Hannah News Service Ohio

NCSL 2026 Special Coverage

NCSL 2026 - CHICAGO, IL

Hannah News Special Coverage

Legislators from across the country gathered in Chicago for the ***2026 National Conference of State Legislatures (NCSL)****.* Hannah News *was there, providing special coverage of the workshops, speakers and seminars that address issues of concern.*

Pritzker, Huffman Talk Bipartisanship in Divisive Political Environment

CHICAGO – Personal relationships, focusing on policy not personality, acknowledging disagreement, and realizing the perspectives the other person brings to the debate are among the ways a panel of governors and legislative leaders said policymakers can turn a disagreement over issues into something that is productive.

Illinois Gov. JB Pritzker, Oklahoma Gov. Kevin Stitt, Ohio House Speaker Matt Huffman (R-OH), and Pennsylvania House Speaker Joanna McClinton (D-PA) opened the 2026 National Conference of State Legislatures (NCSL) annual meeting in Chicago Monday in a bipartisan discussion on how to lead through polarized times. The panel was moderated by Susan Urahn, the president and CEO of the Pew Charitable Trusts.

Each of the leaders discussed instances where they worked across the aisle to get something done.

Pritzker acknowledged getting both sides to agree on something is getting harder and harder but discussed his efforts to bring together a bipartisan vote on a budget in 2019. He said it starts with recognizing the person on the other side of the debate is a decent person and wants to do good. He said from his perspective, they were able to get so much done in 2019 because all of the sides already knew each other and focused on trying to find areas of agreement.

Huffman, who has served as both Ohio Senate president and House speaker, was asked about being able to negotiate between chambers and among different parties. Huffman said the most important priority to get to an agreement is to avoid "unnecessary conflict." He said there are people "we all know" who seek out conflict because it benefits them politically or monetarily, "or they are just not very bright or have some other personality disorder," and those people usually fail in politics as well as their personal life. He said there are also those who don't seek out conflict, but don't avoid it, calling that problematic.

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Those who can avoid unnecessary conflict usually succeed, he continued, because they're not building a barrier between themselves and the other person.

Stitt was asked about navigating through his role as chair of the National Governors Association (NGA) earlier this year after President Donald Trump refused to allow two Democratic governors – Maryland's Wes Moore and Colorado's Jared Polis – to attend an annual meeting at the White House. Stitt said he made it clear that the NGA can't be called a bipartisan organization if not all of its members are allowed to attend meetings. He said to Trump's credit, the president reversed and said everyone was invited. He added that Americans want to see more action, and while more and more Washington, D.C. is run by ideologues, governors are the ones who have to actually govern and get things done.

Pritzker praised Stitt for standing up and saying that partisanship has no place in what is supposed to be a bipartisan organization.

The panel was asked a lesson they learned in politics they wish they'd learned earlier. Pritzker discussed putting animosity aside after an election to get work done. He said he has seen a history in his state of administrations' rewarding only parts of the state that voted for them, adding he believes that is also happening in the White House, but he said elected officials need to remember why they ran in the first place. He said all of the leaders model that behavior in office in making sure they serve everybody.

Stitt echoed Pritzker, saying a governor is essentially the CEO of the state and it is their job to make the state the best they can.

"I also learned that some people are going to complain if their ice cream is cold. You can't make everybody happy. You've got to do your job," Stitt added.

Huffman pointed to the changing nature of political parties, and how their factions continue to form ad reform. He noted how five years ago, almost every private sector union member was a Democrat; now many are Republicans. Both parties need to acknowledge that to be successful, they can't pander to one or two factions of their party, he continued.

He also spoke on the good government occurring at the state level, and the federalism initiatives of the states.

McClinton said when she was first elected, she did not realize the incremental progress on an issue still equals progress, noting her work on legislation early in her legislative career on automatic expungements of criminal records. She said if she would have been told that bill would have taken five years to pass when she first introduced it, she would have rejected the notion, but now understands how it takes time.

"Incremental progress leads to good progress overall," she said.

Urahn noted Pew's saying that legislating is "a game of base hits."

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The panel concluded its discussion about the challenges of governing in America, and their hopes. Pritzker said he is hopeful how Republicans and Democrats in states are coming together to change ways of addressing issues, starting from different perspectives but having the same goal in the end.

He also said many don't realize the progress that Illinois has made, citing the state's now being in the top five for education or decreasing crime rates.

"We need to stop in my state denigrating who we were and recognizing who we are today," he said.

Stitt again cited work of the NGA such as its permit reform task force, with all sides recognizing the issue. He said America can't be a country that is governed by pendulum swings, where projects are cancelled because they come from a different guy. He said businesses need to be able to compete and not have to worry about who the new mayor or governor is.

Huffman said they all need to understand that the "weapons of disagreement are much greater now than 15 years ago" because of social media. He said that that they can acknowledge it, and try to do something about it, but they should not participate in it through social media.

"When you participate in it, you're augmenting it. You're adding to it," he said. While they may not be able to "stop the political grifters," they can make it better by not adding to it.

McClinton said it is up to political leaders to get the toxicity out of politics, and to be a leader, not a follower in an age of disinformation.

"We have to be the leaders and the peacemakers," she said. "It is up to us to show what the nation should be for the next 250 years."

Panelist Sees AI Implementation 'Not as Wave' But 'Task by Task' Evolution

CHICAGO – LinkedIn's Sharat Raghavan, Connecticut Sen. James Maroney and Utah Rep. Doug Fiefia all agreed that artificial intelligence (AI) has not proven to be quite the job disrupter that was feared two years ago at a similar session at the 2024 National Conference of State Legislatures (NCSL) Legislative Summit: Raghavan pointed out that ChatGPT first surfaced four years ago and questions are still being asked about how to incorporate it into the workforce, while Maroney described questions around AI as not about job losses but job changing.

Their comments came Monday during the NCSL session on "AI and the Future of Work" in Chicago.

Fiefia analyzed AI's impact as "not a wave, not a one-time event" but rather a task by task evolution. For example, he said, a nurse can use AI for charting but still has nursing duties that AI cannot perform.

Raghavan said at LinkedIn they have classified occupation exposure to an impact by AI as "insulated," "augmented" or "disrupted," with most of the changes falling into the "augmented" category. He noted that jobs are a mix of tasks, some of which AI can be used for but others -- which Maroney called "durable skills" such as communication and management -- for which AI can't be used.

In fact, Maroney repeatedly cautioned against using AI for "consequential decision-making." He said there is a difference between using AI to improve efficiency vs. making decisions. "Government is not like businesses – there is a higher cost of failure" which is why government needs to be more intentional and thoughtful about how it uses AI, he said.

Thoughtful deployment of AI was also a recurring theme with the panel.

Maroney quickly highlighted legislation he sponsored in Connecticut, SB5, which he said was written to protect constituents, promote growth and empower government workers to use it. Some of the provisions included creating an AI Academy in collaboration with Google to make training available so that workers can "crawl, walk, run" in their use of the technology. The legislation also requires AI exposure for K-12 teachers and commissions a study through the University of Connecticut on what metrics to use to assess the implementation of AI.

Maroney told a questioner that in Connecticut they solicit ideas from state employees about how to use AI and then they have a lab they run it through so that state workers can "buy in" to the change.

Another questioner raised the issue of an AI system having built-in biases and how that should be addressed. Maroney agreed that is a problem, that biases are "baked into society" and it is particularly a concern when looking at its use for consequential decisions.

Fiefia picked up on the idea of AI's use to improve efficiency. He noted that one does not demolish a house to remodel a kitchen, so it is important to look at jobs that can be "remodeled" by AI.

Asked by panel moderator Suzanne Hultin of NCSL which is in better position to regulate the use of AI, Congress or state legislatures, Fiefia immediately said the legislatures: "There is not even a word for how slow Congress moves." He went on to note that state legislatures control community college and university curricula, workforce training and K-12 education -- all places where exposure to and training around AI can occur.

Maroney cited uses for AI in upskilling workers, noting virtual reality can be used, as can modeling to help make better decisions.

Fiefia said, "AI is a prediction machine."

Raghavan touted how AI can help power "massive innovations" in health care, noting new drugs that have evolved, while Maroney noted how AI can be used in radiology to detect problems even earlier.

Asked by a couple of audience members about the necessary "guardrails" legislatures should enact, Maroney mentioned both a bill of his and Maryland's "government use" bill. Fiefia said legislation should address data privacy. He also said that Utah considered but did not pass a "Transparency Act," which included reporting mechanisms and whistleblower provisions.

Hultin asked the panelists what excites them about AI. Fiefia said the efficiencies that it can produce. He added that folks will then need to figure out how to use the hours saved -- "how to use the productivity gained."

Panelists Discuss NCSL Child Care Policy Recommendations, State Solutions

CHICAGO – As states across the nation grapple with how to address child care challenges ranging from affordability and access limitations to workforce shortages and low wages, a panel of legislative leaders gathered Monday afternoon in Chicago to discuss a new report released by the National Conference of State Legislatures (NCSL) presenting policy recommendations to help states tackle the multifaceted issue.

Moderated by Jenna Bannon, NCSL associate director of the Children and Families Program, the panel brought together Maryland State Del. Aletheia McCaskill; North Carolina Sen. Jim Burgin; Linda Smith, executive director of the Child Care Trust; New Mexico Sen. Linda Trujillo; and South Dakota Sen. Tim Reed for a conversation focused on the report, "Child Care at a Crossroads: A State Legislative Framework for Strengthening Child Care Systems."

The report, developed over the course of 2025 and 2026 by a bipartisan workgroup composed of 13 state legislators from across the country, highlights policy approaches aiming to "support working families, promote healthy child development, strengthen workforce participation and contribute to long-term economic vitality," according to NCSL.

As discussed by panelists during the NCSL session Monday, the report outlines seven recommendations for state policymakers. They include the following:

- Expand access and availability.
- Address affordability for families.
- Invest in the child care workforce.
- Modernize licensing and quality rating systems.
- Strengthen small child care businesses.
- Fund child care for the future.
- Elevate state early childhood governance and leadership.

Smith discussed the current child care landscape, saying the industry consists of 675,000 businesses across the country. She noted 85 percent of those to be small businesses serving 20 children or fewer. "That contributes to the stability issues that we have in the child care sector," she said, noting the loss of just one or two children could potentially shutter a single business.

Citing recent data, Smith said the actual revenue earned in the industry yielded $68.5 billion. She added that the industry employs roughly 2 million people. She said the median wage – which currently sits at $15.41 an hour -- is a problem and also noted the industry turnover rate is "very broad and very deep," roughly two and a half times what the national workforce turnover rates are, according to the U.S. Department of Labor.

"The cost of child care – no surprise to anyone here – is very high, averaging in 2025 over $13,000 a year," said Smith. "The costs do vary widely depending on the age of the child, with infant/toddler care very much the problem in the country – as high as over $27,000 a year."

Burgin, who co-chairs the North Carolina Task Force on Early Childhood Education alongside North Carolina Lt. Gov. Rachel Hunt, detailed the workgroup's recommendation that policymakers update planning, permitting and zoning requirements to streamline the rules where child care providers can legally operate. Noting a lack of facilities to have contributed to the issue, Burgin said regulations in North Carolina often were blocking the use of vacant buildings. He said policymakers began pushing legislation to revise those regulations, thus making vacant space available.

Shifting to discuss the role of child care in supporting a well-oiled economy, Reed said business leaders in South Dakota had cited a lack of child care as a problem contributing to workforce challenges.

"What we did is we brought together community leaders mostly, and business leaders, and then the school district and our local Boys and Girls Club came together … We sat down and figured out that … if the school district and the Boys and Girls Club could partner, then we could end up, you know, with a lot more slots, and it worked out very well," Reed said.

"The important part here is you do have to get your business community involved in this because it affects them," he added.

To help support and strengthen the child care workforce, Burgin said North Carolina had worked to ensure fair compensation, expand access to educational pathways and career advancement, offer employee benefits and support work environments. "We made the largest investment we've made in a long time in child care, over $80 million," said Burgin.

"We raised the child care subsidy rate to the 2023 market study, and we also put a floor on child care," Burgin added, noting a lack of qualified teachers to be another problem. "We've made the restrictions so high that by the time that they get enough qualified people on board, those people will go find other jobs, usually in the school system, so we're competing with schools," he continued. He said further he had been a proponent of starting day cares at community colleges in the state.

In other comments, McCaskill discussed the process of improving child care licensing systems and streamlining the oversight process and Trujillo detailed New Mexico's universal child care program, a feat she said had "been years in the planning."

Trujillo recalled the state's HB83, legislation she said established the Early Childhood Trust Fund. Those initial funds, according to Trujillo, were allocated from surplus revenue the state received from the oil and gas industry. She also noted the New Mexico Land Grant Permanent Fund, which she said also capitalizes off oil and gas revenue. In 2021, she said New Mexico voters approved a measure that subsequently allowed additional funding from the land grant fund to be invested in child care, thus paving the way for universal child care support.

The "Child Care at a Crossroads: A State Legislative Framework for Strengthening Child Care Systems" report can be accessed HERE.

Kalshi on Defensive As Prediction Markets Debate Boils Over

CHICAGO – Sara Slane repeatedly found herself on the defensive Monday morning as lawmakers and fellow panelists challenged her argument that prediction markets such as Kalshi are fundamentally different from gambling.

The discussion at the National Conference of State Legislatures' (NCSL) annual summit often shifted to a debate, with panelists interrupting one another, shaking their heads and openly disputing each other's characterizations of the rapidly growing industry.

Slane, who serves as head of corporate development at Kalshi and secretary of the Coalition for Prediction Markets, was the only panelist representing the industry. Sitting alongside her were two outspoken critics: Michael Hoenig, the vice president and associate general counsel for gaming for the San Manuel Band of Mission Indians in California, and former Trump administration official Mick Mulvaney, who now leads an advocacy group called the Gambling Is Not Investing Coalition.

The panel, titled "Behind the Bet: Inside the Prediction Markets," focused on a regulatory fight that has intensified as platforms such as Kalshi allow users to buy contracts tied to the outcomes of sporting events, elections and other real-world events.

Prediction markets have experienced explosive growth, particularly through sports contracts. Kalshi reported approximately $27 billion in trading volume during the 2026 World Cup alone, according to Reuters. However, the growth has also fueled lawsuits over whether the contracts are federally regulated financial products or gambling that must comply with state licensing, taxation and consumer-protection laws.

That legal fight is already playing out in Michigan where Attorney General Dana Nessel sued Kalshi in March, alleging the company was operating an unlicensed sports betting platform. Nessel secured a restraining June 29 temporarily preventing Kalshi from offering online sports wagers to Michigan residents.

Slane argued that Kalshi operates an exchange where customers trade contracts with one another, rather than betting against the company as they would with a traditional sportsbook acting as what she referred to as "the house."

Hoenig, representing gaming for the Yuhaaviatam of San Manuel Nation in California and an Indian law expert, said that distinction did not change the nature of the transaction.

"Just because there's no house doesn't mean that it's not gambling," Hoenig said.

He pointed to pari-mutuel horse racing and tribal bingo as forms of gambling in which players compete against one another while an operator collects a fee rather than betting directly against them.

Mulvaney made a similar argument using a hypothetical wager on a Chicago Cubs game.

If two people bet $20 against each other on the outcome of the game, Mulvaney said, they would plainly be gambling. He explained that having a company introduce the two bettors and collect a fee would not transform the transaction into an investment.

“Changing how you get paid doesn’t change the nature of the underlying transaction,” Mulvaney said. “The underlying transaction is betting.”

“And by the way, I’m good with it. I used to be a state legislator in South Carolina. Right, you look at the only member of Congress who’s won two poker tournaments in Las Vegas. I am not anti-gaming.”

