [with the fare increases].’ But what I know for a fact is when they raised fares two years ago, ridership went up.”

Similarly, Pollack says the calculations over whether to build the Green Line extension have evolved as circumstances have changed. As an advocate, Pollack pushed the state to include the project as part of the Big Dig, the massive highway tunnel project built to ease congestion in and around Boston. She insisted the Green Line would mitigate the air pollution the new highways would cause. But at the time, the 4.7-mile light rail extension was expected to cost $375 million, Pollack says. Even accounting for two decades of inflation, that’s nowhere near the $3 billion that it was anticipated to cost before the MBTA froze the project in December to get spending under control.

“One of the problems we have,” Pollack says, referring to transit and highway projects generally, “is that we look at projects and we make decisions about whether the costs are worth the benefits. Then, the benefits don’t really change. They are what they are. But the costs go up and up and up, and we never go back and say, ‘Are we still right?’”

The halt in construction and planning for the Green Line extension is meant to answer that question. Pollack says there’s a chance the MBTA could abandon the effort altogether, although that seems unlikely. Personally, she says, she hopes the project can go forward. If it doesn’t, the MBTA would have to give up $1 billion in federal funding and would have wasted the $374 million already spent on the T’s only rail expansion currently in the works.

In the meantime, the MBTA will look at reducing expenses by simplifying the designs of new stations. It will explore whether
municipalities or other outside organizations can help pay some of the construction costs. When all that is done, it will present a new budget to the board, which will decide whether to continue with the project. “I hope it will be an example of what we’re trying to do more broadly,” Pollack says. “One of my highest priorities, even in the depths of the winter snows last year, is to transform the way we make decisions not about projects but about investments. We need to think about the system as a whole. We need to think about every dollar we spend on capital as investment.”

Seeing the agency’s expenditures as investments, rather than projects, she says, helps remind people of how diverse the portfolio really is. “The MBTA has to make spending decisions about highways, rail lines, buses, bike lanes and walkways. Those pieces have to work together as a network to realize the maximum return. Looking at transportation spending as investments, Pollack says, helps people spell out the returns they hope to get and follow up to see whether those returns actually materialize. “The return on investment in transportation, whether it’s the Green Line extension or another one, is not just measured in how many people physically use it. It’s also measured in improvements to the economy, decreases in people’s commuting time, creation of new jobs and reduction in greenhouse gases.”

With that in mind, Pollack is trying to change the way Massachusetts decides which transportation projects to pay for, based on quantifiable criteria. It’s similar to efforts now underway in North Carolina and Virginia. One of the goals is to factor in opportunity costs. So if the state, for example, consistently built roads instead of transit, the model could show how the transit system would deteriorate even as the highways improved.

Spend a little time with Pollack, and you’ll notice very quickly how fixated she is on data. For one thing, she frequently checks her iPhone to pull up the wait times at the state’s 30 RMV offices. She monitors not only the average time people are waiting, but how many of them get out the door in 30 minutes or less. Baker and Pollack tout the fact that the number of people who finished within a half hour grew from 59 percent in November 2014 to 74 percent a year later. And they want the number to grow even higher.

By tracking its own data, the agency learned that the reason wait times were so long was that workers would fall behind during the morning surge, and remain behind schedule for the rest of the day. So it trained its workers in how to eliminate the line of people, often dozens long, waiting outside when the doors open, sending each of them to the right place within 10 minutes.

The RMV also hired a consultant who specialized in line management to draw on lessons from banking, health care and other industries in minimizing wait times. The consultant built a computer model of a registry office based on data collected from an RMV branch that could predict how changes in the office affect wait times. It could control for whether the office was fully staffed, or whether it was late in the month when the number of customers normally surges. Now many branches use practices familiar to customers at Apple stores or other big retailers. Visitors are met by a greeter and sent to separate queues depending on how complicated the customer’s business is. Pollack has pushed for better results using better data in other places, too. MBTA officials knew, for example, that there were often delays on its commuter rail lines, which are run by an outside company. The agency pushed the company to provide more specific data than just average wait times. What it discovered was that most of the delays occurred on just a few lines. Better information makes those problems easier to address, and it raises red flags if the MBTA sees delays on a line that is usually on time. “Transportation tends to think of data as operating data. It’s data about how the system works from the inside,” Pollack says. “I’m much more interested, and the governor’s much more interested, in data from the perspective of the customers who are using the system.”

