

*The National Organization of
Individuals Professionally
Engaged in Government
Research*

Come Discuss Big Policy Issues in the “Big Apple”

This year's GRA Policy Conference will be held from July 25 to 29 in New York City. Like last year, the conference will be housed in a central hotel, the Affinia Shelburne, and sessions will be held at another site, the City University of New York's Graduate Center.

The Affinia Shelburne Hotel is centrally located (303 Lexington Avenue at 37th Street (see <http://goo.gl/1yUn>)) and is only a few blocks from the CUNY Graduate Center (see <http://goo.gl/tH1f>). GRA was able to negotiate a tremendous room rate, \$189 a night for single or double occupancy and plane fares to New York's LaGuardia or Kennedy airports tend to be fairly reasonable. So watch this space for more details and mark your calendars for July 25 to 29 and join GRA in NYC.



The tentative agenda (included on following pages) is shaping up nicely and promises to offer in depth discussion on many topics we are dealing with in our own state and local government research.

The conference will offer opportunities to attend a baseball game (the Yankees will be hosting the Royals in an afternoon affair on Sunday July 25); and there will be plenty of opportunities to check out attractions such as the Metropolitan Museum, the Museum of Modern Art, the Guggenheim, the Cloisters or many others. Further from the beaten path, consider the Lower East Side Tenement Museum, devoted to the immigrant experience, or the Museum of Sex, devoted to, well, sex. Bring the kids and visit the Bronx Zoo and the Statue of Liberty or take the Staten Island Ferry. And the King Tut exhibit returns to New York all summer at Discovery Times Square Exposition.

ALSO IN THIS ISSUE...

President's Message	2
Conference Agenda	3
GRA Awards	5
Notes from the Field	12
GRA Organizations in the News	14
Robert Queller: A Remembrance	18
Public Employee Pensions on the Front Burner ...	19

GRA President's Message

Spring is springing all around us, flowers are popping up, fruit trees are blooming, grass is greening, and so it's our annual time to start talking about your involvement with GRA! So much is going on for GRA at this time of year. We are anxiously awaiting your membership renewals, we recently invited you to participate in the annual GRA research awards competition, and we have wonderful news for you in this issue about this summer's GRA conference.



I want to thank Kent Gardner, David Liebschutz, Tammy Pels, Bob Ward, Dean Mead, and others in our GRA organizations in New York who are helping to organize this great conference in New York City. GRA hasn't been to NYC for a conference, at least as far as I can remember (with almost 20 years of involvement), and this is an exciting opportunity. I'm excited to talk about education, urban and state policy challenges, and to catch up with all of you on the great work you are doing. At this conference, we're trying to focus on fewer topics but go into greater depth on the selected subjects. I promise it will be thought provoking and worth the effort and cost to be there.

So, do you have some amazing research projects from the past year that deserve recognition? Have you been a catalyst for change in an important public policy area? Did you educate the public about a vital policy choice facing your region? I'm sure you have done all of that and more, and I encourage you to submit your entries for the annual GRA research awards competition that culminates at our conference in July. See later pages for the entry form and instructions. The deadline is May 28, so you've still got time to pull together a very impressive submission. Most every year, I volunteer to sit on one of the judging committees for these awards, because I find it so satisfying to see the great work being done around the nation by groups like yours.

And finally, please renew your membership in GRA – your annual dues help keep GRA going as a network of people united in the broad cause of helping government work more effectively. As I wind down my tenure as GRA President, I want to say that this is the professional organization from which I have received the greatest benefits in my career. Sure, it's small, but it's powerful! The people I associate with at our annual conference and in our work as a board of trustees are some of the greatest Americans I know. Keep up the great work, GRA members! And I hope to see you this July in New York City!

Steve Kroes
GRA President
President, Utah Foundation

Governmental Research Association

Annual Policy Conference

July 25-28 at CUNY Graduate Center
365 Fifth Avenue, New York, NY 10016

DRAFT Agenda

Sunday, July 25

BASEBALL! Join fellow baseball fans at Yankee Stadium to watch the Bronx Bombers take on Kansas City. GRA members will travel together by subway from the hotel. The game starts at 1:05 pm.

- Reception
6:00-7:30 pm
- Dinner on Your Own



Monday, July 26

- **Breakfast & GRA Organizations Roundup**

Steve Kroes, GRA President, Utah Foundation, moderator

- **Morning: Focus on Urban Education**

With over a million students, 1,600 schools, neighborhoods spanning 5th Avenue and the South Bronx, and 40% English-language learners, New York City has long been a “testbed” for new approaches to public education, particularly in an urban context. In multiple sessions, the GRA conference will use New York City to stimulate conversations about mayoral control, charter schools, teacher education and other critical issues.

- **Afternoon: Keeping Cities Afloat**

America’s cities are struggling to survive. Challenged in good times, the Great Recession eliminated any remaining financial cushion, cutting revenue and increasing need. With the specific challenges of America’s big cities, particularly New York, as a backdrop, we’ll spend the afternoon looking at ways that urban economies are coping.

Tuesday, July 27

○ **Morning: Politics & Policy in the States**

Whose state politics are the most dysfunctional? GRA members often engage in a bemused contest over such questions. Do you know which state has the most local governments per capita? Which state has sent the most governors to prison? Where are incumbent state legislators the most entrenched? Where do lobbyists have the best access? And where better to ask such questions than New York?

Tuesday morning will explore the root causes of political dysfunction, and discuss successes and failures in the never-ending struggle of GRA organizations to encourage sound public policy in a political context.