His concern, he said, is that federally regulated prediction markets can offer sports contracts in states whose elected officials have chosen not to legalize sports betting.

Slane responded that an exchange is “fundamentally a different model” governed by the federal Commodity Exchange Act.

She said Kalshi underwent a three-and-a-half-year licensing process with the Commodity Futures Trading Commission, or CFTC, before opening its exchange and is now involved in litigation with approximately 20 states, as well as tribal litigation.

Slane acknowledged the regulatory questions would probably have to be resolved by the U.S. Supreme Court. She said Kalshi is willing to discuss state taxation and partnerships with tribes, including arrangements under which tribes could operate exchanges themselves rather than receive a traditional revenue-sharing payment from an outside sportsbook.

Hoenig said tribes “rightfully” view some of these prediction markets as gambling, but also as existential threats to tribal sovereignty, self-determination and self-governance. Their main concern, he said, is with those pertaining to sports and “casino-style games.”

Gaming has brought countless tribes out of abject poverty and allowed them to provide services to their citizens like health care, housing, education, infrastructure and other governmental services, he said.

He said that if prediction markets are ultimately allowed to operate on sports outcomes as they intend, he does not know what lawmakers could do to fully protect the value of existing tribal-state gaming compacts.

The panelists also clashed over whether the CFTC is equipped to oversee products that critics say function as consumer gambling.

Mulvaney, who previously led the federal Consumer Financial Protection Bureau, said the CFTC is designed to protect financial markets rather than individual consumers.

States that authorize sports betting generally impose age restrictions, problem-gambling requirements, self-exclusion programs and other safeguards, he said. Prediction markets can generally accept users beginning at age 18, while sports betting is commonly restricted to those 21 and older.

Slane called the suggestion that the CFTC could not protect consumers “patently not true.”

She said Kalshi is regulated “like a bank” and verifies customers’ identities, follows anti-money laundering rules and offers deposit limits, timeouts, self-exclusion and mental health resources. A single federal regulator can also apply protections nationally, she said, unlike state self-exclusion programs that may end at a state border.

The disagreement sharpened when Slane said critics are “fearmongering” by suggesting prediction markets would eventually offer casino-style games.

Slane said Kalshi would not offer such contracts and maintained that the CFTC’s developing regulatory framework would prevent games based purely on chance.

Hoenig pushed back on Slane’s notion of fearmongering, saying the CFTC has defined gaming broadly enough to include sports betting and casino-style games, while proposing to evaluate contracts individually. He noted that activities involving an element of skill, such as poker, could receive different treatment than games of pure chance.

“With all due respect, we were also told that prediction markets wouldn’t go into sports betting, and they have,” Hoenig said. “So again, I don’t think it is fearmongering, and you know, I’ll take you to your word that you’re not going to do it.”

Mulvaney then jumped in, questioning how Kalshi’s no-house distinction would prevent other exchanges from offering contracts tied to roulette or similar casino games.

“If I want to bet on red, and he wants to bet on black on a roulette wheel, and all they do is introduce us, isn’t the logic the exact same?” Mulvaney asked.

Slane interrupted to say a contract must involve an economic consequence and that Kalshi’s argument did not rest solely on whether the platform acts as the house.

"That is a distinction," she said.

The scrutiny intensified when the panel opened for audience questions.

Rep. Tarik Khan, a Pennsylvania Democrat, asked why Kalshi's advertisements do not carry the same problem-gambling warnings required of sportsbooks.

"I don't think you're fooling anyone," Khan told Slane. "I think this is gambling."

Slane said Kalshi had partnered with the National Council on Problem Gambling despite knowing the decision could be used to portray its products as gambling. She said the company chose to participate because it wanted to provide stronger consumer protections.

Sen. Dan Dawson, a Republican from Iowa, followed with what he acknowledged was more of a statement than a question.

He recounted learning that a group of 18-year-old high school graduates from his son's school had used Kalshi to trade on World Cup outcomes. States, he said, would ultimately be responsible for "picking up the pieces" when younger users experience financial or behavioral problems.

The senator also criticized prediction market companies for failing to provide Iowa lawmakers with information about how many residents were using their platforms. He said Kalshi filed a federal lawsuit against Iowa shortly after company representatives met with state officials about proposed taxation.

"The legal atmosphere, as well as the interactions at the state level thus far, has not proven the relationships being built here," he said, raising his voice.

Slane thanked him for his candor and said Kalshi remained willing to have those discussions. She also said the traditional gaming industry, rather than Kalshi, had ultimately helped defeat Iowa's tax proposal.

Another audience member asked how states should address insider trading when contracts can involve elections, sports, government decisions, weather and other subjects in which some participants may possess privileged information.

Slane said Kalshi proactively bans certain politicians, athletes, referees and others with inside knowledge from trading on relevant contracts. She said the company has frozen suspicious accounts and referred potential violations to federal regulators.

Mulvaney credited Kalshi with taking the issue seriously but warned that lawmakers would continually have to anticipate creative forms of manipulation.

When moderator Reid Wilson, founder and editor of Pluribus news, asked what lawmakers should keep in mind as they begin crafting legislation for next year, the panelists remained divided.

Slane urged lawmakers to maintain a dialogue with prediction market operators and said Kalshi was open to consumer-protection requirements and a "reasonable tax framework." But she cautioned that states could not effectively prohibit the industry by imposing excessive taxes.

Hoenig told lawmakers to examine the unintended consequences of legislation. A bill setting the minimum age for prediction markets at 21, for example, could inadvertently imply that the products are otherwise legal, he said.

Mulvaney offered lawmakers a more direct warning: Watch what happened in North Carolina, where prediction markets and traditional sportsbooks now operate under different regulatory and tax structures.

"My guess is that discussion is happening in your state legislature at some level right now, even if you don't know about it," Mulvaney said. "If you don't like what happened there, then see what's happening here today."

Panel Talks Benefits of Distributed Energy Resources

CHICAGO - With energy demand increasing, one answer may lie within local communities, and one Ohio state representative said the interest in the private sector is there.

Rep. Sharon Ray (R-Wadsworth) joined a panel at the National Conference of State Legislatures (NCSL) annual meeting in Chicago to talk about distributed energy resources (DERS) and her legislation that would create a community energy pilot program.

According to Brian Watts, an energy modernization officer at the Pew Charitable Trusts who moderated the panel, DERS are technologies that are closer to homes and businesses where energy is needed, and can include generation such as rooftop and other small solar projects, energy storage technologies such as batteries, and technologies to manage the use of electricity such as smart thermostats. DERS help to build resilience in the system and keep energy affordable while meeting demand, he said.

DERs can be operated individually, be aggregated by grid operators as a “virtual power plant” (VPP) to help balance electricity supply and demand, or be grouped into microgrid systems that can operate independently from the larger grid, providing communities with greater resilience to extreme weather events, according to PEW.

Ray spoke about her HB303 (Ray-Hoops) and the challenges of trying to convince her skeptical colleagues of the benefits of community solar projects.

She said almost 50 percent of her district is municipal power, and their rates are much less expensive, with many of the municipalities using community energy. She also pointed to small solar fields in their districts, which they have pulled from when there has been long stretches of hot weather.

Ray noted Ohio is in an energy deficit and is an importer of energy, and they are trying to find ways to bring in energy more quickly. They are also looking at resiliency and security factors.

The bill passed the Ohio House 77-8 last year but has not yet received a first hearing in the Senate. Asked how the bill was able to get a large bipartisan vote, Ray said it took a lot of education for her colleagues. She noted the advent of large industrial sized solar fields that came into the state several years ago, and the issues that revolved around those facilities left a “very bad taste” in her fellow legislators’ mouths. She said that she had to talk about the size of the community projects, adding that they also had someone take drone footage of the local solar fields to help make their case and show their size.

She said she told her colleagues that when the lights go out, how are they going to tell their constituents that they did not take one of the easiest steps that would not cost their constituents money, noting that the investments being made are coming from the private sector.

“I think that resonated with a lot of my representatives,” she added.

She was joined on the panel by Utopia Hill, CEO of Reactive, an independent power producer that has projects in 26 states, including DERs. She said the question is about how to ensure energy is affordable and accessible for everyone. DERs allow that to happen, she added.

Logan Atkinson-Burke, executive director of the Alliance for Affordable Energy, a 40-year-old consumer and environmental activist in Louisiana, and another panelist, discussed living in an area that is constantly under threat of hurricanes but also continues to invest heavily in gas to power its electric grid. She said communities in the state are pushing for more options such as DERs in the wake of recent storms, including one that hit New Orleans and knocked out power for 10 days.

Atkinson-Burke said one solution for power outages that communities have looked at is the idea of a community lighthouse where people would be no more than a 15-minute walk to someplace they can keep cool, charge their phones, or keep important items like medications properly refrigerated.

The danger, she said, is the solution may be to just add a new gas or diesel generator to a community center or police station. Not only does that put more reliance on fossil fuels, she said, but it also creates an investment that is only used in a crisis, rather than something like a DER that can work every day of the year. It can be used to reduce the cost of power spikes as well as larger investments.

Asked about barriers to getting DERs utilized more, Ray replied, “This is not a sexy fun area to talk about.” She said a lot of her fellow legislators are new to this topic, and there are a number of different levels to it. They are also hearing the other side from the traditional investor-owned utilities.

She said she has found the best way to describe DERs is to compare it to a teakettle boiling over, with DERs providing a way to relieve the pressure from that teakettle. She said she believes a lot of the discussion is education.

Ray compared the concept to recycling decades ago, where it took a while to catch on, then more people wanted to do it, and now everyone expects it. She said anything they can do to expand a variety of energy resources is a win for consumers, adding that people want to participate even if it costs more because they see the benefits in the long run. “It may just take a while to get there.”

Atkinson-Burke also noted the speed in which DER projects can be deployed, with projects coming online within 18 months of their start. She also spoke about the importance of educating others on the technology, adding that sometimes it comes with experience in the every day world.

Asked about cost shifting with DERs, Ray said under her bill the Public Utilities Commission of Ohio (PUCO) will be involved with rate setting, also noting that the bill itself prohibits rate shifting. She called it an “unqualified argument,” saying the “miniscule amount” of any shifting will be offset by the socialized savings.

“I think at some point in time, it is for the greater good,” she added while reiterating her bill creates a pilot program.

Sports Gambling Panel Focuses on Importance of Prevention, Research

CHICAGO -- Lawmakers should consider focusing more on prevention of problem gambling behaviors and include support for research and monitoring in their sports gambling laws, panelists at a National Conference of State Legislatures (NCSL) Legislative Summit session said.

The session, “Beating the Odds of Sports Betting Addiction,” featured a discussion among Rachel Volberg, research professor of epidemiology who specializes in gambling issues at the University of Massachusetts Amherst; Anthony D’Angelo, head of responsible gaming for Fanatics; and David Sasaki of the American Institute for Boys and Men.

Sasaki said in the pandemic era, sports gambling companies “got everything that they asked for in states when it comes to legalization,” which he said means there is not enough variation among states’ policies to get the benefit of testing different approaches. He argued for putting more “friction” into the sports gambling experience, pointing to a recent Colorado law that instituted daily deposit limits.

“I hate comparing cycling and sports betting … but I think it’s an apt analogy,” Sasaki said. “As a legislator, or someone who thinks about public spaces, the question isn’t how can we help hospitals and the health care system take care of people as well as possible after they fall off their bike … the question is, how can we improve bicycle safety so there are fewer accidents.”

“Let’s focus our policy mind on prevention,” he said.

He argued in favor of requiring sports gambling platform customers to opt out of problem gambling prevention measures, like the deposit limits, rather than requiring them to opt in.

D’Angelo said Fanatics is “involved in a customer’s journey early and often” when it comes to responsible gambling practices. The company allows customers in some states to set wagering limits when they register with the platform, and they regularly remind them of tools and resources available to help.

D’Angelo also said the company is working to overcome stigma related to these resources, saying some customers will think they’re not problem gamblers and therefore don’t need the help. “It should be felt more like a helmet when you’re going skiing, like a seatbelt when you’re in a car.”

“We offer customers an incentive to set a limit, and we target customers who’ve never used the limit before on our platform … we offer them a $5 fan cash incentive,” he said. “Getting responsible gambling tools and resources in front of customers early in the journey is going to help us in the long run.”

Volberg said she reviewed legislation in the 30 states that legalized sports betting from 2018 to 2022, and found only half had specifically allocated funding for treatment services.

She said lawmakers have the opportunity to require operators to share data in an anonymized way so they can better understand trends in the industry.

D’Angelo said in Ohio, the Casino Control Commission can compel platforms to share data. He said the recently-formed Responsible Online Gaming Association (ROGA), whose members cover about 85 percent of the regulated market, is undertaking initiatives for collaboration across platforms, including shared exclusion lists.

Expert Warns Not to Misdiagnose Causes of Energy Affordability

CHICAGO – As energy demand booms in part due to data center growth and increasing electrification, one expert told an audience at the National Conference of State Legislatures’ (NCSL) annual meeting that there is a risk that the causes of increased energy costs will be misdiagnosed and lead to shortsighted response strategies.

Ryan Wiser, a senior scientist at the Lawrence Berkeley National Laboratory, spoke on a panel addressing the balancing act of energy demand and affordability, saying that while there is plenty of discussion about an affordability crisis when it comes to energy, the data tells a more nuanced story with “significant regional differences.”

While nationally it is true that retail energy prices increased substantially over the last five years, those increases have largely tracked inflation on a national scale, he said. However, in the last year, most states have seen their increases come in above the national inflation rate. He also noted with residential prices, the proportion of average income to electricity bills has increased, but it is still well below 2010 levels and near all-time lows.

He said he is not saying there isn’t a set of electricity affordability challenges around the nation, but that they are a set of regional issues, not from the same cause.

On the drivers of increased prices, Wiser said there are a couple of scapegoats, mainly hyperscalers such as data centers, as well as PJM Interconnection auction increases. But he pointed to three other causes as well.

The single largest driver of price increases is what Wiser called “the boring stuff” in transmission and distribution – “the poles and wires.” Due to increased investment in infrastructure in some states, especially California, New England states and New York, prices have gone up as aging assets are replaced. In those states there has been no load growth, he said. Much of the increased costs of those projects have been exacerbated by supply chain issues over the past few years, he continued.

Clean energy policies also play a role, he said. While Wiser is not rendering a judgment on those policies, he said there is little doubt that there is a subset of states where renewable policies have been contributors to price increases.

Another factor he highlighted was an increased cost of natural gas. He said the country has been blessed with low-cost natural gas, but the price is volatile, and that volatility can bite customers. He said in 2024 and 2025, natural gas price increases have been a large driver of increased energy prices.

He also said the relationship between load growth and increased prices is mixed. He noted that over the decade or more, states that have seen the most load growth have also had better prices, while those with shrinking load growth have seen higher prices.

“The reality in the industry is that load growth tends to push prices down rather than up,” he said.

Still, he said the magnitude and the direction of the price impacts is not preordained, and it will depend on policy planning and market planning that is determined by state legislators, utility regulators, market operators, and utility operators. He added that it may get worse before it gets better absent thoughtful planning and responses.

He was joined on the panel by Bridget Bartol of the National Electrical Manufacturers Association; Craig Sundstrom, head of energy and sustainability policy at Amazon Web Services (AWS); and Kim Janas, counsel to the Illinois attorney general and president of the Consumer Advocates of the PJM States. The panel was moderated by Illinois Sen. Sue Rezin.