Changing that mindset is something that would be nearly impossible to do from the outside, even for an accomplished advocate and policy analyst. “Being an advocate is more fun,” Pollack says. “Being in government is more important.”

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Margie Sollinger knew something wasn’t right about the companies doing business with Portland, Ore. As the city’s ombudsman, Sollinger had for some time been hearing from business owners about fraud in the city’s minority- and women-owned contracting program. But it wasn’t until she received a specific complaint in 2013—about a certified minority-owned construction firm doing work for Portland’s housing authority—that she decided to take action. According to the complaint, the firm was merely acting as a pass-through, winning valuable city contracts and then subcontracting the work out to nonminority companies.

Like many cities and states, Portland has a program allowing it to give special consideration to women- and minority-owned companies when handing out government contracts. The goal, of course, is to help support traditionally disadvantaged companies by giving them a leg up. But as Sollinger began to discover, the city wasn’t necessarily helping the firms it thought it was.

When she first started looking into the housing contract complaint, she wasn’t sure where to turn. “As ombudsman, the most I can really do is make recommendations,” she says. “But even still, I reached a lot of dead ends.” According to state law, the city Follow the Money

States and cities want to support women—and minority-owned businesses. But they often don’t know whom they’re really paying.

By Mattie Quinn
of Portland wasn’t allowed to take action against minority-owned firms it believed to be fraudulent; those complaints had to be referred to the state. But Sollinger says the state Office of Minority, Women and Emerging Small Businesses initially shrugged her off. So she referred the case to the Oregon Department of Justice, where the investigation continued for nearly two years. Ultimately, the contracting firm was forced to relinquish its minority certification and pay $15,000 to the state. State legislators took an interest in the issue, and last year passed legislation allowing all public agencies in the state to conduct their own investigations into future allegations of minority contract fraud.

The fact is, says Sollinger, it’s not hard to figure out who’s actually doing the work on contracts like these. Simple city inspections to make sure the awarded company is showing up to perform the job would have caught past violators. But cities and states across the country are struggling to provide sufficient oversight when it comes to minority- and women-owned firms, also known as disadvantaged business enterprises, or DBEs. As a result, much of the money that’s targeted to help these businesses doesn’t really go where governments want it to.

“It’s a problem that’s shown up all over the place. In Louisville, Ky, the metro sewer district bailed out two minority businesses from receiving future contracts after it was discovered that they were subcontracting with nonminority-owned businesses. An audit in Pittsburgh found the city didn’t even have a way to track how much work was going to DBEs. The city of Denver has also been dealt a blow by contracting scandals in recent years. In 2014, the city proudly touted a new contract for mechanical work at Denver International Airport that had been awarded to a company owned by an African-American woman; at $39.6 million, it was the city’s largest-ever minority contract. But it later became clear that the company was subcontracting more than $23 million of the work to a different firm, one that didn’t qualify as a minority contractor. That December, a city audit declared that Denver’s minority contracting program was failing. ‘This program is broken,’ City Auditor Dennis Gallagher said at the time. ‘It troubles me that the city is breaking its word to those it has promised to help,’ City Auditor Dennis Gallagher said at the time. ‘It troubles me that the city is breaking its word to those it has promised to help.’

Some jurisdictions are overhauling their contracting programs by tightening rules and ramping up enforcement.

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The National Association of State Procurement Officials doesn’t monitor states’ DBE programs for transportation construction. The GAO has published a smattering of reports over the past 25 years on women- and minority-owned contracting programs with two main conclusions: More information was needed, and the contracting world in general lacks women and minorities. Boosting their ranks is an important goal for government, says Wendell Stealey, president of the board of the National Association of Minority Contractors. Cities and states owe it to their residents to help minority firms, he says, and that begins with tighter oversight. “The faces of these businesses should reflect how diverse the locality actually is,” Stealey says. “And if a state has lax compliance standards, then of course there are going to be firms willing and able to game the system.”