○ **Afternoon: Lunch and Activities on Your Own**

With the diverse attractions of one of the world's great cities at your disposal, the only problem is choosing how to spend your time. Check out the Metropolitan Museum, the Museum of Modern Art, the Guggenheim, the Cloisters or many others. Further from the beaten path, consider the Lower East Side Tenement Museum, devoted to the immigrant experience, or the Museum of Sex, devoted to, well, sex. Bring the kids and visit the Bronx Zoo and the Statue of Liberty or take the Staten Island Ferry. (Maybe you'll have to come to the conference early or stay later—it's New York City!).

○ **Awards Dinner**
6:00-9:00 pm

Join your colleagues in honoring some of the great work done by our peers from around the country. We'll announce the dinner speaker soon. Plan to be entertained and enlightened.

Wednesday, July 29

○ **Morning: The Practice of Public Policy in GRA Organizations**

Learn how to cope in difficult times by sharing your successes and failures with GRA colleagues.

○ **Conference Adjourns**

Conference Hotel

Affinia Shelburne, 303 Lexington Avenue at 37th Street (see <http://goo.gl/1yUn>)

The hotel is just a few blocks from the conference site at the City University of New York's Graduate Center (see <http://goo.gl/tH1f>)

GRA

GOVERNMENTAL RESEARCH ASSOCIATION, INC.

219 BROOKS HALL
P.O. BOX 292300
SAMFORD UNIVERSITY
BIRMINGHAM, AL 35229-2300
(205) 726-2482
Fax (205) 726-2900

March 18, 2010

Dear GRA Members:

Once again it is time for the Annual GRA Awards Competition, and we invite you to send your entries to the appropriate committee. I have enclosed a copy of the rules for the competition and an entry blank, which you can copy if you have more than one entry.

Each submission must be entered in one of the three award categories that are defined in Section IV of the rules, "Guidelines for Making Awards." These are Most Distinguished Research, Outstanding Policy Achievement, and Most Effective Education. The entrant will not specify the level of government to which the report is addressed; rather, the committee will make such distinctions. Each committee will bestow up to three awards in its area of focus, which may include an award for state government issues, local government issues, and regional or multi-jurisdictional issues. You will need to supply justification with each entry, which is intended to simplify the entry process and provide the committee with better information on which to evaluate entries.

If you have questions about the rules, please call the chairperson of the relevant awards committee listed on the next page.

One copy of each entry for an award, properly identified and labeled (see the rules, paragraph III.F), must be received by each judge of the appropriate committee, listed on the next page, no later than close of business on **May 28, 2010**, and an additional copy forwarded to Ms. Tammy Pels at Citizens Budget Commission, One Penn Plaza, Suite 640, New York, NY 10119 for display at the 2010 Annual Conference.

Sincerely,

James W. Williams, Jr.
Secretary

Enclosures (2)

Awards Committee for Most Distinguished Research

Kriss Sjoblom, Chair
Washington Research Council
16300 Christensen Road, Ste 207
Tukwila, WA 98188

Phone: 206-467-7088
Fax: 206-467-6957
E-Mail:
ksjoblom@researchcouncil.org

Dean Michael Mead
Governmental Accounting Standards Board
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

Phone: 203-956-5294
Fax: 203-849-9714
E-Mail: dmmead@gasb.org

Joss Sevin
Economy League of Greater Philadelphia
230 South Broad St. Suite 403
Philadelphia, PA 19102

Phone: 215-875-1000
Fax: 215-875-1010
E-Mail:
jsevin@economyleague.org

Awards Committee for Most Effective Education

Eric Lupher, Chair
Citizens Research Council of Michigan
38777 West Six Miles Road, Ste 208
Livonia, MI 48152-2660

Phone: 734-542-8001
Fax: 734-542-8004
E-Mail: elupher@crcmich.org

Lise Valentine
The Civic Federation
177 N. State Street, Suite 400
Chicago, IL 60601

Phone: 312-201-9066
Fax: 312-201-9041
E-Mail: lvalentine@civicfed.org

Mark Haveman
Minnesota Taxpayers Association
85 East 7th Place, Suite 250
St. Paul MN 55101-2143

Phone: 651-224-7477
Fax: 651-224-1209
E-Mail: mhaveman@mntax.org

Awards Committee for Outstanding Policy Achievement

Jennifer Pike, Chair
Public Affairs Research Council of Louisiana
4664 Jamestown Avenue, Suite 300
Baton Rouge, LA 70808

Phone: 225-926-8414
Fax: 225-926-8417
Email: jpikela-par.org

Stephen J. Kroes
Utah Foundation
10 W Broadway, Suite 307
Salt Lake City, UT 84101

Phone: 801-355-1400
Fax: 801-355-1470
E-Mail:
steve@utahfoundation.org

Marci Edwards
Public Affairs Research Council of Alabama
P.O. Box 292300
Birmingham, AL 35229-2300

Phone: 205-726-2972
Fax: 205-726-2900
Email: msedward@samford.edu

Conference host

Send one copy of each entry, properly labeled, to Tammy Pels at Citizens Budget Commission, One Penn Plaza, Suite 640, New York, NY 10119.

GRA REPORTER

RULES FOR THE 2010 GOVERNMENTAL RESEARCH ASSOCIATION ANNUAL AWARDS COMPETITION

I. PURPOSE OF AWARDS. The purpose of these awards is to recognize exceptional research and educational efforts regarding state and local governmental issues performed by staff members of governmental research agencies.