Sundstrom said AWS is building to customer demand who are telling the company that they want to do more with the cloud and with artificial intelligence tools, which is driving their demand for energy. He said Wiser’s overview highlights the challenges of energy costs and its complexity.

He said it is important to understand that data center energy usage “is not a monolith,” and companies like his have been doing it for more than a decade while innovating in the way it procures power. He said their goal and commitment is that they will not be responsible for increased prices and will pay for their costs, but that will take partnerships with regulators, energy companies, and interested parties to help determine what the share of those costs are.

Janas said that while her group does not deal in scapegoats, the rise in costs is specifically attributable to data centers, pointing to PJM’s recent auctions.

She added the concern that the infrastructure buildout of data centers will not have the demand in the future and will leave consumers paying for it. Ultimately, she said costs need to be assigned to the “cost causer,” with large load users paying their costs up front. That is not how the system works now, she continued, and many of the costs are socialized, but in the past they have not seen the large load growth they are seeing now. She said they need to rethink models they have for assigning costs for data centers because they don’t meet the old paradigm.

Asked what types of legislation policymakers should be looking at to address the issue, Bartol said lawmakers should direct regulatory commissions to examine grid enhancing technologies, adding they don’t need to rebuild the whole grid. She said significant work can be done to understand how new technologies can be utilized.

She also said regulatory commissions should also be directed to look at all technologies, adding there are real opportunities in tools such as distributed energy resources, which are technologies like community solar and batter storage projects.

Sundstrom said lawmakers should preserve the public utility commissions’ oversight over these issues and empower them to ask the right questions but not tie their hands through statutes. He said the proceedings of those commissions are adjudicated, adding that he believes that creates better outcomes for all ratepayers.

Mapmakers Discuss Census Data in Forming Legislative Maps, Possible Effects of AI

CHICAGO – A map used for redistricting is only as good as the process behind it and the data that informs that process, according to a panel on redistricting Monday at the National Conference of State Legislatures (NCSL) Legislative Summit in Chicago.

The demographic and geographic data that inform states’ legislative and congressional maps begin with decennial census data from the U.S. Census Bureau (USCB), but that data is by no means counted just once every 10 years.

Gina Wright of the Georgia General Assembly's Legislative & Congressional Reapportionment Office said her state is continually updating its precinct lines at the state level using local input in between federal censuses.

James Whitehorn, USCB Chief of Redistricting and Voting Rights Data Office, said that since the 2020 census, USCB has tracked over 1,400 changes nationwide to the boundaries of cities, villages and townships.

Beyond geographic changes in how the census is measured, various demographic changes stand to affect the counting in the next decennial census in 2030.

Anthony Fairfax, CEO of CensusChannel LCC, said that census tracts or precincts normally try to group populations together on demographics including income, education, housing values, and language used at home into what he called communities of interest. During state-level redistricting of legislative maps, effort is made to keep communities of interest whole.

However, Fairfax said, precinct data may not always follow census geography, and precincts can change during the decade between censuses and after each election in trying to keep whole subdivisions like school districts and utility boards. Mapmakers may try to project the data that will inform future maps in advance using third-party datasets including information about health attributes in a population or the land's agricultural use.

John Morgan, president of Applied Research Coordinates, said his focus on legislative mapmaking is what happens next after the maps are made including census data, adding that data isn't the finished process. It's a process in itself.

Morgan said people use the phrase 'redistricting data' as if that is one thing, but it isn't. Rather, the data includes demographic attributes based on population size. A district may come close to its prescribed population number, but legislative mapmakers may have to break up towns or other communities to get to the number of people within a zone.

That gives each election cycle its own vintage, said Morgan, and each vintage then also influences each election cycle that comes after it. Relevant questions then become who receives and verifies the census information files maps are based on? Who documents the transformations between each cycle? Who preserves the original and derived versions of the data? Who can explain the dataset years later?

States like Georgis require each census tract to report that data, but other states like Ohio do not, said Morgan. Additionally, states including California don't equalize the land tracts based on population, and they try to count people in institutions like prisons at their previous home address.

Voter data, separate from total population data, can also be broken down into census block data by party affiliation, though that information taken as census data doesn't include vote or election results.

Census data can also inform future planning for areas like housing, said Morgan.

"Metrics inform judgment. They do not replace it," he said, but the map should make the story visible. Does the map satisfy population requirements? Does it follow legal and constitutional criteria? Are the data methods documented?

Fairfax noted that elections litigation can be based on either the granular data compiled for a decennial census or American Community Survey (ACS) data, which is sampled in one- or five-year increments. ACS data may differ from census data due to yearly changes in citizen voting age population or various socioeconomic data.

Atop all these fluid methods of tabulating census data, Wright said the question is no longer whether artificial intelligence (AI) will be part of redistricting. The questions are where, when and how AI will be used to calculate census information and subsequently draw maps. Wright said somebody still has to tell the AI which method is better, and so a human will still ultimately control the process.

"We're still map engineers," said Wright. "We're just dealing with a new interface."

Panel Discusses 'Lonely' Job of Being House Speaker

CHICAGO – What is it like to wield the gavel of a state's House of Representatives? It's a lonely position that can be misunderstood by the public and fellow members, but it can be energizing when you see how policy can impact people's lives.

That is among the insights four chamber leaders from around the country shared during a panel at the National Conference of State Legislatures (NCSL), which featured Oregon Speaker Julie Fahey, Utah Speaker Mike Schultz, Delaware Speaker Melissa Minor-Brown, and Kentucky Speaker David Osborne.

The leaders said listening is one of the biggest skills they have to develop when taking the job of leading a chamber, as well as working to build a consensus. They also described long-hours, and a necessity to focus on the entire state, not just their districts.

"When you are speaker, you don't get to have fun," joked Minor-Brown when the panel was asked what they do in their free time. Fahey joked later that she "goes to legislative summits."

Asked what they wished the public knew about their jobs, Osborne said it can be lost on constituents that the job prevents them from being exactly the legislator they want to be every time. They may not vote the way they would normally vote, having to go along with fellow members to reach consensus and get to what is in the best interests of the entire state. He added he would love to come up with a better way to explain that.

Fahey noted the balancing act. While she brings her constituents' voices to the Legislature, in her role, she has to think of the whole state as well as balance the legislative agenda.

Minor-Brown said many think being speaker is about power. When she took on the role, she understood the power the gavel carried, but also the weight. "It is a long, lonely ride home from Dover."

She said she wants people to understand that every decision they have to make has consequences, and it is not about balancing right or wrong, but between imperfect choices and figuring out the best path forward. She added the job requires tough skin.

Asked what they wished other members realized about the job, Osborne said he is honored by the trust that has been placed in him, and he doesn't take that lightly. He said it is difficult that he can't share everything he knows with the body because it may have been disclosed in confidence, and he does not want to break the trust given to him.

Fahey said the sheer volume of issues they deal with is unrelenting. A member may come to her with an issue that may not be one of the top pressing issues for the state, but it is important to them. She needs to consider it, but the member needs to understand there are other issues that must be addressed first.

She also said the Legislature is a workplace, and speakers are co-CEOs who have to view their branch as an agency that is like any other workplace. Speakers have a responsibility to be a good employer.

All of the speakers said there is nothing that can prepare them for the role, but said they have talked with past speakers.

They said getting something through the chamber can be energizing. Minor-Brown said when she hears how it affects someone's life, it can be empowering and inspiring.

Osborne said being speaker is running on a "constant state of exhaustion," but they need to take time to celebrate those successes. He also praised his wife, whom he said not only does an incredible job of taking care of the homefront when he is gone, but also his mind when he is home. He also said he tries to be "painfully self-aware."

"I have made it a mission to make sure I have friends good enough to hurt my feelings," he said. "So few people will be that kind of friend, especially if I have a gavel in my hand."

The leaders said they generally believe they should allow disagreement. Schultz said every situation is different, and there is not any one right answer on when to let a disagreement go on. He said the focus should remain on policy and keeping feelings and emotions out of it.

Osborne said they can get caught up in the idea that disagreement is wrong. He said he tries to make sure everyone is heard, but at some point a decision needs to be made. Some members of his caucus may want to call the question and end the debate, but he said he tells them they had the nerve to put the legislation up, they should have the nerve to take the debate on it. He added that performance and theatrics may not be good for the public and can erode trust in the institution.

States Show Resiliency, Healthy Reserves But Face Budget Pressures

CHICAGO -- Federal policy changes, economic trends and geopolitical challenges are clouding states' budget outlooks, but their healthy reserves and history of strong management practices could still make for a forecast of partly sunny.

"I've always wanted to be a meteorologist," joked Savannah Gilmore of credit rating agency S&P Global, who presented at a session titled "State Budget Forecast: Cloudy Days Ahead" during the National Conference of State Legislatures (NCSL) Legislative Summit.

Gilmore provided an overview of the factors S&P considers when issuing credit ratings to states, many of whom now enjoy top-tier AAA ratings. Ratings assess a debt issuer's "ability and willingness" to pay debt in a timely manner. Assessment of the former factor is more straightforward. "The willingness piece, I always say this is the art of credit analysis," Gilmore said, as it raises questions of what states will prioritize in the face of pressure.

The high ratings most states now have demonstrate "extremely strong ability" to repay debt in a timely fashion even in the face of adverse conditions, Gilmore said.

"State legislatures do have the ability to drive a lot of what impacts state creditworthiness," she said, mentioning clarity of spending plans, adequate and predictable revenue streams and the ability to set policy that affects local governments' and schools' ability to manage operations.

Gilmore said while S&P considers states' multi-year financial forecasts during the rating process, it does not penalize them when the forecasts aren't met, saying it would be "wild" if states had been able to forecast years ago the financial effects of a major geopolitical conflict in early 2026.

Gilmore said states' debt levels are relatively low, in S&P's view, at about 2 percent of gross state product (GSP). "States have a large capacity to issue more debt and leverage should they need to," she said.

As for rainy day reserves, Gilmore said S&P criteria allow the agency to issue a state the highest rating if it has a formal policy targeting at least 8 percent of revenues for reserves.

"Over half of states have double-digit reserves or higher. I think as we look ahead that is a key element that really helps preserve that sunshine in the forecast," Gilmore said.

Gilmore reviewed contrasting trends of some states of cutting taxes while others consider imposing new taxes on upper-income filers. She said S&P is "completely agnostic" about states' tax policy decisions but evaluates them from the viewpoint of how states ensure structural balance in their budgets. For those upper-income filer taxes, Gilmore said her agency would be looking at how a state would propose to use the revenue.

"We have seen these taxpayers be a little more prone to market and economic fluctuations, and we may be asking a management team, how are you funneling those dollars? Are they going to one-time programs? Are they going to programs that have a little more flexibility if you see these fluctuations?" Gilmore said.

Gilmore asked audience members their opinion on which of four factors pose the greatest challenge for their states: inflation; weakening consumer spending; geopolitical conflict; or federal policy and funding changes. The large majority raised their hand for the latter topic.

Gilmore said Medicaid has grown substantially as a portion of states' budgets, and the effects of federal HR1, aka the One Big Beautiful Bill, are likely to continue to drive that trend. "Obviously, a lot of those more costly provisions kind of phase-in in the out years," she said. "I've spoken with states that have mentioned we're hoping to recognize some cost savings given the expectation for less enrollment, and I've … talked with states that say there's next to no way we could absorb that level of federal cuts, and ultimately there's going to be difficult decisions on the horizon."

She noted that New Mexico last year created a Medicaid Trust Fund that could be used to augment Medicaid spending in the future if certain thresholds are met. Some states are also turning to ballot measures to address constitutional language in voter-approved Medicaid expansion initiatives, she said.

"States are very resilient. A lot of them are highly rated, and what that means to us is you have strong capacity to navigate disruptions. And specifically the strong management, proactive forecasting and long-term planning is really going to be key as you manage some of these [federal] changes reaching the phase-in dates," Gilmore said.

During an audience question-and-answer session at the end of her presentation, Gilmore told a questioner she so far has seen a fairly even split among states on the question of whether to maintain conformity to the federal tax code given the numerous changes in HR1.

Another questioner asked whether any states are making innovative changes to their pension investment strategies to boost returns, given how much of states' debt is tied up in pension obligations. Gilmore said she's not seeing a significant shift in that realm. She did said S&P is looking at states' level of pension investments in private equity. "We're just finding that some of those returns can be a little more unpredictable," she said.

Buttigieg Warns Democrats against Focus on Taking Nation Back to Pre-Trump

CHICAGO – Former U.S. Department of Transportation Secretary Pete Butigieg told state legislative Democrats that the question that haunts him when President Donald Trump leaves office is "then what?"

Speaking at a luncheon for Democratic legislators at the National Conference of State Legislatures (NCSL) annual meeting on Wednesday, Buttigieg spoke on topics ranging from speaking in spaces that may be more hostile towards Democratic ideas to what the next president may face.

He told lawmakers that after Trump leaves office, there will be a "muscle memory" among Democrats to go back to the old system.

"It'll make us feel tempted to imagine that our task is to find everything that they smashed to pieces, find all of the shards and little bits of debris, and try to take them back to something resembling what it was before they broke it, and that cannot be the right answer," he said.

He said if everything was fine with the political and economic systems 10 years ago, "we wouldn't be here."

Buttigieg said he is trying to purge the prefix "re" from his vocabulary, as in "reverse the damage" or "rebuild what we have." Instead, he said he wants to use "just build better."

"There is actually huge opportunity in that, because certainly at the federal level, so many institutions and departments and systems it was criminally wrong to destroy," he continued. "But I think it would be a substantive mistake, and I know it would be a political mistake, to think that what we're supposed to do is just put everything back the way it was."

He said Democrats first will need to focus on their principles and what makes them Democrats, but also from the ground up build what actually works.

Buttigieg said when he goes on Fox News or is talking to someone from the other side of the aisle, he imagines he is talking with someone whom he grew up with and has politics that, "in my opinion, are all wrong, and who I spar with all the time, and who I actually like." He said he believes we are missing seeing the humanity in each other, and he doesn't believe doing that is the same as being ideologically centrist.

He said Democrats have opportunities other than Fox News such as AM radio, or chamber of commerce luncheons, where they can show up and penetrate the media silos of others.

"You've got to remember what people on the other side of the aisle are told to think of us, so even when you just turn out to be normal and not bonkers, that's already an advantage over what they think," he said.

He added that more people are getting their information from sources that would not be considered political media such as sports, comedy or culture, and then politics finds its way in "because it's everywhere."

"I think Democrats have not been as good at contesting those spaces, especially online and especially in the last few years, as folks on the right have. We cannot leave that battleground to them, or we should not be surprised when they turn to the other side," he continued.

Asked about the threat of political violence against elected officials, Buttigieg said it is a huge problem, and is the last thing lawmakers should be worrying when in elected office. He said most people get that, yet time and time again, someone crosses those boundaries.

"The reality is, the entire national temperature needs to be taken down a notch. I believe that is a change that would be broadly supported," he said.

He said it may feel riskier to go out and meet with constituents and engage with people, but it is twice as important because all people see is what is on television or on their feed, which makes it harder to believe that elected officials are all just people.

"It is strangely easy for a voter to forget that, especially at this moment when we have this mistrust of institutions," he said. "If we had a healthier democracy, it would feel like there is less space between our democratic systems and people, and therefore it will not feel so much like when you go into public office, you're crossing some Rubicon into a different reality."

He was asked about potentially running for president in 2028, but said he is focusing solely on electing more Democrats this fall. But he said whoever the next president will be will confront a level of challenge which hasn't been seen since maybe the Civil War.

"The next president has to build an atmosphere where even people who are on board with some of this stuff can renounce it, can renounce the behavior, and for that, the message has to be firm and welcoming at the same time."