E nsuring that a minority contracting program is functioning properly takes a lot of work. Just ask Minnesota state Sen. Scott Dibble. As the chairman of the Transportation and Public Safety Committee, Dibble has been leading the charge to overhaul minority contracting ever since a 2013 internal audit by the Minnesota Department of Transportation found extensive problems with its DBE program, ranging from mismanagement and weak oversight to outright fraud. The audit had come at a time when the state was aggressively ramping up construction projects, thanks to rebounding post-recession revenues. Officials were trying to include more women- and minority-owned companies, but it wasn’t working. “We just weren’t seeing a lot of success, and we were even having protests outside the state Department of Transportation office,” says Dibble. The scathing audit highlighted millions of dollars that had been passed through to non-DBEs and a consistent failure to meet the state’s own DBE goals. But the key finding, says Dibble, was from the state Office of Civil Rights. “There were some serious concerns within that office that numbers were fudged,” he says. “Basically, our program was a mess.”

Since then, the state has made several reforms to its contracting program. Leadership within the office has been cleared out. DBE mentoring programs—in which a certified disadvantaged business enters a three-year partnership with an established company to help hone business practices to better compete in the marketplace—have been put in place. This year a consortium of state agencies will be working together to develop more objective criteria for what really qualifies as a disadvantaged business. Perhaps most important, Dibble says, the effort has raised awareness among lawmakers of the need for intense oversight. “In order to remedy age-old injustices” against disadvantaged firms, he says, “it requires proactive action, not passive acceptance.”
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The state has seen some successes. For 2015, the transportation department announced that 7.3 percent of its contracts were awarded to DBEs, a significant step toward its goal of 10.3 percent. “While we made some progress over the last half of the fiscal year, we are not pleased with this number,” Transportation Commissioner Charlie Zelle said when he announced the new figures. The state DOT has laid out specific goals that Zelle hopes will help it hit its goal for this year. Those benchmarks include finding businesses that qualify as DBEs and getting them certified, providing them with tools to help with bids, and ensuring consistent contracting practices. Statewide, the Minnesota purchasing office has begun more intensive outreach to identify and certify DBEs, which has resulted in a 13 percent increase in minority-owned businesses registered with the state.

Still, there’s an inherent challenge when a state endeavors to mix bureaucracy with “complicated social problems,” says Dibble. “It’s a problem, and I don’t really know how to solve it.”

Another place that’s taking on contract reform is New Orleans. The city has long had a minority contracting program in place, but when construction projects ramped up as the city rebuilt after Hurricane Katrina, it became clear the program had extensive problems. There was a two-year backlog of companies waiting to be certified as minority- or women-owned businesses, and the city had virtually no record-keeping or monitoring processes in place. The hurdles for disadvantaged businesses reflected larger socioeconomic realities, says Ashleigh Gardere, director of the Network for Economic Opportunity in the mayor’s office. “New Orleans is a city all about relationships, and it’s also a segregated one. Women and minorities who owned businesses just didn’t know the right people.”

In 2011, Mayor Mitch Landrieu introduced a set of proposals to raise the profile of the program. Those reforms focused mostly on outreach and oversight of public contracts—regulations that would hold the city accountable for making sure DBEs were earning city contracts. The certification process now takes 45 days, and the city wants to ultimately reduce that to 15 business days. Cutting down that wait time is crucial, says Gardere, because it was just such a cumbersome effort. “The efforts have helped lead to a dramatic improvement in DBE participation. Minority- and women-owned firms made up 16 percent of city contracts in 2011. By 2014, that number jumped to 37 percent—exceeding the city’s goal of 35 percent.