II. CATEGORIES OF AWARDS

A. Awards may be made in the following three categories:

- Most Distinguished Research
- Outstanding Policy Achievement
- Most Effective Education

B. The GRA Board of Trustees may create additional categories to meet special circumstances, provided such categories are in keeping with the overall spirit and purpose of the awards program.

III. ELIGIBLE ENTRIES

A. To be eligible for this competition, a governmental research agency must have now, and have had at the time the research was performed, at least one current dues-paying member of the Governmental Research Association.

B. Entries shall deal with governmental problems or issues and may be in the form of a single report or series of reports dealing with a single subject, or a single educational activity or series of activities. No agency may enter more than one report in each category.

C. No report may be entered unless the planning, supervision, research, and/or editing was primarily performed by the submitting agency.

D. Entries for Most Distinguished Research and Most Effective Education may include qualifying reports issued or activities conducted at any time during the preceding calendar year and at any time prior to the cutoff date for the current year's competition. If a series of materials or activities is entered, the series may have been commenced prior to the previous calendar year but must have been concluded within the time limits for the current competition. No report or educational activity, or series of reports or activities, may be entered in more than one annual GRA competition for these awards.

E. Entries for Outstanding Policy Achievement may include qualifying reports issued at any time, since the award is based on the results that follow from the research. Results may include, but not be limited to, cost savings in operations or personnel, or quantifiably improved delivery of government services or programs. However, the tangible governmental improvements and/or cost savings resulting from the research must have occurred during the preceding calendar year or in the current year prior to the cutoff date for the competition.

F. One copy of each entry shall be submitted directly to each member of the appropriate awards committee during the time period designated in the announcement for the competition. All entries shall be specifically marked "FOR GRA AWARDS COMPETITION" and shall indicate the category of award (from paragraph II.A, above). An additional copy of each entry marked as identified above, shall be sent to the host of the GRA Annual Conference for display purposes.

GRA REPORTER

G. A completed entry form and cover letter shall accompany each copy of the entry distributed to the awards committee members and the host of the GRA Annual Conference. In the cover letter, the submitting agency shall explain why its entry merits receiving the award for which it is competing. In other words, the cover letter should describe how the entry meets the award criteria presented in Section IV below.

H. Agencies submitting entries for the Most Distinguished Research award may append additional materials that are relevant to the entry and support its case for winning the competition. Agencies submitting entries for the Most Effective Education award are encouraged to append additional materials that are relevant to the entry and demonstrate that the agency's activities have successfully educated the public and/or public officials. Agencies submitting entries for the Outstanding Policy Achievement award are required to append supporting materials demonstrating that tangible governmental improvements and/or cost savings occurred during the preceding calendar year or in the current year prior to the cutoff date for the competition.

IV. GUIDELINES FOR MAKING AWARDS

A. Most Distinguished Research. This award shall recognize an outstanding research effort by a government research agency. The award shall be based on the challenge of the subject matter, the degree to which the study is groundbreaking, and how well the basic purpose of the report is carried out. Other criteria shall include: the use of new and/or innovative research methods, or new and/or innovative uses of existing methods; usefulness of the study to other states and/or municipalities; whether or not the subject is one of critical national, regional, or local concern or costs.

B. Outstanding Policy Achievement. This award shall recognize tangible improvements in public policy, management, service delivery, and/or cost savings resulting from the research and recommendations of a governmental research agency. The award may also take into account the qualitative characteristics of the relevant research. Although there is no time limit on when the report was issued, the results must have taken place within the period described in III.E, above.

C. Most Effective Education. This award shall recognize research and/or educational activities that are intended to educate the public and/or public officials on governmental matters, without necessarily embodying recommendations for change or improvement. The report and/or activities should have increased or broadened awareness or understanding of an important government issue, thereby enabling more informed public discourse and decision-making. The award shall be based on the informational content of the report and/or activities, and on the manner in which the subject matter is communicated to achieve the agency's educational purposes. Consideration shall also be given to the methods used to ensure the most effective and comprehensible communication, especially non-print and/or multimedia presentations.

D. An awards committee may present up to three awards in each category, based on the type of issues covered by the entries:

- One award for state government issues
- One award for local government issues
- One award for regional or multi-jurisdictional issues

E. An awards committee may decide that entries other than the winning entry are deserving of special recognition. If so, the committee may, at its discretion, award a "Certificate of Merit" to one or more noteworthy entries.

GRA REPORTER

F. For each winning entry, the GRA will also present individual certificates signifying the award to the employees of the submitting agency who were directly responsible for the direction, research, writing, production, and administration of the report(s) and/or activities.

V. AWARDS COMMITTEES

A. There shall be three awards committees for the GRA awards competitions: Distinguished Research Awards Committee; Effective Education Awards Committee; and Outstanding Policy Achievement Awards Committee. Each committee shall consist of current, dues-paying members of GRA appointed by the President of GRA. The number on each committee shall be not less than three nor more than seven, of whom one shall be designated chair.

B. Each awards committee shall consider the entries submitted to it and shall make such awards as the committee members in their discretion feel are appropriate.

C. The designated chair of each committee shall acknowledge receipt of each entry promptly by writing the entrant, and shall notify in the same manner any entrant whose entry is disqualified. The committee chair, after consultation with the GRA President or designee, may allow any member of the committee to postpone submitting an entry until the following year or excuse himself/herself from voting, if it is felt that consideration of such report(s) or activities by the committee would create a conflict of interest.