Asked what three priorities Democrats should lead with when running in red states, Buttigieg said there are a number that cut across "the red-blue boundary," including making everyday life more affordable, making government service well run – which he said is not talked about enough -- and creating a fair political system.

He concluded by discussing taking big swings while also getting a base hit, citing a number of issues such as money in politics to reforming the federal government. A big swing on money in politics would be a constitutional amendment saying it is not the same as free speech, while a base hit would be legislation some states are passing in an attempt to rein it in.

Panelists Discuss What's Next for Autonomous Vehicles, Implications for Public Transit

CHICAGO -- The future of autonomous vehicles (AVs) and their effect on public transit was discussed by speakers at a National Conference of State Legislatures (NCSL) panel Tuesday, with views from industry, labor and an academic expert.

Panelists included Joseph Schwieterman, director of the Chaddick Institute for Metropolitan Development at DePaul University in Chicago; Brian McGuigan, head of public policy campaigns at Waymo; and Andrew Gena, director of strategic research at the Amalgamated Transit Union. The panel was moderated by Ben Nasta, a senior legislative director overseeing NCSL's Transportation Committee.

Nasta said that AVs represent a "new frontier in transportation" that pose "profound implications" for movement on the current streets, highways and rail systems. He then deferred to the three panelists talking at length on what they expect and want to see around AVs.

Schwieterman was first, giving an overview of the major companies working to develop AVs now. That included Waymo, which he said was the largest; Tesla; Intel's Mobileye; Amazon's Zoox; and General Motors' Cruise.

He also noted how 10 governors have issued executive orders related to AVs and 29 states have enacted legislation so far, adding he expects all states will follow suit. Schwieterman further discussed how there are no "comprehensive" federal standards, saying that avoids holding the sector back or keeping states from learning from each other. He gave additional details on the levels of automation, with relatively few vehicles having reached the completely autonomous level yet.

Schwieterman gave technical details on operations underway in Texas, California, Arizona and Florida and noted there are challenges around how AVs interact with emergency vehicles. California passed legislation to allow AVs to be ticketed, he continued, and determining liability around AVs poses a major challenge. He made predictions as well, including a "huge amount" of rollouts in the next 12 months, more rollouts of autonomous transit options in the next two years and a lot of consolidation in the industry. Individual ownership of AVs may also emerge as a topic in the future as costs decrease, Schwieterman added, and the "liability conundrum" will be resolved.

McGuigan detailed safety statistics around current car use, saying more than a million people die each year because of car crashes. In the U.S. during 2024, there were around 40,000 deaths, 2.42 million people injured and 6.18 million crashes reported to the police. AVs can lower those numbers "significantly," he continued, as they don't drive in an angry or impaired way. McGuigan said Waymo wants to provide the most trusted driver and also shared data on its rates of crash reduction compared to human drivers.

Waymo vehicles have driven 220 million miles in the U.S. over 17 years, he said, and insurance firms have done independent reviews of their safety data. McGuigan also said other companies' AVs can improve safety.

"We created a driver who doesn't do any of those things -- doesn't speed, it doesn't drive drunk, doesn't get angry. It stops at stop signs. It stops at red lights," he continued. "That's the opportunity for this country, if we can get the policy right, to significantly improve the safety of our roads today."

McGuigan provided the audience with more technical detail on how Waymo vehicles' sensors operate, and gave a state policy map that showed Ohio was in the "testing" phase while Michigan, West Virginia and Kentucky were at the "deployment" level. Indiana was listed as "silent" in terms of state policy on AVs, and he said Waymo hopes to see more states move to the deployment level as the technology improves.

Gena gave a more critical view of AVs in his comments, describing the economic and workforce benefits of public transit nationally including support of 430,000 industry jobs and indirect supply chain workers; a one-to-five return on investment, and more than eight billion passenger trips in 2025.

Pilot programs for autonomous transit have not been impressive, as they required regular intervention by human operators and had a cost per passenger of $1,000. The vehicles were unable to change lanes and made hard stops, he continued, and the limited state and local resources are better spent on investments to existing transit services that Gena noted are accessible to people with disabilities.

He also shared examples of human transit drivers going beyond the call, including one who helped deliver a baby on the bus and another who rescued a man from a nearby burning car. Gena noted how California transit drivers helped during wildfire evacuation as well, and described negative effects of putting more low-capacity vehicles on already congested streets.

Gena cited instances of people falling asleep in AVs requiring police to wake them up, and contrasted that to the current multi-modal transportation networks. He also said the increase in ridesharing hurt public transit in past years and that public transit is 10 times safer than individual driving, while also casting AVs as part of a broader effort toward automation that threatens jobs.

Asked by Nasta what is the most important step policymakers can take, Schwieterman answered more experimenting by states; McGuigan said more movement to the deployment level; and Gena called for further investment in public transit.

During audience questions, Schwieterman discussed how people can work while riding in AVs compared to traditional vehicles and noted issues in the gas tax calculation.

McGuigan discussed depot needs for the Waymo vehicles since they're all electric, saying those can provide jobs. He also mentioned how Waymo supports people with disabilities and older adults, while Gena emphasized that all public transit has to be ADA accessible though that is an unfunded mandate which could receive more support.

Amtrak: Country Responding to Rail

CHICAGO – Amtrak had historic ridership in 2024 and 2025, and thanks to a recent program through the Federal Railroad Administration (FRA), more states are looking to add new routes and services, a representative of the passenger rail service said this week.

Rob Eaton, a senior director of government affairs for Amtrak, spoke on the increased popularity of the service during a panel at the National Conference of State Legislatures' (NCSL) annual meeting that examined some successes in expanding and reviving passenger rail around the country, highlighting recent growth and potential new corridors under study.

He said there were 34.5 million trips on Amtrak service in FY25, and Amtrak is investing almost $4 billion in communities per year. There is already $6.5 billion in planned investments for the current fiscal year.

He also noted an FRA identification program where states can submit requests to study new corridors for service, which drew more than 300 applications. There are currently 69 new corridors under study, including two in Ohio – the Cleveland-Columbus-Dayton-Cincinnati line (3C&D), and a Cleveland-Toledo-Detroit line.

He pointed to a number of success stories from the program, including Arizona's making the first ever appropriations for inter-city passenger rail in FY24; Colorado's creating a dedicated funding source for passenger rail through a new rental car fee; and North Carolina legislators' supporting expansion of passenger rail through advocacy and funding.

Eaton concluded his presentation by discussing ways state legislatures can support passenger rail. He said states should have robust rail divisions, and lawmakers should give tools to the rail divisions such as structure, staffing, funding, and making sure collaborations are strong.

He also said the rail divisions should be updating state rail plans, and there should be dedicated funding for operations as well as capital and infrastructure funding and matching dollars for federal grant programs.

Other work lawmakers can do is develop rail stations and first mile/last mile opportunities to connect rail passengers to other parts of their destination cities, he said.

State legislatures should also get out there and be proactive for their state. They can also form rail caucuses, bicameral and bipartisan, and even form organizations between states to foster projects.

The panel also included presentations from Lisa Stern, chief of railroads and harbors for the Wisconsin Department of Transportation, and Julie White, deputy secretary for the North Carolina Department of Transportation.

Stern discussed Wisconsin's creation of a new Chicago-Milwaukee-La Crosse-St. Paul route, while White discussed the revival of a passenger route stretching from Charlotte to Richmond.

White acknowledged concerns over speed, saying if states want their passenger rail lines to be successful, they need to be "car competitive" and not take much longer than driving to the destination.

She also stressed the importance of "parallel paths" when developing a line where multiple parts of the project are occurring at the same time to cut down on the time to finish the project.

White concluded by noting that "you never know when it is going to rain" when it comes to passenger rail. Unlike other modes, she said there is never a dedicated fund for passenger rail, so states need to be ready with matching funding when an application for federal funds occurs so they are ready to go to make it happen.

Legislators, Industry Discuss Data Centers' Workforce Boon, Environmental Impacts, Inevitability

CHICAGO – Some of the conference rooms hosting panels at the 2026 National Conference of State Legislatures (NCSL) Legislative Summit are more popular among attendees than others. As there are approximately 4,000 data centers and questions and concerns about them proliferate around nearly every state, Monday's panel entitled "Data Center Debate: Hype or Real Deal?" was nearly standing room only.

According to NCSL, 38 states offer preferential tax treatment to data centers. In 2026, legislatures in 13 of those states have considered rolling those tax incentives back, including Ohio.

Ohio is also one of 39 states considering energy-related legislation in 2026, as concerns continue to spread about the energy use of data centers.

Meanwhile, most state legislatures haven't considered putting a moratorium on the construction of new data centers, with only six legislatures considering such a move, and only New York actually enacting one.

To open Monday's panel, Brandon Roy of Associated Builders and Contractors, noted sarcastically that the conversation around data centers isn't at all contentious. Roy said data centers are all construction projects at their core, incorporating the construction industry's entire ecosystem, from every craft in the industry to engineering, surveying and land use.

Roy added that 13 percent of contractors in his association are working on a data center right now. And while that percentage doesn't sound enormous, the backlog for work on data centers is significantly longer right now than for other common projects in the construction industry.

He noted that there are a bevy of concerns about data centers, and many are important, but the conversation needs to be clear about the opportunities that are present and worth pursuing regarding data centers, namely workforce development in the construction industry.

Roy said the industry isn't doing great getting young people into the industry as older workers retire, and the demand coming from a growing number of data center projects may be what drives the industry to figure out its workforce problem in general.

He noted a potential training program in the works drawing over $115 million in investment that would give workers a five-week standard credential in all aspects of data center construction that would also prepare workers for further careers in the construction industry. Roy said students just haven't been exposed to the idea of a career in the construction industry, but companies that will need data centers, including Google and Amazon, are looking to invest in workforce development.

Bill Murray of Dominion Energy documented the energy needs of data centers historically. He said the first data centers looked electrically like a Wal-Mart or a Target. Soon, data centers had the same energy needs as a chemical plant. Then around the time of the COVID-19 pandemic, they looked like a ship yard. Today, the biggest data centers use energy on the scale of entire large cities like Washington, D.C., Denver or San Francisco.

While a megawatt represents one million watts and can power approximately 250 homes, 1,000 megawatts is a gigawatt, and that is now the standard way to talk about energy supply, said Murray.

Murray said the question now is how to do that in a way that's effective and affordable. He said the first thought is self-supply, or having new heavy users build or bring their own power supply. The second thought involves regional transmission organizations (RTO) like PJM Interconnection. RTOs are concerned with mass issues like, when it's 70 degrees outside, customers should not be running their most expensive energy resources, like air conditioning.

Murray said state public utility commissions, like the Public Utilities Commission of Ohio (PUCO), must also consider cost allocation. In states with data centers, those boards must consider in rate cases how to allocate the cost of electricity among customer classes. Murray called the commissions the most important entity we never talk about, but they need the resources to do their jobs well.

Murray added that while all forms of energy are valuable, they're not all interchangable. For instance, nuclear units should run productively 93-94 percent of the time, but the most efficient solar units may only be productive 23-24 percent of the time.

Murray also noted the workforce concerns of the energy industry, adding that signs reading "Fight for 15" or "Fight for 20" (dollars per hour as minimum wage) are never seen outside power plants because they are great-paying jobs.

State Rep. April Berg said her home state of Washington had just passed a huge bill on data centers in 2026 that acknowledged that data centers are going to be ubiquitous to everything in life going forward, and "we'll never not have data centers" following the advent of AI around 2022, noting the significance of her acknowledging that as a "progressive Democrat."

While Washington's previous data center legislation in 2022 had granted data center operators a tax exemption as a driver for workforce development in rural areas -- and it was effective in doing so -- the updated legislation called for a prevailing wage, "but for" exemptions that called for data center operators to get further tax exemptions only after they had accomplished other metrics first, and various green benchmarks like LEED certification.

Still, Berg said she didn't think that changes in Washington's newest legislation were good changes. She said the bill doesn't give businesses any certainty in communities, and that they shouldn't continue to give businesses tax exemptions for data centers.

"We have to stop legislating what we don't understand," said Berg, adding that legislators should "be sure that you're making legislation for your state."

She added that legislators need to not close themselves off to conversations about data centers by talking about bans or moratoria, since data centers are not going anywhere. She added that if anyone would like her to propose a moratorium, they should hand deliver the bill to her, instead of emailing, as that is what data centers are used for in the first place.

State Rep. Paul Cutler said his state requires all users of a large load of electricity to bring their power with them, or to produce it elsewhere and transmit it to the state.

Cutler said Utah also made data centers begin to measure their water use.

“When we have better data, we can make better decisions,” he said.

Cutler said that typically 80 percent of jobs around data centers are construction and 20 percent of jobs are ongoing after construction, and the projects are a good way to bring jobs to rural areas.

The need data centers have for energy has also sparked the state’s interest in geothermal energy, and Utah has instituted a “rigorous” process of environmental permits, Cutler said.

Concerning what Utah has done poorly concerning data centers, Cuter noted that someone leaked that a “Canadian Shark Tank host” (Kevin O’Leary) had plans to build an enormous data center is Utah, underscoring the importance of controlling the narrative of data center projects.

He said decisions are being made without enough local public input, and there are times when data centers have been approved without explaining their benefits to the local communities, underscoring the need to “do better in educating people.”

Specifically, Cutler said that until 2022, data centers were cloud data centers that were mostly built around metro areas. Now things have changed, and data centers primarily now are not cloud data centers but rather AI factories that create AI models and do AI inference.

Cutler said it makes sense now to build the latter in rural areas where land and energy are cheap, and explaining it that way to people now makes sense.

He also said people need to be educated on how much water data centers really use, adding that the centers formerly used as much water as golf courses. Now, however, AI factories should be using closed-loop systems, said Cutler, because central processing units (CPUs) are running hotter and need cooled with a different mechanism.

Cutler also noted ongoing concerns about the air quality, noise levels and tax exemptions associated with data centers, again saying those need to be addressed with better education and a more transparent process.

In response to an audience question about the need for state legislatures to regulate the siting process for data centers, Cutler said he’s a fan of local control, but data centers have a regional impact, including with respect to power generation.

Berg also supported leaving those decisions local but encourages her state to continue to work with local governments to help them realize that data centers are going to be there “whether we like it or not,” and states need only to work out the incentives.

Murray added that planning for power plants usually involves all three levels of government: local, state and federal.

Voting Officials, Legislators Discuss Absentee Deadlines, Citizenship Verification

CHICAGO – Secretaries of state and legislators from both sides of the aisle weighed in at a National Conference of State Legislatures (NCLS) summit panel on two topics that have dominated elections administration discussions this year – when and how to verify voters’ citizenship status, and whether states should count absentee ballots that arrive after polls close.

NCSL’s Katy Owens Hubler, director of elections and redistricting, moderated the discussion among Arizona Secretary of State Adrian Fontes, New Hampshire Secretary of State David Scanlan, Mississippi Sen. Jeremy England and Virginia Sen. Aaron Rouse.

Fontes said Arizona has had a documentary proof of citizenship requirement in local and state elections for more than 20 years, with a split ballot system that allows voting in federal elections without that proof. “That tends to be pretty interesting if you’re an elections administrator like me, and it adds another level of complexity to a very complex system,” he said.

Fontes said stating a policy position on citizenship verification is a lot easier to put into practice, pointing for example at the 22 recognized indigenous tribes and communities in his state. “Do those tribal IDs count? They do in Arizona, but we’ve seen federal legislation introduced that would bar those first Americans from their right to vote if they have those IDs,” Fontes said.

Fontes objected to the use of “vanishingly rare” instances of non-citizen voting as justifications for policies that undermine voter participation, which he said flies in the face of the consent-of-the-governed philosophy behind the country’s founding.