Last fall the city implemented a second wave of regulations, focused more on enforcement and compliance. Now, when fraudulent activity is discovered, the city can withhold payments and exclude that particular firm from future contracts. The city has also introduced new technology tools to monitor existing contracts and payments. (As a side benefit, the technology will allow subcontractors to see when a primary contractor gets paid, adding another level of transparency to the entire contracting process.)

In order to fully enforce those new changes, the city needed to invest in more people. When Landrieu took office in 2010, the Office of Supplier Diversity was made up of one person. But thanks to a local millage, the city was able to budget $700,000 to beef up staffing. Now there’s a staff of seven people, many of whom have a background in construction. There is also a dedicated staff focused on compliance, making sure companies that are awarded contracts are the ones showing up to do the job.

It’s too soon to know how effective the new technology and compliance measures will be; the city only began training employees on them in February. But it’s a testament to the importance of political leadership in prioritizing minority contract programs, says Gardere. “Get local government officials talking to your local NAACP, Urban League, your local inspector general. But as those conversations are happening,” she says, “start testing out solutions.”

Overhauls like the ones in New Orleans and Minnesota are cause for optimism, says the National Association of Minority Contractors’ Stemley. And while he says there’s plenty of room for improvement in DBE programs across the country, he believes the high-profile cases of fraud and noncompliance are the exception to the rule. Still, he says, the onus is on states and cities to step up their efforts to attract more minority- and women-owned businesses. “We need to be trying harder to make sure we have workforce diversity in the contracting community,” he says. “We can’t ignore these underserved communities that need jobs.”

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Cook County, Ill., has nearly 150 elementary and high school districts. Students in the Pittsburgh metro area are assigned to 105 different local districts. Oklahoma has more than 500 districts scattered across the state, with fewer than 1,300 students enrolled in each.

Numbers such as these have long drawn the ire of policymakers, and in an era of budget cutbacks, “fragmented” school districts serve as prime targets for consolidation. At the beginning of this year, lawmakers in Indiana, Kansas, Mississippi, Pennsylvania and Oklahoma all introduced legislation aimed at merging school districts or combining their administrative duties. But such proposals frequently are met with fierce opposition from parents and teachers.

School districts with very small enrollments are actually quite common across the country. A Governing analysis of federal data from the 2013-2014 school year found that a third of all local districts were made up of only one or two public schools. Nearly half of all districts nationally—46 percent—serve fewer than 1,000 students. While many of these districts are in rural or outlying areas, 2,050 are in metro areas.

The crux of the pro-consolidation argument is that merging smaller districts will allow for deploying limited resources more efficiently.

The most high-profile consolidation fight has played out in Oklahoma, which faces a severe budget shortfall stemming from lower oil revenues. One proposal would consolidate most of the state’s K-8 districts that have earned “D” or “F” ratings with nearby independent districts. State Rep. Lee Denney, the bill’s sponsor, says she wants to cut overhead costs and pass more resources to the classroom.

One way to measure school district fragmentation is to compare numbers of students per school district. The following regions have the smallest and largest average district enrollments of all metro areas reviewed with at least 100,000 students.

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Average Public School Student Enrollment Per District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worcester, MA-CT</td>
<td>2,023</td>
</tr>
<tr>
<td>Albany-Schenectady-Troy, NY</td>
<td>2,423</td>
</tr>
<tr>
<td>Tulsa, OK</td>
<td>2,442</td>
</tr>
<tr>
<td>Allentown-Bethlehem-Easton, PA-NJ</td>
<td>2,525</td>
</tr>
<tr>
<td>Syracuse, NY</td>
<td>2,726</td>
</tr>
<tr>
<td>Pittsburgh, PA</td>
<td>2,773</td>
</tr>
<tr>
<td>Rochester, NY</td>
<td>2,889</td>
</tr>
<tr>
<td>New York-Newark-Edison, NY-PA</td>
<td>2,944</td>
</tr>
<tr>
<td>Hartford-West Hartford-East Hartford, CT</td>
<td>2,990</td>
</tr>
<tr>
<td>St. Louis, MO-IL</td>
<td>3,238</td>
</tr>
</tbody>
</table>

National Average

3,659

The problem solver section provides data on the least and most fragmented districts for various metro areas. The data is sourced from federal education surveys and includes only local school districts, not charter districts, state agencies, or other district types.