D. Upon completion of the committee's work, the chair shall inform the secretary of GRA in writing of the results of the committee's work. The committee report shall contain a list of entries for each award; any disqualifications, with reasons therefore; the committee's choices for awards and certificates of merit; and any recommendations the committee may wish to make about future awards competitions.

E. The committee chair or a representative shall present the awards at the GRA Annual Conference.

VI. PRESENTATION OF AWARDS

A. Awards shall be in the form of plaques and certificates, and shall be presented at the GRA Annual Conference. The GRA Secretary shall arrange for the production of plaques and certificates.

B. A plaque shall be presented to the designated winner, if any, of each of the three types of awards in each of the three types of research. The citation shall refer both to the type of award and type of research—for example, "Most Distinguished Research, State Issues."

C. A certificate, suitable for framing, shall be presented to the agencies whose entries were designated to receive a Certificate of Merit.

D. Certificates signifying that an entry has received a GRA award shall be presented to the individual employees of the submitting agency who were directly responsible for the entry, as described in Section IV.F. above.

VII. INTERPRETATION AND APPEALS

A. The GRA President, or a designee, shall have the authority to make appropriate interpretations of these rules and respond to any problems encountered by the awards committees in the course of carrying out their responsibilities.

B. Any decision to declare an entry ineligible may be appealed in writing by the entrant to the GRA Board of Trustees, whose decision on the matter shall be timely and final.

GRA REPORTER

ENTRY FORM 2010 G.R.A. ANNUAL AWARDS COMPETITION

Agency submitting entry _____

Award category: ___ Most Distinguished Research
 ___ Outstanding Policy Achievement
 ___ Most Effective Education

Title of entry: _____

Date(s) entry was published or conducted _____

Contact person _____

Address _____

Telephone _____

Fax _____

Email _____

Please list all persons directly responsible for the entry (for example, project director, author, researcher, word processor, publications coordinator, etc.)

Name	Title	Responsibilities

(Continued on next page -- please read on)

Cover Letter and Attachments

In a separate cover letter addressed to the members of the relevant awards committee, please explain why your entry deserves to win the award in the category selected above. This might include the basic purpose of the report or activities (what you were trying to explain), the goal (what you hoped to accomplish), and some background on why the issue is important to your government and might be more broadly significant to other governments. Include any information that demonstrates how your entry meets the awards criteria described in the rules for the awards competition. Please also include the following pertinent information for the appropriate award (see the awards competition rules for complete details):

Most Distinguished Research

Your cover letter should also summarize the publication's objectives, findings, and methodology.

Outstanding Policy Achievement

In your cover letter, please also describe the tangible results and/or cost savings that can be traced to your publication. You are required to attach materials documenting your influence and demonstrating the tangible results/savings, such as public documents, media reports, and comments from private and public officials.

Most Effective Education

You are encouraged to provide documentation that your research, educational activities, or advocacy have been effective in informing the public regarding an important issue(s).

Notes from the Field

BGR's Howard Appointed to Panel

Janet Howard, president and CEO of the Bureau of Governmental Research in New Orleans, has been appointed to a committee charged with establishing an inspector general's office for Jefferson Parish, Louisiana. The committee was created by the Parish Council and also includes representatives from the Jefferson Business Council, the Jefferson Chamber of Commerce, the West Bank Civic Coalition, the Metropolitan Crime Commission, and the Civic League of East Jefferson.

Wray Named Statewide Pennsylvania Economy League, Inc. Managing Director

The Pennsylvania Economy League, Inc. (PEL, Inc.) named **Steve Wray** as its managing director. Wray is executive director of the Economy League of Greater Philadelphia, PEL, Inc.'s affiliate in southeastern Pennsylvania. He assumed the rotating leadership position from Kathryn Z. Klaber, the former executive director of PEL, Inc.'s southwestern organization in Pittsburgh. As managing director, Wray reports to PEL, Inc.'s Board of Directors, which is composed of representatives from the boards of each of PEL, Inc.'s three affiliate organizations. PEL, Inc. also maintains an office in Harrisburg.

PAR Publishes Two Major Reports

The Public Affairs Research Council of Louisiana (PAR) published in January an in-depth research report evaluating recent changes to the state's ethics laws and enforcement process. A major finding of "The Unfinished Business of Ethics Reform" is that some of the changes made as part of the 2008 ethics reform movement have weakened the state's ability to monitor and enforce compliance with the laws. The report finds that some ethics laws were made stronger with more expansive campaign and personal financial disclosure requirements, enhanced expenditure reporting from lobbyists, and new limitations on gifts that public servants can accept.

However, changes to the ethics oversight process have undermined many of those improvements.

In December, PAR published "Public Mental Health Care in Louisiana," which evaluates the state's system of public mental health care. The report provides an overview of the system and focuses on several issues that are barriers for those who seek treatment for mental illness. The analysis finds that the system is biased toward expensive institutional care and does not have the capacity to treat many of those with mental illness.

Recent Doings at the Civic Federation

Congratulations go out to the Civic Federation for a major policy victory. In December 2009 the Cook County Board of Commissioners voted to roll back a one percentage point County sales tax increase by half. The Civic Federation opposed the 2008 sales tax hike as unnecessary and repeatedly called for its repeal, most recently in its analysis of the FY2010 Cook County budget. The Federation noted that the County should not have increased the tax burden on consumers without first making a serious attempt to rein in spending and improve efficiency. Sounds like a candidate for a GRA achievement award!!