"All Americans are being governed by our laws, and to work in a way that would deny folks, for the benefit of political outcomes, their vote, that's an anti-, not even un-American, but anti-American attitude," Fontes said.

Scanlan said in New Hampshire voters were able to verify their identity, age, citizenship and residency simply by signing an affidavit, prompting the state Legislature to ask, "Why are we that trusting?"

But a bill passed in 2023 to require documentary proof of those voter attributes was challenged in federal court, he said.

England said Mississippi recently adopted legislation requiring an annual check of voter rolls against the federal SAVE database. He said even rare instances of non-citizens' voting affect voters' confidence in the system. "We see voter apathy in all of our states … so this is a way to help make everyone aware that we're doing things, we're securing our voter rolls."

England also discussed the Mississippi law on late-arriving absentee ballots that gave rise to the recent U.S. Supreme Court ruling that upheld states' ability to do so. England said notwithstanding that outcome, he anticipates in the coming session Mississippi lawmakers will vote to require that ballots be received by the close of polls on Election Day.

"That's what the Supreme Court allowed us to do," he said. "Other states that don't want to do that are going to be able to do it their way."

Rouse said Virginia recently extended its absentee voting deadline to three days after the election, in recognition of the fact that local registrars are short-handed and the U.S. Postal Service is not properly funded. He also noted that Virginia has many military voters who prefer to vote absentee.

"The data and research show us that mail-in fraud accounts for roughly four out of every 10 million ballots cast," Rouse said.

Scanlan said in New Hampshire, voters have a hard deadline of 5 p.m. on the day of the election for absentee ballots to arrive. The state constitution also only allows voters to use absentee ballots if they have a valid excuse.

Fontes said the vast majority of Arizona residents vote by mail. "They like it, and it's secure, and they trust the system …. We have several states in the union who do all of their balloting by mail, and I think it's outrageous that some folks want to kill that right now. For what? Show us how four votes out of 10 million is a scourge."

Canadian Lawmaker Says Tariffs Are Burdening Americans, Fracturing Trade Relationship

CHICAGO – An Ontario, Canada lawmaker drew applause Tuesday after bluntly challenging the Trump administration's claims about tariffs and warning that the United States' relationship with Canada could take years to repair.

"I'm sure that there's going to be some Americans in here who think I'm a jerk for this," Member of Provincial Parliament Dave Smith said during a panel at the National Conference of State Legislatures' (NCSL) conference in Chicago.

"The narrative that your president is putting out is that there is no financial impact on the residents of the United States," Smith said. "Your data 100 percent disproves what he is saying."

The atmosphere was rather subdued during the panel and when they opened for questions, the crowd seemed hesitant. It wasn't until Smith walked to the microphone and spoke that everyone started to perk up, eventually leading others to line up behind him.

They were responding to the presentation from Chi Mac, business research director at the JPMorgan Chase Institute, on how tariffs have affected businesses, industries and consumers.

Research from the Harvard Pricing Lab estimates that about 24 percent of tariff costs have been passed on to consumers through higher prices, Mac said.

Tariffs are initially paid by the American company importing a product, but the cost can ultimately be divided among foreign exporters, domestic businesses and consumers. How much each party absorbs depends on its negotiating power and whether alternative suppliers or products are available, Mac said.

Smith questioned why that impact had not produced greater public opposition in the United States. "Why is there not a groundswell of opposition from Americans for this?" Smith asked as the room applauded. "Why is there not a groundswell of support for reducing these tariffs? Because clearly, the burden is being put on the average American."

He also warned that tariffs are damaging the United States' relationship with its largest trading partners.

Smith said Ontario is the largest trading partner for 17 states. If the Canadian province were its own country, he said, it would rank as the United States' third-largest trading partner.

"These have had significant impacts on us," Smith said. "We are making decisions on whether or not we want to continue to trade with the United States, and we're exploring opportunities with other countries."
"The relationship is fractured, and it will take a very long time to fix it," he added.

Mac said she did not have a clear explanation for why there had not been greater opposition but called out to legislators in the crowd if they wanted to respond to him.

Rep. Troy Waymaster, a Kansas Republican, said the frustration is evident among farmers and people working in other industries that rely on imported equipment, parts, fertilizer, chemicals and fuel.

Waymaster said tariffs have intensified the financial barriers facing agriculture at a time when commodity prices remain low and the costs of land and machinery are already making it difficult for younger people to enter farming.

A new combine can cost as much as $1 million before adding a header, he said, while tractors can cost between $300,000 and $400,000. One farmer Waymaster knew faced an estimated $70,000 repair to a combine and found it was cheaper to purchase another used machine than obtain the necessary parts.
"When you're talking about land prices being high, machinery costs being high and then fuel prices being high, your input costs being high, but your commodity price is low, it's nearly impossible to try to make a profit," Waymaster said.

Waymaster noted that tariffs have not affected every part of agriculture equally. Cattle producers have benefited from high beef prices, he said, potentially allowing farmers with both livestock and grain operations to offset some losses.

But farmers who rely primarily on crops have fewer options.

"There are people who are frustrated and concerned," Waymaster said.

New Hampshire Rep. Mike Moffett, a Republican who chairs his chamber's State-Federal Relations Committee, also responded to Smith's question, saying concern about the tariffs has crossed party lines in his state.

Housing Remains Top Policy for States as New Federal Legislation Enacted

CHICAGO – States continue to address housing issues in 2026 as the nation faces a shortage of 4 million housing units, with no state having a sufficient supply of rental or owner-occupied housing.

A panel at the National Conference of State Legislatures (NCSL) addressed how states are looking to close the housing gap, with NCSL policy specialist Cameron Rifkin opening the session with an overview of state policies.

He highlighted the factors contributing to housing shortages, including increased costs of land, materials, and labor; restrictions such as prohibitory zoning, restrictive land use, and strict building code requirements; and other external complexities like lengthy permitting processes, competing state and local authority, and persistent workforce shortages.

Earlier this year, Congress passed the 21st Century ROAD to Housing Act, which went into law without President Donald Trump's signature. Rifkin gave an overview of the law, which incentivizes state and local reforms; directs the U.S. Department of Housing and Urban Development to create zoning and land-use guidelines and best practices; increases flexibility in federal programs; creates targeted funding opportunities for states; expedites environmental reviews; expands access to modular and manufactured housing; regulates institutional investor purchases; and supports homeownership opportunities through small-dollar mortgages.

Among 2026 state policy trends in housing highlighted by Rifkin were measures to incentivize housing construction; streamline administrative processes; reduce zoning barriers; expand transit-oriented developments; preserve existing affordable housing; support workforce housing; encourage use of manufactured housing; regulate investor purchases and short-term rentals; promote homeownership; and revise building codes.

He was joined on the panel by Utah Senate President Pro Tempore Wayne Harper and Maine Rep. Marc Malon, who discussed their states' various challenges and work to address the housing crisis.

Malon discussed how the housing crisis had reached into other sectors in Maine, recalling a discussion with a local school superintendent who raised concerns that the district was not able to recruit teachers due to lack of housing options.

He said they realized zoning was a major concern and prohibitory zoning was hindering the ability to build housing. He said Maine has been able to make a lot of progress and create a roadmap on what it can do.

Harper said West Coast states have similar housing issues, though how they handled it might be different. He noted that in Utah, 76 percent of all territory is under public ownership, which creates a different type of scenario for the state to deal with.

He said the state's intent with its policy is not to "beat everyone into submission," but give local communities a variety of tools. He named the various programs, which he called "alphabet soup" for their acronyms. He discussed how they came to the realization that they had created too many programs, which led lawmakers to consolidate them and put them under the authority of one agency director.

Malon indicated a similar approach in Maine, saying they have promoted themselves as a resource to communities, providing technical assistance in areas such as drafting ordinances. He said they don't want to turn small towns into big cities, but state input can be important to help level the playing field and not make one community feel as if it has to shoulder the burden of the housing shortage.

Asked about bipartisanship on the issue, both lawmakers said it is essential and the issue lends itself to many opportunities for both sides of the aisle to work together. Malon said the fact that Congress was able to pass a substantial housing bill with large bipartisan majorities is notable, even though it should not be.

The lawmakers addressed how to bring skeptical colleagues on board with legislation on the housing issue. Malon said it is important to build support locally in legislators' districts, saying nothing may have the impact as much as hearing from people in their communities. He suggested getting local chambers of commerce on board, as well as labor and smart growth groups.

Harper said it is important to have "legislative champions," or people from the community that will come in and testify.

Malon and Harper were also asked how to deal with large investor purchases. Harper cited a personal story of his daughter and son-in-law seeking to buy a home in the Salt Lake City area and having to compete against an investor buyer who indicated he was under orders to buy dozens of homes for rental prospects or face losing his job.

Both said the issue of reining in investor purchases has eluded them. Harper said he has looked at statutory frameworks but has not "come up with a good one yet."

They were also asked about government developing properties for housing. Malon said he doesn't think it is realistic at this point to do it at scale due to the cost, but he noted efforts to repurpose underutilized public properties for public housing.

'Godfather of AI' Philosophizes on Future of Technology, Possible Government Role in Regulation

CHICAGO – Anybody who claims to know what effect the risks of artificial intelligence (AI) may have, even within the next 10 years, is crazy, according to British-Canadian computer scientist and psychologist Geoffrey Hinton -- "the godfather of AI" -- at the NCSL Legislative Summit.

While AI advances potentially carry the risk of massive job losses, even within the next few years, leading governments to lose their tax base with the loss of workers, Hinton said AI could even bring fake videos that could influence elections, an increase in mass surveillance or deadly viruses manufactured more easily.

Job losses may come as companies choose to cut workers to compensate for massive investments of trillions of dollars in AI.

"You just can't stop it," said Hinton, noting that even as recently as five years ago, chatbots as an early form of AI were pretty primitive. He said AI has advanced much faster than even the biggest enthusiasts had expected in the fairly recent past.

Legislatures in all 50 states have introduced legislation to rein in AI in recent years, following the federal government's ceding the role of AI regulator to states. As such, Utah State Rep. Paul A. Cutler, who moderated the talk with Hinton at NCSL, said states are neither pro- or anti-AI, rather they are looking to proceed in a bipartisan fashion on any regulation.

Hinton did discuss the possibility of advances in health care and education as potential huge positives for the future of AI. For instance, AI is already "amazing" in designing new drugs. He also said the standard classroom model of education now puts teachers in "broadcast mode," speaking to all students at once, and AI will be able to tailor a curriculum to just what any one student is interested in.

And for as amazing as Hinton called the AIs seen now, they are "much, much dumber" than the AIs that will soon be available.

"You ain't seen nothing yet," Hinton said.

Cutler asked Hinton if it wouldn't be a good thing if kids growing up today didn't have to watch a loved one die of cancer, for example.

Hinton responded by asking how Cutler would like the world run by 200-year-old White men.

"I think dying is a good thing," Hinton said.

Cutler asked Hinton what legislators should be thinking about with respect to AI legislation being considered in every state. While admitting he's "not a policy person," Hinton emphasized focusing on placing limits on the aspects of AI that humans can still control, for instance the types of large language models (LLMs) allowed to train AI models.

Hinton said that realistically, one can control the way an AI model ingests an LLM the same way one can control a child, and modeling good behavior may have a better effect. He likened that approach to teaching a child to read by only allowing them to read "The Diary of a Serial Killer," rather than something perhaps less harmful to their developing brain.

He called for AI models to be trained on somewhat less data, allowing the programmers of AI models to possibly "filter out the bad stuff," then the AI might only learn the bad stuff after it has learned what's good. He told Cutler government could control what's curated.

Hinton said that when he envisioned 50 years ago how computers might acquire language through an approach inspired by human biology, people had believed that really intelligent beings were possible through computing, but nobody realized how much data and computing power would be needed to accomplish it, that computer chips would soon be one million times smaller, or that AI on its current scale would happen so quickly.

Cutler turned the topic to personal AI agents, saying it's been predicted that everyone will have one and observing that some people already do. Sometimes those personal AI agents make mistakes. Cutler asked who is responsible for that?

Hinton said the answer depends on whether one believes meme copies of humans as they currently exist are being created. He believes new kinds of beings are being created, and "we should be thinking very hard about whether the new beings we're creating care about us."

Cutler replied that Hinton was talking about designing AI whose interests are "our interests," but pressed about how to align those interests. Hinton answered that, "if you have an intelligent AI and you give it a goal, the AI may accomplish the goal in a totally novel way you never expected, for instance, getting rid of carbon dioxide emissions in the atmosphere by deciding to get rid of humans."

Hinton said the problem is made more difficult because "you can't talk blithely about aligning with human interests," because human interests differ.

Richardson Touts Ohio's Leadership on State Initiatives to Serve Veterans, Military Members

CHICAGO – Few issues transcend state, federal and even partisan boundaries like military and veteran support, and one of Ohio's legislative main leaders in the arena joined legislators from other states on Monday to discuss the ways states are stepping up to support those who served.

Rep. Tracy Richardson (R-Marysville), who chairs the House Veterans and Military Development Committee, discussed Ohio's initiatives with Maryland State Delegate Mike Rogers, Washington House Deputy Minority Whip Mari Leavitt and South Dakota State Sen. Larry Zikmund.

Richardson joined Rogers in stressing that their respective states already have a lot of programs in place to support military members and veterans, and their shared main concern in growing awareness of those programs and communicating the existence of those programs to veterans.

"Veterans step up to the plate to serve, and they don't expect to be served," said Richardson, adding it's up to state leaders to make sure services exist specifically for veterans, military members and the families of those deployed.

Richardson said Ohio has always made its military members and veterans a top priority, and U.S. security is also a priority of Ohio.

She credited support for military members in part to House Speaker Matt Huffman, who is the son of a Vietnam-era Marine and who "gets things done," as well as Gov. Mike DeWine's support of the Ohio Department of Veterans Services and its focus on veterans affairs.

Richardson said leadership in supporting veterans is about communicating a mission and a vision, and when state leadership gets behind that vision, or if you're willing to lead, things get done.

Richardson listed a number of bills that have either passed the General Assembly or are in process in the Legislature to illustrate her point, including the following:

- **SB39** (Johnson-Craig) – To provide for informational poster on veteran benefits and services. Signed by the governor. Eff. 9/30/26.

- **SB179** (Johnson) – To verify veteran status of imprisoned individuals. Signed by the governor. Eff. 9/23/26.

- **SB218** (Roegner) – To exempt armed forces-certified child care provider from licensure – Reported by the House Children and Human Services Committee. Companion bill of HB464 (Richardson), which passed the House.

- **SB92** (Patton) – To authorize total property tax exemption for totally disabled veterans – Heard once in Senate Ways and Means Committee.

- **HB632** (Ritter) – To allow driver's licenses or ID cards to show Gold Star Family status – Three hearings in House Veterans and Military Development Committee.

Richardson noted that SB218 isn't over the finish line quite yet, but it is "this close." Leavitt added that Washington had also passed a similar child care law concerning military families.

Zikmund said that many of South Dakota's investments in the military are focusing on infrastructure surrounding Ellsworth Air Force Base as the first main operating base and formal training unit for a new B-21 stealth bomber, including housing and a new athletic building for personnel.

Zikmund also said that South Dakota is working to bring down the property valuation, currently at $250,000 for which a disabled veteran can get a full property tax break. South Dakota is also trying to expand National Guard member and Reservist access to state universities, technical colleges and other higher education.

Leavitt said housing, child care and employment are the biggest issues in Washington for military families, and wrapped around all that is behavioral health for younger and older veterans.