See more detailed data for all states and metro areas: governing.com/schooldistricts
enable districts to offer a greater variety of subjects—particularly in math, science and foreign languages—to better prepare students for college. “In Oklahoma, our rural cities often think we’re trying to take away their community and sense of pride,” she says. “We’re trying to offer the best education we can.”

But Denney’s bill, even though it called for more limited consolidation than other proposals, was still defeated after hundreds of educators and parents descended on the state Capitol for a House committee hearing in February.

John Cox, president of the Oklahoma Organization of Rural Elementary Schools, has seen consolidation bills crop up year after year. Smaller districts, he argues, are actually more efficient than some larger systems, as educators perform multiple duties instead of being hired for one specific job. “We do whatever it takes to keep the school alive and keep it going,” he says. “The closer you can get administration to the parents and children, the more effective you are at getting children to buy into the instruction.”

Parents similarly resist efforts to cede local control, fearing that doing so will lead to schools shutting down. They also contend that if states are going to allow for charter schools, families should have the opportunity to reach every student in the Rochester City School District to apply for transfers to some suburban schools, or vice versa. “If you’re in an area with a lot of fragmentation, those surrounding districts will probably be much different.” Stroub says. “Your metropolitan context matters.”

Still, fragmentation is widespread, and it can be particularly stark at the regional or metro level. The Worcester, Mass., region (2,023 students per district) and Albany-Schenectady-Troy, N.Y., (2,423 students per district) have the smallest average enrollments of any metro area reviewed with at least 100,000 students. By comparison, only one local district serves the Las Vegas region, while just four operate in the Tampa-St. Petersburg, Fla., area. Both serve well over 300,000 public school students. Pronounced fragmentation carries several potential drawbacks. For one, inequities in spending can result from a dependence on property taxes that can vary greatly from district to district, says Kori Stroub of Rice University. Another oft-cited concern is that smaller districts lead to more racial segregation. Research on the issue is mixed. A study co-authored by Stroub and Meredith Richards of Southern Methodist University found that metro areas with more fragmented districts have higher levels of racial and ethnic segregation across districts, but less segregation within individual districts.

To better integrate schools, districts in a few areas enter into regional collaborative agreements. One of the oldest such efforts, in the Rochester, N.Y., region, allows students in the Rochester City School District to apply for transfers to some suburban schools, or vice versa. “If you’re in an area with a lot of fragmentation, those surrounding districts will probably be much different,” Stroub says. “Your metropolitan context matters.”

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The Push to Perform
Lawmakers want universities to accept performance-based funding.

There used to be an unwritten—and oft-repeated—understanding among state officials: Higher education expenditures were not going to be part of a statewide performance measurement system. Today, that notion is changing. At least 20 states are at some stage of developing performance-based systems for funding their universities, according to research done on behalf of Complete College America, a nonprofit organization. Although other sources offer up different numbers, all agree that this phenomenon is expanding.

To get a handle on the changes taking place, the Washington State Auditor’s Office reviewed the status of performance-based funding in a number of states. The report noted that Utah, which has had performance-based funding since 1999, added “mission-based funding” in 2012-2013. “Campuses propose specific metrics based on their distinct missions,” according to the Washington report. “Each institution specifies a description, rationale [and] outcome assessment criteria to measure success and budget implementation plans.”

This added specific institution-based measures to the more general, system-wide information that was already being reported.

The kind of measures used varies widely from state to state. In many instances, the performance measures are simple outputs, such as the number of students attending state universities. That’s hardly the kind of outcome measure that could be most helpful in evaluating the success of universities in achieving their missions. As Michael Pagano, dean of the College of Urban Planning & Public Affairs at the University of Illinois at Chicago, puts it, “Legislatures always want to know, how large are our classes, and what is the graduation rate after six years? When you have data like that, you know a student has a degree, but you don’t know if a student has learned anything.”