The Civic Federation's Institute for Illinois' Fiscal Sustainability released a first-of-its kind report in January 2010 examining Illinois' FY2010 enacted budget. The study found that the state's deficit will total at least \$12.8 billion dollars by the end of the fiscal year and has been widely cited in media reports about the state's fiscal crisis.

The Federation released the first of four primers about Cook County's convoluted property tax system in November. Cook County Property Tax Appeals: A Primer on the Appeals Process with Comparative Data for 2000-2008 describes the assessment appeal process at the Cook County Assessor's Office and the Cook County Board of Review and includes data on the number and type of real estate

parcels filing appeals at those offices from 2000 to 2008.

The Federation's marathon local budget season stretches from July to December every year and includes the release of nine analyses of proposed local government budgets, large and small, from the City of Chicago to Cook County to the Metropolitan Water Reclamation District of Greater Chicago. The FY2010 season found Chicago area governments facing fiscal stress from underfunded pensions and the recession, with many unprepared for a severe downturn in revenues.

TACIR Garners National Recognition

The Tennessee Advisory Commission on Intergovernmental Relations' (TACIR) statewide Public Infrastructure Needs Inventory program was recently recognized by the National Association of Development Organizations (NADO) as a 2009 Innovation Award winner. NADO's annual innovation awards program has been recognizing creative approaches to regional community and economic development since 1986.

The Tennessee Development District Association presented the Advisory Commission with a plaque at the December 9-10, 2009, Commission meeting. Dr. **Harry Green**, executive director, TACIR, accepted the award on behalf of the Commission and staff. Dr. Green recognized the efforts of the TACIR staff involved in the daily operations of the infrastructure project: **Catherine Corley**, senior research associate, manages the project and **Janet**

Steen, business and systems analyst, is responsible for the development and implementation of the online system.

Ms. Corley and Ms. Steen have overseen development of an Internet accessible system that has made TACIR's infrastructure program far more efficient and timely. The system, which was the vision of Associate Executive Director **Lynnisse Roehrich-Patrick**, has built into it "intelligence" that takes the place of staff review and gives instant feedback on whether each project listing is complete and accurately recorded. The system has made it possible to complete the inventory in less time and with a smaller staff than it had five years ago.

The Tennessee General Assembly charged the TACIR with developing and maintaining an inventory of public infrastructure needs "in order for the state, municipal and county governments of Tennessee to develop goals, strategies and programs which would improve the quality of life of its citizens, support livable communities, and enhance and encourage the overall economic development of the state." This project is the result of that charge. To date, seven reports have been released presenting information from the inventory. Each report summarizes key information from the inventory and summarizes estimated costs of needs reported by local officials, statewide by type of need, by current stage of development, and by type of governmental entity responsible for the need. The reports are available on TACIR's website at www.tn.gov/tacir/infrastructure.html.

GRA Organizations in the News

A sampling of recent press coverage of research and educational efforts by GRA organizations...

Local community centers may be joining branch libraries on the chopping block, as city officials announced earlier this month that some centers will be closed as part of a sweeping overhaul to improve the system. “We will have a community center in every neighborhood,” Mayor Thomas Menino said in a March 4 speech at a **Boston Municipal Research Bureau** lunch, according to the city’s web site. “But as we look ahead, we may have to consolidate some under-utilized facilities so we can deploy more people in direct service positions and mentoring roles to our children.”

Community centers face closures Jamaica Plain Gazette, 3-19-10

Getting your property designated as “use value” is little like getting a huge gift from the taxman. Instead of paying a \$25,000 property tax on 37 acres of land, you might pay as little as \$60. But keep in mind, as **Janet Howard**, president and chief executive officer of the **Bureau of Governmental Research**, points out someone has to pay for the services government provides. “One man’s tax break is another man’s tax burden,” Howard said.

State senator, business partners get sweet tax assessment WWL-TV, 3-17-10

One of the concerns of the business community and taxpayers is that the legislature is calling taxes “fees” to get around the constitutional two-thirds vote requirement to pass a tax. This deceptive practice has caused an initiative to be launched in an effort to put a check on this procedure, which is adding to the economic burden of California businesses and citizens. The **California Taxpayers Association** and the California Chamber of Commerce head up the Stop Hidden Taxes Coalition. The Small Business Action Committee is a member. The coalition expects to qualify the initiative for the November ballot.

Stop Hidden Taxes Fox & Hounds Daily, 3-19-10

Far from being asked to sacrifice during the “Great Recession” that began in December 2007, the data indicate that state and local government workers thrived amid the economic misery afflicting most taxpayers. Since December 2007, the private sector in the Rochester region has shed 16,500 jobs, while the state and local government sector added 2,300 jobs — most in public schools, according to the state Labor Department. The average wage among Rochester-area private sector employees rose just 2.5 percent during the most recent two-year period for which data are available (second quarter of 2007 through second quarter of 2009). The average wage for the region’s state and local government sector rose a whopping 11 percent during that period. Wages are only part of the story. Based on an analysis of health costs, paid time off and other fringe benefits for some 24,000 local government and school employees covered by 94 union contracts in Monroe County, the **Center for Governmental Research** found taxpayers fund health and paid time-off benefits that typically exceed national averages. Monroe County taxpayers would save \$40 million annually if local government and school employees contributed to their current health benefits at the average national rate, CGR estimated. While private employers have taken the huge step of suspending contributions to employee retirement accounts, the cost of generous guaranteed pensions for state and local workers are poised to skyrocket over the next few years.