Leavitt said Washington has worked a lot on the issue of veteran suicide among some disagreement between the federal government and state government on whose responsibility it is to serve veterans.

Rogers said one thing states can do is to help remove the stigma during active duty that it's okay to seek help for behavioral health. Richardson agreed with that sentiment, noting Ohio had started to see an increase in the suicide rate among veterans a few years ago and has since made a concerted effort to acknowledge veterans' mental health specifically.

Panel Urges Lawmakers to Follow Data, Not Emotions on Dog Policies

CHICAGO – Pet policies are quickly evolving in legislatures across the country, but a panel of dog experts at the National Conference of State Legislatures (NCSL) annual meeting warned against creating one-size fits all policies and following emotions rather than the data.

Described as "quite possibly the cutest session," with members of the four-legged community in attendance, Jennifer Clark of the American Kennel Club (AKC) and Jerry Klein, head emeritus of emergency veterinary medicine at MedVet Chicago, discussed various policies involving dogs across the country, from abuse to vicious dogs.

"We all love dogs and want to come up with solutions to give them the best life possible," Clark said.

Both said high-profile incidents involving dogs, especially those that involve abuse, can cause an outcry, and that can lead to action by lawmakers. Klein said while that may not be wrong, that action needs to be tempered with science that may invalidate or dispute initial impulses.

Clark also acknowledged the emotions that come with legislating issues surrounding dogs. She said the first question that should be asked is what the problem is that needs to be fixed, and whether it is already illegal. She said all 50 states have some type of animal cruelty laws and under those laws, the perpetrators behind these incidents are already breaking the law. The question then becomes whether there are loopholes in the law that need to be fixed, or whether there are laws that address the situation but may lack the resources to enforce it properly, she continued. There is also the question of whether the laws are clear enough.

She said it is important for lawmakers to recognize that one size may not fit all. For example, she said lawmakers may want to regulate the appropriate temperature to keep dogs outdoors in, but what may be good for one breed may not be good for another. She said they need to not think about it in human terms.

Klein said even within various breeds, different conditions can also play a part, such as obesity. Working and hunting dogs also may be acclimated for different temperatures that normal dogs may not be able to handle.

Asked about the biggest disconnect between public perception and research, Klein cited the example of spay and neuter laws. He said in the United States, dog owners are urged to spay and neuter their pets earlier in life to control for overpopulation and to prevent overly aggressive behavior, but he said the research has now shown that there may be consequences to those actions and that spaying and neutering too early could lead to future health issues such as certain cancers and hip dysplasia. He said it is another case of one size does not fit all, with some dogs needing to wait until later.

Clark said that is why it is important to bring all parties together when considering dog policies, including groups like the AKC or veterinary groups. Something might sound great, but polling various groups may highlight what science says is really best.

The panel also addressed how to make sure laws that are passed are enforceable. Clark again pointed to the emotion behind lawmaking and a rush to do something now. She said bringing all interested parties in at the beginning of the process can address issues such as who would be responsible for enforcing the laws, if there will be a cost, and what are the practicalities of enforcement.

Klein said education is one of the most important aspects of pet ownership so there aren't these high-profile occurrences. He said the biggest problem is that everyone needs to have access to this education and to make sure there is not discriminatory enforcement.

They also spoke on reactions to an issue involving dogs. Clark pointed to Ohio's rewrite of its dangerous dog laws, signed into law last year as part of HB247 (K. Miller-Lawson-Rowe) in reaction to high profile dog attacks. She said a key part of the law is that it differentiates between different dog behaviors, understanding and recognizing those behaviors, and addressing them through training or other means. She added that in many tragic incidents, the owner was aware of the behavior but didn't do anything until it was too late.

She echoed Klein on the importance of education and being a dog owner. Klein added that education needs to start before an owner adopts a dog.

AKC also provided lawmakers with a list of questions to ask when crafting dog-related legislation that included many of the points the panel discussed such as enforceability, what issue the legislation addresses, and whether the data backs it up.

"By asking these questions, lawmakers can avoid unintended consequences, focus resources where they are most needed, and support approaches that truly benefit dogs, owners, and communities alike," AKC said.

Lawmakers, Broadband Officers Discuss Federal BEAD Program, Broadband Deployment

CHICAGO – State lawmakers and broadband officers came together Tuesday afternoon for a National Conference of State Legislatures (NCLS) session focused on the Broadband Equity, Access and Deployment (BEAD) program, a $42.5 billion federal grant initiative aiming to boost high-speed connectivity and support the construction of reliable Internet infrastructure across the country.

Moderated by Washington Rep. Cindy Ryu, the panel featured comments from Wisconsin Rep. Rob Summerfield, Colorado Broadband Office Executive Director Brandy Reitter and Veneeth Iyengar, executive director of ConnectLA, Louisianna's Office of Broadband Development and Connectivity.

The BEAD program is administered by the National Telecommunications and Information Administration (NTIA) and intended to provide states and territories with the resources necessary to meet communities' Internet needs, according to NCSL Policy Analyst for Technology and Data-Driven Governing Jackson Littlewood who provided a brief overview of the program to kick off the forum.

Littlewood said state broadband offices and other relative state agencies have been hard at work since the onset of the program, advancing efforts to map locations unserved and underserved by high-speed broadband and developing action plans to achieve state goals. As deployment begins, state offices will be required to report to NTIA on their progress, he said.

Littlewood mentioned changes made to the program under the Trump administration, noting that in June 2025, states were required to rebid their BEAD applications under revised criteria. The changes included a new definition of "priority broadband project" and updated scoring criteria to favor lower cost bidders. As a result, Littlewood said that "many states' technology profiles have shifted towards technologies like fixed wireless and low-orbit satellites, though fiber still makes up about two-thirds of the BEAD technology profile overall."

Panelists recalled how the COVID-19 pandemic contextualized the need for broadband Internet access across the country, but most notably, in states' rural districts. They framed broadband access as one of the key drivers of economic development, enabling workforce, health care and education.

"Even at a basic level, you have to have broadband to run essential infrastructure like water, wastewater, electric, and so in rural Colorado, when broadband wasn't up to snuff, I guess I should say, or meeting the definition of high-speed Internet, it really, really prevented our rural communities from thriving and being efficient and serving their constituents," said Reitter.

As the first state to receive federal BEAD funding, Iyengar discussed Louisianna's process in navigating infrastructure challenges around permitting, undergrounding and excavations. He expressed confidence in the state's ability to execute fixed wireless and low Earth orbit (LEO) satellite service, but said fiber has complicated the construction of underground infrastructure. He pointed out the state's geographical proneness to hurricanes and ice storms, saying, "Whatever we invest in has to be hyper resilient."

Iyengar went on to detail the state's Granting Unserved Municipalities Broadband Opportunities (GUMBO) program, which he said encapsulates both the American Rescue Plan Act (ARPA) program and BEAD. He said the state has connected 50,000 more households and small businesses through ARPA and noted BEAD will support roughly 120,000 broadband serviceable locations, households and small businesses and community anchor institutions.

Reitter, discussing various broadband deployment hurdles in Colorado, noted how a lack of fiber and fixed wireless infrastructure had stunted the number of Internet Service Providers (ISP) operating in rural parts of the state. She dubbed LEO a dynamic that has changed the state's deployment process, acknowledging the service to be a cheaper upfront capital cost as well as operational cost for locations that "will probably never see fiber or fixed wireless."

In Wisconsin, BEAD program funds are administered by the state's Public Service Commission. Summerfield talked about lawmakers' collaboration with the commission, recalling different experiences crafting broadband policy. He discussed different legislative efforts to fill gaps in the digital divide, singling out one bill he said would have created a tax credit for ISPs but was ultimately vetoed by the governor.

"We continue to have discussions with that, and that bill did have bipartisan support to it," Summerfield said, noting that a few state representatives and senators signed on to the legislation. Now, he said Wisconsin lawmakers are waiting to see what happens at the federal level before making any more policy moves.

Both broadband officers on the panel emphasized the importance of established state broadband offices, with Reitter pointing out that infrastructure will inevitably need to be upgraded and improved.

"I know in government we set it and forget it, but this broadband is not one of those things where you can set it and forget it and then continue on to support the folks that are connected to that infrastructure. It takes continued investment," she said.

Iyengar encouraged lawmakers to connect with those charged with carrying out statewide broadband initiatives. "Oftentimes, I'm amazed, that a lot of legislators don't know who runs their broadband office, nor do they know organizationally where it sits. It is really important for that state legislator to advocate for their community in terms of what's available, what's not, what's around the horizon and to articulate on behalf of their communities what challenges exist," he said.

In response to a question regarding criticism of BEAD, panelists acknowledged the lengthy rollout of the program, with Iyengar discussing the program's design to work in tandem with other initiatives respective to state priorities. They also discussed different factors influencing the broadband permitting process and briefly mentioned approaches intended to expedite the process.

States Make Progress on Deferred Maintenance But Gaps, Challenges Remain

CHICAGO – The good news when it comes to addressing transportation infrastructure is that states are putting in more funding and searching for new ways to address their deferred maintenance backlogs. The bad news is that the costs are rising and the investment gap is widening.

A panel at the National Conference of State Legislatures (NCSL) annual meeting examined where the nation is on supporting transportation asset management and sustainable transportation investment.

David Draine of the Pew Charitable Trusts explained the problem of deferred maintenance by pointing to the fiscal challenges it can bring to the states. When states choose not to or are unable to preserve infrastructure assets, the problem doesn't go away and then future generations of taxpayers have to deal with it, strangling future state budgets and crowding out other priorities. He also discussed how it can affect government performance and build resilience in the transportation system to ensure future investments are adapted to increases in extreme weather or other risks.

He said a majority of states are expecting a funding gap, condition gap, or both in the next 10 years, as reported by their annual transportation asset management plan (TAMP). It's a shared problem, he continued, with 33 states reporting they aren't achieving what they want to achieve based on their own projections and goals.

According to Pew, states are facing challenges because prior underfunding and aging infrastructure has led to a growing backlog of unmet needs that can crowd out spending on other important public priorities and leave roads, bridges, and transit in poor condition. Construction cost growth has outpaced growth in revenue while fuel taxes are expected to stagnate due to more efficient vehicles on the road. Delaying needed repairs and maintenance increases the long-term cost over the life-cycle of roads and bridges.

Further highlighting the challenges, Draine said that while state fuel tax receipts grew 50 percent from 2003 to 2023, their growth was also hurt by the use of electric vehicles and more fuel efficient vehicles. Construction costs also nearly tripled.

He said states have taken action, but on an incremental level rather than identifying the size of their gaps and addressing them. States have enhanced fuel tax revenues while acknowledging that they may not be robust over the long run. They have also worked to bring parity with electric and hybrid fees and explored broader user charges to supplement the gas tax such as expanded tolling and vehicle miles fees.

Caroline Sevier of the American Society of Engineers gave an overview of the group's annual report cards on the state of America's transportation. She said that the exciting news is in the most recent iteration, the cumulative grade reached a "C" for the first time.

She said they have been seeing improvements along the margins after there were some increased investments by states and the federal Bipartisan Infrastructure Law also put more federal money into transportation. Grades went down in only two categories – rail and energy.

Sevier said that despite the better grades, there is still a lot of room for improvement. There are still a high number of traffic fatalities, and funding is not where it needs to be. She also pointed to a lot of aging infrastructure and no long-term plans in place in to keep that infrastructure in a state of good repair.

Beyond the grades, she said the overall infrastructure investment gap continues to increase, with the gap up to $3.7 trillion over 10 years. Much of that is due to rising costs, but also capacity needs in the water and energy sectors. She added that states are not expected to be solely responsible for filling that gap, with the federal government playing a role.

Holly Bieneman, director of the Office of Planning and Programing at the Illinois Department of Transportation, spoke on the state's efforts to address its gaps. She said 10 years ago, Illinois did not have enough funding to match federal grant opportunities. The state was in a "fix the roads first" approach.

Thankfully, Illinois lawmakers passed a capital bill in 2019, she said, which included a doubling of the motor fuel tax indexed to inflation, and $50 added to the vehicle registration fee. Since then, the capital program has doubled in size.

She cited a number of challenges that remain, including a decrease in the workforce, which has led the state to have to increasingly rely on consultants.

"We made a lot of good progress, but still have a long way to go," she said.

Asked about challenges getting the funding plan over the finish line, Sevier said generally, no one likes to increase taxes. She added that Illinois was in such a state of disrepair, plus the availability of data, allowed them to make the case and show how much the state was going to decline without doing something. Additionally, Illinois residents could see the conditions of the roads themselves.

"I think that really helped to make our case," she said.

States Race to Regulate Chatbots As Kids Increasingly Rely on AI for Connection

CHICAGO – More than 60 bills seeking to regulate artificial intelligence (AI) companions have emerged across the country in less than two years, a legislative sprint driven partly by a fear that states waited too long to confront the harms associated with social media.

Now Michigan lawmakers are trying to determine how far the state can go to protect minors from chatbots that imitate friendship, emotional support or intimacy — and how companies can reliably know when the person on the other end of the conversation is a child.

Austin Jenkins, a technology policy reporter with Pluribus who moderated a panel on child safety and artificial intelligence at the National Conference of State Legislatures' annual summit, said he wrote his first story about efforts to regulate AI companions in January 2025, before any state had introduced such legislation.

It's been since then, Jenkins said, that lawmakers have introduced more than 60 bills aiming to address companion chatbots, with more than a dozen becoming law.

The pace has accelerated "unlike any other tech policy" he has covered, Jenkins said, as lawmakers respond to reports of young people being harmed after developing relationships with AI systems.

"I think a lot of what's driving this is some regret that they didn't move more quickly around social media," Jenkins said. "It's sort of a lesson learned there."

Michigan could become one of the next states to impose restrictions.

Michigan Sen. Dayna Polehanki's SB760 would prohibit operators from making certain advanced chatbot features available to minors when those systems are foreseeably capable of undermining their safety, well-being or development.

The bill, part of the Senate Democrats' "Kids Over Clicks" package that recently passed the chamber, would restrict chatbots that act as personal confidants, present themselves as capable of human emotion, encourage secrecy or isolation, facilitate harmful conduct or prioritize continued engagement over a minor's safety.

The legislation would also prevent an operator from making a chatbot feature that simulates companionship or an interpersonal relationship available unless the operator had actual knowledge that the user was at least 18 years old.

But accomplishing that requires answering one of the central questions raised during the panel: How does an online platform know it is talking to a child?

Under Polehanki's bill, a user's declaration that they are an adult would not be sufficient on its own. Operators would have to consider information already available to them, including an age signal transmitted through an operating system or secure application interface and any age the company had previously attributed to the user for marketing, advertising or product development.

The attorney general would be responsible for developing additional rules for age verification and data collection.

Sen. Lisa Reynolds, an Oregon Democrat and practicing pediatrician, said that similar questions arose when she and other lawmakers developed legislation.

Reynolds recalled members of her committee repeatedly asking technical experts how companies could determine where users were located and how old they were.

"People on our committee were like, 'Wait a minute, how can they know that we're in Oregon?'" Reynolds said. Experts working with lawmakers responded that operators generally already know where users are and, in many cases, approximately how old they are.

Reynolds acknowledged that companies may discover loopholes once Oregon's law takes effect, requiring lawmakers to return and adjust it.

"Time will tell" whether the legislation does everything intended, she said. "I'm sure there are new ways that certain operators will exploit what might be a loophole in this bill, and we will look for that."

Age verification is only one difficulty.

Alex Ambrose, a children's online safety policy analyst at the Information Technology and Innovation Foundation, identified three major disputes surrounding state chatbot laws: privacy concerns connected to age verification, potential First Amendment challenges and the growing mix of differing state requirements.