New Mexico announced that it was moving into a performance-based funding formula a couple of years ago. But the state has never established targets. “They haven’t told the institutions of higher learning what they want them to do,” says Charles Sallee, deputy director of the New Mexico Legislative Finance Committee. As a result, the performance measures in the funding formulas—including course completions, research grants and points for students who reach 30 and 60 credit hours—are only used to compare one state institution to another and to divide up the 5 percent of funding that is tied to performance. But the funding formula doesn’t really work. Each higher ed institution ends up competing, and it comes at the expense of the other institutions. “They’re cannibalizing themselves,” Sallee says.

One state that has added more results-based measures to its funding formulas has been Tennessee. In 2011, it adopted a new outcome-based model for the almost 5.5 percent of state appropriations governed by performance. The metrics include student satisfaction, job placement results, academic program accreditation, and the use of licensure/certification exams whenever possible.

In addition to the different measures states use, the degree to which they impact actual funding also varies place to place. In Illinois, only about 1 percent of funding was tied to performance, according to the Washington report. In Ohio, it’s been 10 percent and may be going up.
Increasingly, universities are actively involved in working with state legislatures to develop means for tying funding to measurement. “There’s been a recognition that there have to be at the table with the legislature,” says Bruce Vandal, senior vice president of results at Complete College America.

“This isn’t necessarily a sign of genuine buy-in. Rather, it may be a case of co-opting reality. If the legislature is going to pursue measurement as a means for funding universities, it’s better to help create the system rather than be required to comply with an approach developed without input.

Underlying that is a fact of life: Generally, colleges tend to be hostile to government oversight. “They don’t like accountability and they don’t like oversight,” says Michael Meotti, a former commissioner of higher education in Connecticut. “State institutions want to find ways to protect their own turf. Not every single one of them, but most of them.”

Of course, the goal of tying funding to performance is to focus attention on improving performance. The Washington report indicated that Oklahoma officials, who implemented performance funding in 2013, have shifted their focus from cost to improvements in higher education performance.

Still, some Oklahoma officials argue that it is difficult to change the thinking within higher education. Some presidents, they noted, are invested in the old system and have difficulty transitioning to performance-based methods.

It has long seemed to us that the best way to measure the effectiveness of higher education is on the value it adds. Universities that admit mostly top-notch students are inevitably going to find it easier to achieve a whole variety of goals. We’d argue that the universities that have lower admission standards could be more dramatically instrumental in raising the quality of their students’ professional and personal lives—and that is just the kind of thing that should be rewarded. Email greenebarrett@gmail.com

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**An Older, Poorer America**

As more aging residents slip into poverty, governments must be ready.

For at least one demographic group, the War on Poverty has been pretty successful. The percentage of older Americans living below the federal poverty line has decreased by two-thirds since 1966. That year, according to data from the Pew Research Center, 28.5 percent of Americans age 65 and over were poor. By 2012, that number had declined to just 9.1 percent.

But we may be at the end of that happy trendline. I think that over the next five to 10 years we will see a dramatic reversal in the economic fortunes of millions of our oldest residents. That has profound implications for governments at all levels.

The diminution of poverty among aging Americans has rested on a three-legged stool of Social Security plus traditional pensions and personal savings. The latter two reflect the general prosperity of the postwar period in which labor unions flourished and wages rose with productivity.

Those days of a rising and stable middle class are gone, of course. Beginning in the 1970s and accelerating after 1980, union membership declined sharply, and with it private-sector pensions. According to the Bureau of Labor Statistics, only about 22 percent of private-sector workers now have a defined-pension benefit, compared to 42 percent in 1999. And personal savings, which took a massive hit during the Great Recession, have not recovered. Nearly half of all workers over the age of 50—and 3 in 5 retirees—have less than $25,000 in savings and investments, according to research from AARP. On top of all that, today’s older residents are carrying significant and increasing amounts of mortgage, credit card and even student-aid debt.