Opinion: N.Y. public workers thrived amid misery Rochester Democrat & Chronicle

On a good day, the unpleasant byproducts of human existence simply flow tepidly beneath their noses. On lesser days, unmentionable objects block the huge grates in the sewer channels. The workers descend knee deep into the muck and scrape at the dripping clogs. The gunk drips to their shoulders and splashes on their faces, working its way into pores and psyches. But many of the nearly 1,200 workers who process some 1.4 billion gallons of New York City sewage every day say they can handle those indignities. What disgusts them, what has tested sobriety, credit

ratings and marriages more than any stubborn stench, is the fact that their salaries have not budged, in some cases for as long as 15 years. In general, the city's municipal labor force has enjoyed nearly a dozen years of steady wage increases from the Bloomberg administration and the second term of the Giuliani administration. Most have seen salaries rise at a pace faster than inflation and better than the national average for both private and public employees, according to the **Citizens Budget Commission**.

It's the Stagnant Pay, Not the Stench, That Upsets Sewage Workers in the City
New York Times, 3-17-10

Sterling Heights has reduced library hours and Royal Oak is considering laying off police officers and firefighters. Branches of Warren's library may be at risk of closure, Detroit is considering closing all but two neighborhood city halls and the Troy City Council may approve a budget that calls for eliminating the library, nature center and museum. From the seemingly well-to-do to the perennially troubled, municipalities across southeast Michigan are cutting budgets to make up for millions in lost revenue... "We're in the process of creating a new normal," said **Eric Lupher**, director of local affairs for the **Citizens Research Council of Michigan**, a non-profit public affairs research organization. "Local governments are just having to go through this process of saying, 'What can we afford to do now?'"

Metro cities look at layoffs, closures
Detroit Free Press, 3-22-10

Future legislators and judges would qualify for less generous retirement benefits under a partial fix to the state's financially buried pension systems that passed the Illinois House Friday... Under the plan, which passed 109-0, incoming legislators and judges would have to wait until they are 67 to draw full pension benefits. Now, they can draw full benefits as young as 55 years old. The plan would base their pensions on 60 percent of their final salaries rather than the current 85 percent. Annual, post-retirement, cost-of-living adjustments would be capped at half the rate of inflation or 3 percent, whichever is less. Now, retirees in the General Assembly Retirement System and Judges Retirement System get automatic 3 percent annual increases... "While it's a positive first step, it's neither comprehensive nor does it ef-

fectively address the greater financial challenges facing the state," said **Laurence Msall**, president of the **Civic Federation**. Msall's group and Gov. Quinn have advocated major pension belt-tightening for state employees, university workers and suburban and Downstate teachers, as well. A plan pertaining to those groups is expected to surface as early as next week in the state Senate.

Pension fix starts in Illinois
Chicago Sun-Times, 3-20-10

Florida TaxWatch issued a report Wednesday that finds most Floridians acknowledge that the Save Our Homes amendment is flawed policy. The 1992 amendment to the Florida Constitution – which limits annual assessment increases to 3 percent – has resulted in "sometimes dramatically disproportionate tax burdens" among homeowners and is clearly "an unintended consequence of what has come to be regarded as a flawed policy," the organization said. The publication, titled "When Good Policies Go Bad: Unintended Economic Consequences of Assessment Caps," says that, in 2008, voters expanded the policy to include non-homestead properties because business interests convinced the Tax and Budget Reform Commission that they carried a disproportionate share of the overall property tax burden. Amendment 1 set an annual 10 percent assessment increase limit for non-homestead property.

Florida TaxWatch: Beware of Amendment 3
South Florida Business Journal, 3-17-10

Officials in Tippecanoe, Cass and Wayne counties say they could face a big increase in election costs because state legislators didn't approve extending the use of centralized vote centers where people can cast ballots regardless of their precinct... An analysis released in January by the **Indiana Fiscal Policy Institute** said all counties could save money if they switched to vote centers. The report showed that Marion County, which includes Indianapolis, could save more than \$300,000, for example, while Floyd County in Southern Indiana could save more than \$25,000.

Election costs to rise if pilot vote center program dies
Louisville Courier-Journal, 3-19-10

At an eerily quiet State House today, the hallways were all but empty, except for a few legislators and officials who let it be known that they were working. Evacuation Day be darned. Governor Deval Patrick invited reporters into his office, after talking about job creation with the chairs of Workforce Investment Boards from across the state. “We’re all working today,” he said to a gaggle of reporters. Patrick reiterated his support for abolishing the Evacuation Day and Bunker Hill Day holidays. “I think we can find other ways to honor and respect the historical import of Evacuation Day,” he said. Less than an hour later, about 10 House and Senate Republicans invited the press corps into a cramped Senate office, where the GOP had been talking about job creation with **Michael J. Widmer**, the president of the **Massachusetts Taxpayers Foundation**, and Bill Vernon, state director of the National Federation of Independent Business.

Working, kind of, in a quiet State House
Boston Globe, 3-17-10

Facing high joblessness and lagging state revenues, Pennsylvania’s lawmakers face the unenviable task of trying to boost the state economy on the cheap. Yet, from another perspective, the need to do more with less provides an opportunity. The state and its next governor have a chance to step back from 50 years of incremental layering of new economic development programs on top of old, and to launch a 21st-century approach to stimulating Pennsylvania’s economy that delivers a more robust prosperity... Pennsylvania has some of the most respected and pioneering Grow-Your-Own programs in the country. Philadelphia’s aptly-named Ben Franklin Technology Partnership, for example, is one of four centers across the state that Governor Richard Thornburgh established to accelerate the translation of innovative ideas into new products and expanding companies... From 2002 to 2006, according to a recent evaluation by the **Pennsylvania Economy League**, the companies that Ben Franklin has assisted delivered 3.5 dollars in state tax revenue for each state dollar invested in the program.