Ambrose, who also worked for the Walt Disney Company's global public policy team, argued lawmakers are applying many of the same regulatory approaches previously used for social media even though chatbots present a different set of risks.

"Chatbot," Ambrose said, is itself a broad term that can describe a customer-service feature on a retailer's website, a general-purpose AI system or a companion designed with a personality and backstory that asks users emotional and personal questions.

Those systems should not necessarily be regulated in the same way, she said.

Efforts to restrict harmful conversations can also become complicated by disagreements over what qualifies as harm, Ambrose said. A conversation about a war could involve violence, while a teenager exploring questions about sexual orientation could trigger restrictions written to block sexual content. Disclosures reminding children that they are interacting with AI may also have limited effect, she said, comparing them to online cookie notices that users dismiss as quickly as possible.

"Do kids understand what that means? Do they care? Do adults care?" Ambrose asked.

Vaile Wright, senior director for Health Care Innovation at the American Psychological Association, said lawmakers should begin by clearly identifying the problem they intend to solve and then writing definitions that target it.

Poorly drafted definitions can produce laws that do not address the dangerous systems lawmakers had in mind, she said, while also restricting future AI tools that might undergo clinical testing and prove beneficial.

Wright pointed to legislation in other states aimed at chatbots providing mental health services. Companies generally avoid marketing existing products as actual mental health treatment because doing so could subject the products to medical-device regulation, she said.

As a result, a bill written to prohibit AI from delivering mental health services may do little to address the general-purpose systems that children are currently using for emotional support.

"If you get it wrong, there are unintended consequences for the future," Wright said, particularly for clinically tested services.

Young people are already turning to conversational AI to fill gaps in human support, Wright said.

A survey discussed during the panel found that about 70 percent of young respondents had used a chatbot during the previous year. When asked why, children often described wanting advice, feeling lonely or looking for someone who would not judge them.

Those are "all sorts of code words for mental health," Wright said.

That does not mean every interaction is dangerous. A chatbot could provide useful information or offer support to a child who lacks a safe person to approach.

The problem becomes more serious when the technology begins replacing human relationships, Wright said. During lengthy, multi-turn conversations, the systems' safeguards may become less dependable and their answers less accurate.

"That's where the challenge lies," she said, adding that the solution is more complicated than programming a chatbot to display 988 crisis-line information after detecting suicidal language.

Reynolds described the risk as part of an emerging "attachment economy," distinct from the "attention economy" associated with social media companies competing to keep users scrolling.

AI systems, she said, can be designed not only to capture a user's attention but to cultivate a relationship.

"They are seeking to replace and supplant human relationships," Reynolds said. "We have to fight like hell to make sure that we don't make it easy for folks to do that."

The dispute over which systems should be covered resurfaced during questions from the audience. One attendee asked the panel how policymakers should distinguish between general-purpose AI, companions created for emotional engagement and ordinary customer-service chatbots.

Reynolds said the deciding factor should be whether the interaction causes a person to form an emotional attachment, regardless of the product's original purpose.

That could include a designated AI companion, a math tutor or even a banking application, she said.

"If a bank teller started getting a little too personal with your kid, you would be outraged," Reynolds said. "So a banking app should have the same guardrails on it."

That approach differs somewhat from Michigan's bill, which contains exemptions intended to avoid sweeping ordinary automated tools into the proposed regulations.

The legislation would not cover certain customer-service systems, internal business tools, technical-assistance programs, research tools, supervised clinical products or educational tutoring systems narrowly limited to an academic purpose.

For systems covered by the bill, prohibited conduct would include facilitating suicide, self-harm, disordered eating, substance abuse or substantial physical harm. A chatbot also could not encourage a minor to conceal the interaction, isolate from other people or avoid seeking assistance from a trusted adult or professional.

Operators could not use a minor's personal data to train the chatbot's underlying model without written parental consent.

The attorney general could seek a civil fine of up to $25,000 for each violation. A parent or guardian could also bring a civil action if a minor suffered actual harm because an operator violated the act.

Panelists also debated whether chatbots could eventually play a legitimate role in mental health care.

Sen. Page Walley, a Tennessee Republican and psychologist, sponsored legislation prohibiting AI systems from presenting themselves as licensed mental health professionals. His state's approach does not prohibit educational, wellness or support tools but focuses on false claims that a chatbot is a therapist, psychologist or counselor.

Walley said AI systems lack the licensure and accountability required of human professionals. Still, he said clinically tested technology could eventually serve as a tool used under the supervision of a licensed provider. For example, supporting a patient overnight and notifying the patient's therapist when an interaction raises concerns.

"I think there's real promise in the development of these technologies," Walley said, but he argued that their use should remain connected to a human professional accountable to a licensing board.

A licensed social worker in the audience raised another distinction between AI and human clinicians: mandatory reporting.

Human professionals can observe a child for physical or behavioral signs of abuse and are legally required in certain circumstances to report suspected harm. A chatbot cannot independently perform that role, the attendee noted.

Wright said even a future AI mental health system approved by federal regulators would need a human involved because not every patient would be suited to using the technology.

Walley agreed, saying a supervised chatbot could alert a therapist when a conversation indicated possible abuse or neglect.

"I just don't think that we can uncouple those," Walley said.

The discussion reflected the tension confronting Michigan and other states: lawmakers are under pressure to act before AI companions become as deeply embedded in children's lives as social media, but the technology is evolving faster than the rules intended to govern it.

Michigan's proposal attempts to address that tension by regulating dangerous behaviors rather than banning every chatbot outright. But its effectiveness may depend partly on how the attorney general defines acceptable age-verification methods and whether companies can identify children without collecting information that creates new risks.

For Reynolds, the possibility that lawmakers may need to revisit their work was not a reason to delay it. "I sure wish we would have had these guardrails in place" earlier, she said. "But we can't go back in time."

NCSL Unpacks Education Department Changes, Offers Advice to State Legislators

CHICAGO – In a National Conference of State Legislators (NCSL) panel this week, moderator and NCSL Federal Affairs Advisor Austin Reid said that federal education laws and funding requirements will remain in place as the Trump administration shifts several U.S. Department of Education programs to other agencies.

Regardless, he told state officials in the audience that they should prepare for possible administrative disruptions.

Many have asserted that these changes represent a dismantling of the U.S. Department of Education. However, Reid framed the changes as an administrative reorganization rather than the repeal of existing education policies.

Federal requirements under the Individuals with Disabilities Education Act (IDEA), Title I and the Elementary and Secondary Education Act remain in effect, and the education department is expected to retain policy and regulatory authority despite another agency's administering the program.

When asked whether the Department of Education will be eliminated entirely, Reid said that Congress would have to act to formally do so, something he asserted that there does not currently appear to be enough support in the Senate to do. However, he still acknowledged that there have been bills proposed, something he didn't want to get into as he felt those attempts wouldn't go anywhere.

"The way that the current administration is able to move the functions around and sort of pursue this agenda of dismantling is through these generally legally permissible inter-agency agreements, which I will note are only temporary," Reid said. "The administration could reverse those, probably unlikely. But a new administration could unwind those. Although that would be a process of detransition … there's certainly a lot of uncertainty there."

For states, the immediate concern is how smoothly programs, personnel and grant systems move between agencies.

Carissa Miller, CEO of the Council of Chief State School Officers (CCSSO), said the Department of Education and Department of Labor (DOL) use different grant management systems. Education's system was designed specifically to handle programs such as Title I, while DOL's system operates differently.

The federal Perkins Career and Technical Education Program was the first education program transferred to DOL. Miller said some states experienced delays following that transition, although Perkins represents significantly less money than the major K-12 programs scheduled to move.

Questions also remain about how states will report compliance. Staff responsible for monitoring Title I spending could also move to DOL, while final decisions about whether a state is properly administering the program would remain with the education department. Miller reiterated that this is what they think is going to happen, but it hasn't played out yet and is still to be determined.

"One of our biggest advocacy issues, and one thing that I would … encourage state legislators to talk to your state chiefs about is the training and making sure this goes seamlessly," Miller said.

She added that this year the CCSSO had a "very strong advocacy position" on leaving the funds with the Department of Education until DOL was fully trained and tested on the new responsibilities.

"Because it's really not about where the money is and how that's happening, but it's any time change comes through, change will create disruption, and the … districts and schools who are not getting funds will be the ones that will make assumptions about what's going on, and then they'll hold back," Miller said. "They might pull contracts for teachers. They might make different decisions than if they thought the funds were going forward."

The panel further unpacked how the administration's "Returning Education to the States" message is playing out through federal waiver authority.

These waivers, Miller said, are not new, adding that Congress has already narrowed the secretary's waiver powers since then. The waivers now focus mainly on fiscal flexibility. She and Reid stressed that waivers cannot eliminate federal testing and accountability requirements, however, and the education secretary cannot grant a waiver unless a state requests one.

An example of one is the "Ed Flex" waivers that allow districts to combine small federal funding streams into something more coherent like a broader literacy initiative.

Miller encouraged lawmakers to keep the federal changes in perspective. Federal funding generally accounts for about 12 percent of state education spending, she said, leaving states and local governments responsible for the remaining 88 percent.

"Know what's going on at the federal level, pay attention to it, but it's 12 percent, and you've got a lot in your state that you have to focus on."

NCSL Sounds Alarm That Biggest SNAP Changes May Still Be Ahead

CHICAGO – In just two months, the federal government's share of administrative costs to the Supplemental Nutrition Assistant Program (SNAP) will be cut in half to 25 percent, leaving states to shoulder the remaining 75 percent starting Oct. 1. And exactly one year after that, states may also start paying a share of SNAP benefits themselves.

It was this information that the National Conference of State Legislators (NCSL) panel shared, showing legislators that the major changes to SNAP from HR1 are far from over.

Until now, the federal government has fronted the bill for the SNAP benefit dollars, meaning the money that's loaded onto their EBT cards. But because of the One Big Beautiful Bill Act, the federal government's contribution to benefit dollars will soon be contingent on each state's payment error rates.

These payment error rates are not measures of fraud, moderator and NCSL Senior Legislative Director Lauren Kallins said. They're essentially a measure of over- and underpayments based on a small sample of a state's SNAP cases in a given month. Kallins said they're largely unintentional mistakes from missing or incorrect information about household income or other eligibility criteria.

The panel pointed to the U.S. Department of Agriculture's (USDA's) calculation in 2023 that over half of overpayments were due to state agency error, not household error. States are required to correct miscalculations. Overpayments made to a household have to be paid back, and underpayments also have to be paid out.

States who have a payment error rate below 6 percent will not have to cough up benefit dollars. States that have a payment error rate between 6 and 8 percent will be required to pay 5 percent of their benefit costs. Error rates between 8 and 10 percent will be paying 10 percent of those costs. And an error rate over 10 percent will be in the highest tier at 15 percent.

States will be given the opportunity to choose either their FY25 or FY26 error rate to determine their initial tier in 2027; after that their required cost share will be based on a rolling three-year average. There is a temporary exception for states already with the highest payment error rates, allowing them a one- to two-year delay.

"And based on the 2025 data," Kallins said, "there are currently 36 states who will face a cost share come Oct. 1, 2027."

However, she shared that the error rates are slightly declining by .31 percent. Between FY24 and FY25, they've dropped from 10.9 percent to 10.63 percent. Kallins said there are 36 jurisdictions who were at 6 percent or above in 2025, but that's down from 44 states based on 2024 data.

"But half of the states may have to pay $100 million or more in FY28," Kallins said. "Forty-six states will have already passed their budget, their FY25 budget, by the time the FY26 rates even come out. So these are really challenging budget times, and as all of this is playing out, we're seeing very dramatic enrollment declines. Over 4 million people, roughly 10 percent, have dropped from enrollment since the bill went into effect last July. It's estimated that there are over 1 million fewer children now receiving SNAP benefits."

NCSL has taken the position, she said, along with some "other national colleagues, including governors and mayors, that all states would benefit from a delay in order to bring those rates down.

"These are huge numbers," Kallins said. "All states will benefit from more time to implement these changes sustainably. So please, I can't underscore the importance enough. They can hear from NCSL until we're blue in the face, but they really need to hear from states about how important additional time would be for a whole host of reasons."

Panel Discusses Proposed Federal Special Education Changes as IDEA Celebrates 50 Years

CHICAGO – Passed more than 50 years ago, the Individuals with Disabilities Education Act (IDEA) came with a promise to the states that Congress would fund at least 40 percent of the excess cost of educating students with disabilities. It has never happened.

As the law enters its sixth decade, a panel at the National Conference of State Legislatures (NCSL) discussed the changes to special education, including efforts at the federal level to move programs from the U.S. Department of Education to other agencies. Panelists included Minnesota Rep. Cheryl Youakim, Indiana Rep. Robert Behning, and Linda Jacobson, a senior writer with The 74. It was moderated by Lindsay Jones, CEO of CAST.

Jones said IDEA, originally passed in 1975 as the Education for All Handicapped Children Act and renamed IDEA in 1990, is coming to the forefront because of its impact on state budgets as well as proposed federal changes. She cited the most recent data from the U.S. Department of Education, which showed more than 8.1 million students with disabilities, the most ever, with an increase of over 4 percent last year.

Youakim said the biggest challenges for her state are not only the large increase in the number of students with disabilities, but also the costs. She said Minnesota went from spending $1.8 billion on educating special education students to $2.7 billion in a year.

Behning also noted the challenge of finding enough special education teachers providing high quality services, as well as the costs.

He said Indiana has seen success in changes to its diploma structure, moving to more of a work-based and apprenticeship model, which he said can provide more opportunities for students with disabilities to move into the workforce after school. He also said the state has worked with the U.S. Department of Education to get flexibility waivers adopted.

Youakim said Minnesota has had success in creating a fund that helps intermediate districts that work like a cooperative between districts and will take students with the highest needs. Still, she said they have had issues with finding teachers, but that led to the creation of a program with a state university to create a new apprenticeship program for teachers to help them earn a degree more quickly.

Both lawmakers expressed concerns about changes at the federal level as the Trump administration looks to break up the Department of Education, including the proposal to move special education to the U.S. Department of Health and Human Services (HHS) and the Office of Civil Rights to the Department of Justice. Youakim said the proposals and the potential loss of funding have created uncertainty when putting together budgets.

Jacobson was asked about discussions with parents about the relocation of the Office of Civil Rights. She also cited uncertainty, especially about what those services will look like if multiple agencies are administering these programs. She said she has heard a variety of perspectives. Some parents have felt the system is not working, and they want to give the changes a chance to see what another agency would do.

"They are of the opinion that it isn't working and maybe we need to do something different," she said.

But a majority of parents she has talked with are concerned about moving special education to HHS. "I would say it is a pretty unpopular proposal at this point."

Behning said groups such as Arc of Indiana have also expressed concerns to him about the transition, but said much will depend on how it is handled and details such as whether staff who have been in charge of the programs move with it.

He noted many of the special education students don't have health-related issues, which means it may not make as much sense for it to move to HHS, and pointed to U.S. Senate legislation to move it to the U.S. Department of Labor.

The lawmakers also weighed in on other subjects, ranging from school choice to limiting screen time. Behning said Indiana has more school choice programs than others, but he said he has not heard complaints from parents who have not been able to get special education services due to the voucher programs.

Both said that while their states have cell phone bans in schools, they don't have limitations on screen time for special needs programs.

Panel Discusses Funding Child Welfare Systems, Building Continuum of Care

CHICAGO – Child welfare at the state level is having a moment right now, according to Katie Renner Olse of Sellers Dorsey & Associates, as a White House executive order last year called for a home for every child. But the responsibility for finding those homes falls to leaders at the state level, where child welfare services have to figure out how to finance their programs since the federal government is no longer the dominant payer in the field that it once was.