You can put off retirement, and many do. The labor force participation rate for those 65 and older increased from 12.4 percent in 1994 to 18.6 percent in 2014. But you can’t put off aging. The collapse of incomes for this group when they no can longer work is going be a double hit for government, decreasing the taxes they pay just as they need more public services.

To the extent that they can, governments should be looking for ways to improve retirement security generally, such as with the government–administered retirement plans for private-sector workers being proposed or implemented by some states and cities. Governments also should be doing scenario planning for how they might deal with the consequences of dramatic increases in the elder poor, including looking at affordable housing, transit and health care.

Today children constitute the group most likely to be poor in America; more than a fifth of them are below the poverty level. But children don’t vote. Seniors do, and the anger we see among voters now may only be a forerunner of things to come. Given the size of the baby boom population, a return to the poverty rates that existed among aging Americans before the War on Poverty would result in more than 8 million newly impoverished seniors. They’re not going to sit quietly on a street corner with a tin cup.

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The Looming Mass Exodus in IT

States must develop new recruitment strategies to attract next-gen workers.

When New York state Chief Information Officer Maggie Miller testified in February before the state legislature, she warned lawmakers of a looming IT staff crisis. Within the next few years, she said, her agency expects to lose 25 percent of its staff to retirement. As those retirements unfold, they will reduce the average level of experience for senior state IT workers from 40 years to 11 years.

New York is not alone. Maine is also facing a mass exodus of its IT workforce. It estimates that 24 percent of IT workers are eligible to retire in the next two years. A National Association of State Chief Information Officers (NASCIO) report last year found that 40 percent of states expect that between 11 and 20 percent of their workers will be eligible to retire in the next year, while 86 percent found it challenging to recruit new workers to fill vacant IT positions. CIOs also cited a lack of funding for training as one of the top three impediments to developing, supporting and maintaining IT services, according to the survey.

State technology agencies are responding to the problem in several different ways, including hiring human resources directors who specialize in IT recruitment, developing internship programs to generate interest among young people and investing in training programs.

Colorado’s Office of Information Technology (OIT) faces the dubious task of trying to recruit new workers when unemployment in the IT field is at a very low 24 percent in the Denver region. “Just about everyone who wants a job in technology has one,” says Karen Wilcox, director of human resources at OIT. With the state unable to match private-sector salaries, recruiting workers to fill retiree and new slots isn’t easy.

Wilcox has shelved the old recruitment strategy known as “post and pray” in favor of more proactive approaches, such as widening candidate pipelines by seeking out IT workers through, for example, social media, software developer meet-ups and internships. The latter, in particular, is one way to engage future candidates who may still be in high school but want to learn about technology and the public sector.

Attracting IT workers in a red-hot tech market also calls for creative branding, says Wilcox. “We promote working at OIT by telling prospective candidates that we do important work. It isn’t boring work.”

OIT uses metrics to track how quickly it takes to fill positions—the average is 45 days, though more senior positions can take longer—and to measure job satisfaction. Colorado has also added training and development into the mix to keep IT skills up to date. “It’s a hot-button issue [that we need to] keep as current as possible,” Wilcox says.

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Nearly 32% of states say retirements have altered the way they deliver IT services and support.

Nearly 66% of states say that a shortage of qualified candidates for IT positions is hindering their ability to achieve strategic initiatives.

Nearly 92% of states say salary rates and pay grade structures present a challenge in attracting and retaining IT talent.

Nearly 46% of states report that it is taking 3-5 months to fill senior-level IT positions.

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Under Pressure
Utah, borrowing from big banks’ playbook, employs a fiscal stress test.

So far, 2016 has been a year of tempestuous economics. Record losses in the stock market. Slow job growth. Financial turmoil in China and Europe. For the first time since 2007, state budget planners are talking about the next recession.

That conversation naturally turns toward rainy day funds. These funds—sometimes called “budget stabilization funds” or “counter-cyclical stabilization policies”—are one of the few tools states can deploy to protect their budgets when recessions cause revenues to drop. The challenge, of course, is that putting money in a rainy day fund means limiting the state’s spending on highways, education, Medicaid and other needs. As such, one of the biggest challenges of state government finance is finding a rainy day fund amount that’s not too small, but not too large.