Towards A 21st Century Pa. Economic Development Strategy
The Philadelphia Bulletin, 3-19-10

Numbers crunched last week at a symposium on the pre- and post-Hurricane Katrina education of black children in New Orleans provide yet another example of a racial divide. Those numbers were from a survey of New Orleans voters for Tulane University’s Cowen Institute for Public Education Initiatives. They showed a higher percentage of white voters (80 percent) than black voters (57 percent) who say the state made the right decision in taking over most public schools in the city. Also, a significantly higher percentage of whites (44 percent) than blacks (24 percent) think the schools have improved since Katrina. While 63 percent of whites in the survey opposed returning control to the Orleans Parish School Board, only 49 percent of blacks surveyed were opposed... The same day incoming Mayor Mitch Landrieu named a study committee on the issue, the nonpartisan **Public Affairs Research Council of Louisiana** issued a report noting rising test scores and other improvements in New Orleans schools.

N.O. school system stirs opposition
Opelousas Daily World, 3-16-10

The **Public Policy Forum** last week assessed the Milwaukee region’s embrace of the innovation economy as a “work in progress,” but stopped short of prognosis or proscription.

Its snapshot, which it distilled into an Innovative Index, gave the four-county metro area what amounted to an incomplete grade, but almost none of its metrics put Milwaukee at or near the top of the pack of six comparable areas.

Milwaukee area’s entrepreneurial culture changing for better
Milwaukee Journal-Sentinel, 3-20-10

The promises that Rhode Island and its cities and towns have made to their current and future retirees without putting money aside carry a dollar figure that is big enough to buy 345,588 Ford Mustang GTs, 47,000 houses priced at the state median or several hundred of the finest mansions along the state’s coast. Put another way, the state’s unfunded retirement obligations add up to about \$9,400 per Rhode Island resident. All told, those promises come with a price

tag of \$9.4 billion — a number revealed for the first time in a report to be released Wednesday by the **Rhode Island Public Expenditure Council**.

**Public pensions underfunded by \$9.4 billion
Providence Journal, 3-17-10**

Gov. Rick Perry's campaign recently highlighted Houston Mayor Annise Parker's assessment that the city, under Perry's Democratic opponent, Bill White, spent more than it has taken in "for years." Yet Texas under Perry faces a shortfall of at least \$11 billion during the next two years and has propped up state coffers with federal stimulus dollars the governor claims to despise...For his part, Perry has ridden a wave of economic strength in Texas to political success. He has made economic development a centerpiece of his tenure and touts a recent Forbes article suggesting Texas is "a poster child for economic recovery." "Texas is still an excellent place to do business. We may not be growing, but our decline has been less than the rest of the nation as a whole," said **Dale Craymer**, a budget expert and president of the business-backed **Texas Taxpayers and Research Association**. "I think it's a fair brag."

**Governor's race may focus heavily on spending
Houston Chronicle, 3-22-10**

Legislators are now in special session and there's lots of talk in Olympia about jobs. At the same time, the governor, Senate majority leader and speaker of the House all have joined the environmental community as proponents of increasing the hazardous substance tax (HST) in Washington. We all want clean water, and our state undoubtedly faces challenges in cleaning up its waters. But should the vast majority of this societal burden fall on refinery workers and their families? Is now the time to force Washington consumers to pay higher prices, not just for fuel, but for many of the other products they buy? ... Last year, the **Washington Research Council** released an independent study showing that Washington's five oil refineries have a significant positive impact on our state economy. In fact, they calculated that our industry has a jobs multiplier effect of 10:1, meaning that each refinery job helps generate a total of 10 jobs throughout the economy.

**Guest Commentary/Taxation: Why You
Should Oppose a Hazardous Substance Tax
Increase
The Daily Herald, 3-16-10**

ROBERT L. QUELLER: A REMEMBRANCE

Robert L. Queller passed away on March 10, 2010, at the age of 80. Bob spent 43 years with the Citizens Research Council of Michigan, including 15 years as executive director. He will be remembered as a champion for better state and local government.

During Bob's time as a government researcher, CRC was involved in staffing the Little Hoover Commission in the 1950s; staffing the constitutional convention in the 1960s; drafting the revision of the 1918 Detroit city charter, serving as a sounding board for advocates of tax limitations that characterized the "tax revolt," and efforts to solve the state's fiscal problems in the 1970s; drafting the state's first county charter in Wayne County, efforts to solve the state's ongoing fiscal problems, resolution of the funding problems of the unemployment insurance trust fund, and served as a sounding board for the many efforts to provide property tax relief and school funding reform in the 1980s.

During his tenure as CRC's executive director, his leadership and actions consistently reflected the three principles of governmental research: accuracy, objectivity, and independence. Throughout his distinguished career, Bob served on numerous committees, commissions and citizens groups that addressed governmental structure and financing issues. He served as a member of

the board of trustees of the Governmental Research Association and was 1995 winner of G R A ' s Gruenberg Award to individuals who have made outstanding contributions to governmental research.



Bob was also a member of the National Council of the American Society for Public Administration. In retirement, he continued to serve on the Detroit Area Agency on Aging, and Adult Well-Being Services, and was a trustee of the Earhart Foundation in Ann Arbor.