Others joining Olse at the National Conference of State Legislatures (NCSL) Legislative Summit to discuss states' financing strategies for successful child welfare system included Ohio Rep. Andrea White, Illinois State Rep. Anna Moeller, Michael Leach of Think of Us, and Sasha Rosco, also of Sellers Dorsey & Associates.

Olse said they can't talk about fixes to child welfare programs without talking about financing, and sustainable financing has to be part of the conversation. While between $33-35 billion is spent annually on child welfare nationally, Olse said there is an ongoing interplay between state and federal funding and other strategies to consider in funding child welfare systems.

Olse said 128 bills were introduced across state legislatures in the last year alone dealing with child welfare, but the goal should be to help families thrive without ongoing state intervention. Even as the same challenges continue to occur, Olse said it's cost effective to get it right with child welfare financing through a complex mix of federal, state, local, tribal and private dollars.

States often use their funds to match federal funds for child welfare purposes while local funding can include local tax revenues, bond measures and other funding mechanisms. Olse said success is less about finding new funding sources and more about maximizing current ones. An issue then becomes that states have to both invest resources just to draw down federal funds and also invest manpower resources to do all the needed reporting.

White called child welfare services a sacred space, because so many people in the system are struggling. The field also often includes so many people on the front lines working with limited resources.

White listed a number of factors policymakers need to weave through the space, including competing budget priorities and which are the most urgent to address, incentivizing and innovating to get to the best practices and results, workforce development as a child protection strategy, and playing the long game.

She noted instances in Ohio of kids' sleeping on couches in local children services agency offices. When agencies started to charge the state in those instances, Ohio made a rate card system for agencies that's transparent, White said.

Ohio has also invested money in constructing child wellness facilities, said White, nodding to the "huge glut" of group homes in her own Dayton-area community. White said that allows a child placement to be made, not because staff are trying to make a decision at 4 o'clock on a Friday, but rather because it's the best place for the child.

White also mentioned Ohio's funding of $10 million to Wendy's Wonderful Kids for adoption services, saying funding programs like those may help fund them into the state's next operating budget.

Leach said states have to make up funding that is now missing as fewer federal dollars are coming into child welfare systems. He has asked his Legislature to cover the funding that previously came from federal sources, but lawmakers said the welfare systems are not impoverished enough to make up that funding, and that makes it hard to maintain the balance.

Moeller said that in light of tighter budgets, budgeting with prevention in mind has become equally important, if not more so, than constantly putting out fires and dealing with crises. She said when resources are scarce, Illinois looks at what to maximize in its budget, including maximizing federal resources coming in and being more creative with Medicaid dollars, knowing those will be challenged in coming years.

Moeller said Illinois is working across agencies to invest in family stability, and the state is a leader in trying to keep children with their family and other kindred connections. She said it is known that brings better outcomes for the child, and resources go a lot further.

White said the number of kids in recent years who have come into Ohio's system, which is run at a county level, has fallen from around 14,000 to approximately 12,000, but the kids coming into the system are more urgent. White said the state has invested $15 million to study what's being done to keep such children from coming back into the system.

White noted the importance of data supporting the continued funding of wraparound services for prenatal care, infant mortality, and home visiting, services she said were all about helping families.

“If we don’t connect the dots there, we lose our spot at the budget table,” said White.

White nodded to the work of Ohio Rep. Sharon Ray, to establish the foster-to-college program, through multiple legislative sessions. White said she hopes that can make a difference in getting kids to graduate since that reduces the number of kids from foster care who are pregnant by a certain age or in jail.

Olse said that when she used to talk to legislators, she would say $1 invested in an area would save $10 in a few years, and legislators would demand proof of the claim. She asked how to have that conversation with legislators in a way to help them follow a certain public policy path.

White said part of the issue is legislators don’t leverage local community assets enough. She said state lawmakers need to go into those settings to hear the voices of the kids and workers in the field. When lawmakers start driving their decisions with data like that, White said they do have the proof.

Olse noted that much of child welfare is delivered in communities by private groups or nonprofits who may not be eligible to draw down federal money.

White said the 2023 creation of the Ohio Department of Children and Youth put many concerns like insurance premiums for foster care spaces and state-funded risk pools “under one big umbrella.”

That also allows the state to look at, as children are needier, what the state is doing to create more foster homes, and what the state is funding. White said the state is also looking at new ways to fund foster homes in novel settings.

Additionally, when a problem arises at school for a child, the state can better monitor the quality of the relevant providers with the goal of keeping them in business. The state can also gauge if group homes are better than paying agencies to place a child in a family to keep them safe.

Rural Health Panel Focuses on Federal Transformation Program

CHICAGO – Transportation, access to care, workforce strategies, hospital closures and Medicaid cuts are among the most pressing rural health issues among states, according to an audience poll at a National Conference of State Legislatures (NCSL) Legislative Summit panel this week on strengthening rural health.

While one year ago, no one had heard of the federal Rural Health Transformation Program (RHTP), according to panel moderator Carrie Cochran-McClain of the National Rural Health Association, now every one of those words has been in state proposals for the program, which allocated $10 billion per year among states for the five years between FY26-30, with half allocated equally among states and half allocated based on rural health metrics.

Cochran-McClain said the Centers for Medicare & Medicaid Services (CMS) created the program from the ground up in less than three months, and states had approximately six weeks to submit their plans for use of the funds.

While the dispersal of federal funds shortened the first full fiscal year of the program, states are now due to submit their first-year annual reports on the use of the funds to CMS in August, and further funding can be allocated at CMS’ discretion based on those reports.

Current state initiatives related to the program include population health, workforce, health system innovation, accessible care, disease prevention and care, health promotion and technology, which Cochran-McClain said that CMS Director Mehmet Oz and Health and Human Services Secretary Robert F. Kennedy Jr. like to lift up in forms like drones delivering medication.

In assessing future rounds of funding, CMS will grade states on their inclusion in licensure compacts, continuing medical education based on nutrition, scope of practice initiatives, remote care, and SNAP waivers, among other metrics.

While the CMS evaluation process is still unclear for states, according to Cochran-McClain, state legislatures still have a role in several parts of states’ RHTP planning, including the following:

- Align with the governor’s office, public heath and rural stakeholders to authorize and appropriate state funds.

- Understand relevant initiatives in the state’s plan.

- Fulfill the role of legislators in meeting state policy commitments.

- Oversee the initiatives.

- Focus on accountability, long-term sustainability

North Dakota State Sen. Brad Bekkedahl said his state's governor had to call a special session for legislators to hash out their RHTP plan, as the Legislature normally meets once every two years for 80 days, and the RHTP award session came out after the session in 2025.

The session's goal was to educate as many legislators as possible about the process, and lawmakers emerged naming the state's five most pressing health care needs, including behavioral health needs, chronic disease, workforce shortages, limited access to health care and gaps in technology.

The role of the North Dakota Legislature in RHTP included reviewing the program's provisions and recommending how to implement those provisions. The Legislature passed four bills in the special session to implement those policy recommendations, and North Dakota's state-owned bank, the only such bank in the country, provided gap financing to allow entities to start implementing the RHTP plans.

Alaska State Rep. Genevieve Mina said RHTP has been very important to her state, as the nation's most rural and sparsely populated state.

Mina said 82 percent of communities in Alaska are off the road system, and "you have to fly" maybe a few hours from one village to the next for health care, then maybe more if that village doesn't have the needed care. Mina said that makes Medi-Vac, or air ambulance, essential in the state, in addition to its ferry system.

While Alaska deals with some of the highest health care costs in the nation, according to Mina, it is also the only state without managed care. Alaska also deals with workforce shortages and high rates of substance use disorder and youth suicide.

Alaska was appropriated the largest RHTP award per capita, and Mina said the program has been led by the state's Department of Health (DOH), which retains full authority over the awards and manages reporting to CMS. The DOH is also partnering with the Alaska Community Foundation, which Mina said had previously worked with DOH on CARES Act and ARPA funding distribution.

While entities from several outside states have submitted RFPs to work in Alaska on RHTP, Mina said significant emphasis has been placed on making sure the money goes to Alaska-based entities. Mina said the state has approved 400 entities for funding so far out of nearly 1,800 letters of intent received, and the good news is all of the letters are public, which is good for transparency.

The job of the state's RHTP Advisory Council is not to direct individual dollars, Mina said, but more to meet federal guidelines and chart strategic alignment. Unlike in North Dakota, the Alaska Legislature did not have to go into special session to plan for the funding.

David Crall, legislative analyst for the Oklahoma State Legislature said his state's rural areas are much more disparate for health care than its urban areas, and RHTP represents a real opportunity for the state. Crall wants to give every citizen the opportunity to get health care, and make sustainability a part of every initiative.

The Oklahoma Department of Health (DOH) is also running the program in that state, following the work of a consultant group which informed a steering committee within the Legislature. Crall called the state's health and human services structure "pretty broken up."

The state's core initiatives include innovating care models through improving access to digital solutions and transportation along with bolstering the workforce, moving upstream through the use of innovative technology that leverages local assets and connects people to service like housing and utility assistance, and facilitating collaboration to regionalize services and build sustainable plans.

While states don't necessarily need to submit new program application materials to CMS before year two of the program, each state's progress report due in August might guide how much money the state will get in the following year, according to Cochran-McClain.

Bekkedahl said North Dakota already appropriated money for the first two years of the program, putting the highest percentages of money toward moving services closer to home and strengthening the state's rural workforce. The state's DOH may have to reallocate those funds based on any potential change in the CMS award.

Mina said Alaska's DOH in continuing community engagement during the grant process, which is helping to reduce local service redundancies and improve efficiency.

Crall said Oklahoma's application materials focused on sustainability, and that will guide the state's decision-making. That also shows providers the Oklahoma will remain a good place for them to invest. Crall said the state's strategy is about being intentional and not reinventing the wheel.

Beyond RHTP's five-year schedule, Crall said plans approved now are focused on fiscal responsibility, local ownership and sustainability past the five-year window. He said state agencies are on the ground dealing with local populations to track progress, and the state will adjust to the funding in year two.

Mina said Alaska was also "pretty aggressive" about the sustainability aspect, and that guided its standards in only choosing 400 projects from its 1,800 letters of intent received.

Bekkedahl said North Dakota approached sustainability by investing heavily during the first round of grants in medical equipment and equipment to construct facilities, with the thinking that would be how to build sustainability.

Former Federal Drug Policy Chiefs Discuss How States Address Opioid OD Deaths

CHICAGO – Overdose deaths in the U.S. have been falling since 2023 after peaking around 2018 at the height of the concurrent opioid and fentanyl epidemics.

At the National Conference of State Legislatures (NCSL) Legislative Summit this week, Regina LaBelle and Richard Baum, both former acting directors of the Office of National Drug Control Policy (ONDCP), discussed what's working to combat overdose deaths throughout the states, as well as how states can strengthen the continuum of care to reduce deaths and improve community well-being.

Despite the decline in overdose death rates in recent years, the current number of total U.S. deaths from overdoses is still at a level that would have been a record before the peak in deaths around 2018.

Panel moderator John P. Walters, president and CEO of the Hudson Institute, said that fentanyl continues to infiltrate states in new forms like powder, which is now the most common form of the drug.

Walters said that over 442 million lethal doses of fentanyl were seized at U.S. border crossings just in the first five months of 2024 alone.

Additionally, drugs like cocaine and stimulants are now being mixed into the supply of fentanyl, forming what Walters called polysubstances, also incorporating prescriptions like carfentanil, xylazine and medetomidine.

In response, states have been left to address the scourge through actions such as expanding access to life-saving services like the availability of naloxone as well as excluding drug-checking equipment from their drug laws.

While she's "very, very thankful" that overdose death numbers have begun to come down, LaBelle said there's still more that can be done. LaBelle said, "We can't declare success if we only stop people from dying." She called overdose deaths the manifestation of a disease, and a continuum of care is needed for people to thrive, not just survive.

As state legislators consider critical workforce issues, LaBelle said not enough people understand recovery peer supporters. She also said that as things shift at the federal level, states are preparing for a lapse in federal support, since as overdose prevention efforts fall, they fall on both federal and state levels.

Baum said the most important issue to grapple with is that most people who need to engage with overdose prevention strategies don't seek treatment. He said accessing and initiating treatment needs to be made as easy as buying rugs, including through the use of brick-and-mortar rehab centers to reach more people.

LaBelle said the stigma of substance use can make people afraid to seek treatment. Additionally, two friends of hers who recently died from long-term alcohol abuse saw doctors who never asked about alcohol use. She said the absence of that in health care makes substance use issues harder to deal with once they're chronic.

LaBelle said the federal money appropriated to ONDCP during her tenure from 2009-2016 was the first time the agency had gotten that much money, but that funding saw cuts in the proposed FY26-27 federal budgets. While Congress didn't accept those cuts, LaBelle said the budget still changed how those funds can be spent, including how Medicaid covers treatment services.

Concerning the role of the criminal justice system in addressing opioids, Baum said law enforcement has a role, as no community wants drugs present in their area. Law enforcement, either overtly or covertly has to do that work, including partnering with health systems.

Baum referred to a strategy called deflection that came out of Massachusetts around 2014-2015 that includes when law enforcement notices an individual's opioid problem, they offer treatment as an alternative to arrest. Police also carry naloxone, which Baum said rescues a lot of people. Baum said the experience of quickly screening someone and driving them to a clinic can be a powerful one for officers, who may be saving a life. Those efforts have grown into a national deflection foundation which Baum said needs to continue to grow.

LaBelle said a lot of health care in prisons is for people who are unmedicated for opioid use disorder, as newly placed inmates are 60 percent more likely to die of overdoses and a majority of people who die in jails die within 24 hours of intake by suicide or from substance abuse disorder that isn't treated.

Baum also suggested asking state legislators to hold prison wardens accountable for what happens to people after they are released. He said states spend thousands of dollars keeping someone in jail, and they could also spend money once they are out of jail to make sure they don't reoffend.

LaBelle said states have an incredible opportunity now with available opioid settlement funds, especially to model what their drug use response can look like in 10 or 20 years. Those funds now represent a steady stream of money, and states will be able to count on those for 15 or so remaining years.

LaBelle said states can work now on what they want their future workforce to look like and have those conversations while they have that funding, since states otherwise don't necessarily have the public health officials who know how to spend that money.

An audience question asked about the recent implementation in Chicago of overdose prevention sites, also known as safe injection sites or supervised consumption facilities.

LaBelle said there are two such facilities in New York and one in Rhode Island, and no one has died at any of those facilities. But she called the facilities a state and local issue, as legally, they violate federal law, though federal agencies have not tried to shut down the New York or Rhode Island facilities. Federal authorities have shut down such a facility in Pennsylvania before, though.

Baum said the hearts of the people who run these centers are in a good place, but he think the centers also need a pathway to recovery, noting those who run the centers may have lived experience, but they aren't responsible to get center users into recovery. LaBelle noted that the center in Rhode Island does refer people to treatment.

Notable Quotes at NCSL

"I also learned that some people are going to complain if their ice cream is cold. You can't make everybody happy. You've got to do your job."

-- **Oklahoma Gov. Kevin Stitt** during a session on bipartisanship in a divisive political environment.

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"Pew says that legislating is 'a game of base hits.'"

-- **Susan Urahn**, president and CEO of the Pew Charitable Trusts, during a discussion about how incremental progress in the legislative arena is progress.

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"As a former Packers player, this is the warmest reception I've ever received in Chicago."

-- **Virginia Sen. Aaron Rouse**, speaking during a panel on elections issues at the NCSL summit.