States will continue to work through this “Goldilocks” problem. But as they ramp up for the next recession, a few are bringing some new thinking to bear on right-sizing their rainy day funds.

The Great Recession drove home some crucial lessons about rainy day funds. Prior to that, decades of academic research argued that there’s no one-size-fits-all fund amount. This became crystal clear during the past recession. We saw how some states’ revenues were hypersensitive to movements in the broader economy. Others responded to energy prices, commodities, exports to foreign countries or other idiosyncrasies. North Dakota’s revenues actually grew. We learned that each state has its own optimal rainy day fund amount, and that amount varies a lot across the states. Traditional platitudes like the familiar “5 to 7 percent of annual spending” rule really don’t work.

We also learned that states don’t save nearly enough. Most burned through their rainy day funds in the first few months of the recession. This was no surprise. Bo Zhao, a senior economist at the Federal Reserve of Boston, found that most states cap their rainy day fund balances well below the amount needed to cover their typical recession-led drop in revenues.

All this analysis starts from a simple piece of conventional wisdom: The correct rainy day fund amount is the revenue a state will likely lose in a recession. This assumes, of course, that spending doesn’t change. The Great Recession blew that thinking. From 2008 to 2010 states saw record growth in unemployment claims, Medicaid caseloads, public university enrollments and other new spending needs. As such, one of states’ biggest conceptual and technical challenges today is how to work the spending side into their rainy day fund policies.

To that end, consider Utah’s recent experience. Last year its state budget staff subjected the state’s finances to a fiscal stress test. Instead of forecasting revenues and spending under normal economic conditions, they forecasted under conditions of severe economic stress. If this sounds familiar, it’s because the Federal Reserve requires big banks to go through this same exercise. For banks, the goal is to see how much capital they need to set aside. In Utah’s case, the goal is using its findings to set its rainy day fund amount for next year’s budget. The test has showed Utah that its rainy day fund is probably large enough to see it through the next recession. But more important, it has forced several key legislators to consider how certain spending items could quickly outstrip those savings. As a result, “proactive budget adjustment” is now part of the Utah rainy day fund lexicon.

It’s also worth noting this relationship works in both directions. Gary Wagner, a regional economic advisor at the Federal Reserve of Philadelphia, has shown that states with formal rainy day funds have more predictable spending trends than states without such funds. It seems that states with strong rainy day fund policies take steps to mitigate unpredictable spending that can render those policies less effective.

As a tool to stabilize spending, rainy day funds are far from perfect. But as we’ve seen in Utah and elsewhere, they can help to stabilize the often volatile policies of state budgeting. That’s why they’re more important than ever.

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It’s been a long time since Clark Kent could pop into a phone booth and emerge as Superman. There simply aren’t many walk-in booths left anymore. In New York, they’re being replaced with Wi-Fi hot spots as part of a program called LinkNYC, touted as the largest, fastest, free municipal Wi-Fi network in the world. The city began installing the sleek kiosks in December. Five hundred are due to be in place by August, with the goal of at least 7,500 across all five boroughs by 2024. Besides Wi-Fi, each station will provide two USB charging ports, a built-in tablet for Internet access, and a 911 call button. It’s all free, paid for with advertising revenue from each kiosk’s two 55-inch screens. But should you grow nostalgic for the classic phone booths, you can find four along West End Avenue on the Upper West Side. They’ve been saved—although the booths themselves have been refurbished, the phones have been updated and the calls are now free.

—David Kidd
Meaningful Engagement Matters.

Five cities – Albuquerque, Atlanta, Baltimore, New Orleans, and Seattle – are developing new practices that better engage low-income residents in civic life and public decision-making.

Follow their progress at www.governing.com/cityaccelerator

The City Accelerator is an initiative to speed the adoption of local government innovations to improve cities and the lives of their low-income residents.
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