A native of Indiana, Bob earned a degree from DePauw University, and earned a Masters of Public Administration from Wayne State University. He began his career with CRC in 1951 as an Upson Fellow. He served as director of research for 20 years before his appointment as executive director.

Bob is survived by Barbara, his wife of 58 years, four children and their spouses, eight grandchildren, and one great grandchild.

Public Employee Pensions on the Front Burner

Public pension funds are garnering a lot of attention these days as governments take a second (or hundredth) look at big ticket budget items as they struggle to make ends meet. A spate of reports on the dire funding situation for major government plans has raised the profile of pension issues from “concerns” to “crises.” The following are relevant links to recent articles and publications on the Internet.

- **Civic Federation**—Status of Local Pension Funding Fiscal Year 2008: An Evaluation of Ten Local Government Employee Pension Funds in Cook County
www.civiced.org/civic-federation/publications/fy2008statuslocalpensions
- **Rhode Island Public Expenditure Council**—Rhode Island’s State and Local Pension Systems and Other Post Employment Benefits
 - o **State report** www.ripec.org/matriarch/d.asp?PageID=66&PageName2=pdfsdoc&p=&PageName=2010+State+Pension+Report+Final.pdf
 - o **Local report** www.ripec.org/matriarch/d.asp?PageID=66&PageName2=pdfsdoc&p=&PageName=2010+State+Municipal+Pension+OPEB+Report+Final.pdf
- **The Pew Center on the States**—The Trillion Dollar Gap: Underfunded State Retirement Systems and the Road to Reform
www.pewcenteronthestates.org/report_detail.aspx?id=56695
- **PAYBACK TIME: Public Pension Funds Are Adding Risk to Raise Returns**, by Mary Williams Walsh, New York Times, 3-8-10—“States and companies have started investing very differently when it comes to the billions of dollars they are safeguarding for workers’ retirement...”
www.nytimes.com/2010/03/09/business/09pension.html
- **California Pension Costs Fuel Growing Anxiety**, by Richard Gonzalez, wbur.org, 3-22-10—“in his state of the state speech earlier this year, Gov. Arnold Schwarzenegger said California is “about to get run over by a locomotive.” Schwarzenegger was talking about the future costs of funding pensions for public employees. Currently, the tab is running at more than \$3 billion a year at a time when California is trying to close a \$20 billion deficit...”
www.wbur.org/npr/125011358
- **Opinion: Public Pension Deficits Are Worse Than You Think**—How can fund managers assume an 8% rate of return?, by Andrew G. Biggs, Wall Street Journal, 3-22-10—“Pension plans for state government employees today report they are underfunded by \$450 billion, according to a recent report from the Pew Charitable Trusts. But this vastly underestimates the true shortfall, because public pension accounting wrongly assumes that plans can earn high investment returns without risk. My research indicates that overall underfunding tops \$3 trillion...”
online.wsj.com/article/SB10001424052748704131404575117802635396116.html?mod=WSJ_Opinion_LEFTTopOpinion
- **Public Pensions Online** www.publicpensionsonline.com/
- **National Association of State Retirement Administrators** www.nasra.org/
- **National Conference on Public Employee Retirement Systems** www.ncpers.org/

GOVERNMENTAL RESEARCH ASSOCIATION

TRUSTEES

Erin Taylor, Cheyenne, WY
PH: 307/ 635-8761 erin@wyotax.org

Linda Brookhart, Springfield, IL
PH: 217/ 585-2370 linda@suaa.org

Marci Edwards, Birmingham, AL
PH: 205/ 726-2972 msedward@samford.edu

Rob Henken, Milwaukee, WI
PH: 414/ 276-8240 rhenken@publicpolicyforum.org

Jennifer Pike, Baton Rouge, LA
PH: 225/ 926-8414 jpikela@la-par.org

Phyllis Resnick, Denver, CO
PH: 303/ 554-9292 parterry@hotmail.com

Kriss Sjoblom, Seattle, WA
PH: 206/ 467-7088 ksjoblom@researchcouncil.org

Lise Valentine, Chicago, IL
PH: 312/ 201-9066 lvalentine@civicfed.org

Mark Haveman, St. Paul, MN
PH: 651/ 224-7477 mhaveman@mntax.org

OFFICERS

Steve J. Kroes, President, Salt Lake City, UT
PH: 801/ 355-1400 steve@utahfoundation.org

Kent Gardner, Vice President, Albany, NY
PH: 518/ 432-9428 kgardner@cgr.org

James W. Williams, Secretary, Birmingham, AL
PH: 205/ 726-2482 James.Williams@samford.edu

Eric W. Lupher, Treasurer, Livonia, MI
PH: 734/ 542-8001 elupher@crcmich.org

Editorial Staff

Dean Michael Mead, Editor, dmmead@gasb.org
Eric Lupher, Design, elupher@crcmich.org

The *GRA Reporter* is the official publication of the Governmental Research Association. Contributions of articles should be addressed to Dean Mead, reporter@graonline.org or c/o GASB, 401 Merritt 7, P.O. Box 5116, Norwalk, CT 06856-5116 (FAX: 203/ 849-9714). The staff reserves the right to refuse any articles not in keeping with the standards and purposes of the Governmental Research Association.

Public Affairs Research Council of Alabama
Room 219 Brooks Hall
P.O. Box 292300
Samford University
Birmingham, AL 35229

Address Correction Requested