

News From The States

EVENING WRAP

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By [Sean Scully](#)

Merry Wednesday, everyone. It's the most wonderful time of the year: When governors begin releasing their budget proposals.



The Big Takeaway

Many reporters dread doing budget stories – all those numbers make our heads hurt. (If we were good with numbers, we'd be in a more lucrative business, we tell each other.) But in many ways, budget stories are among the most important stories political journalists tell.

It turns out that budgets aren't really about money. They're about values. The way a governor crafts a budget, and the way legislators rework that budget, says something about the way our leaders want us to live. They tell us what our leaders think is important, what communities they want to reward and who they want to punish.

That's why December is an important month for many of our newsrooms: with so many legislatures convening in January, governors are just now unveiling their proposed budgets.



*South Dakota Gov. Kristi Noem, scolding lawmakers for spending more than she asked for last year.
(Photo by Makenzie Huber/South Dakota Searchlight)*

In South Dakota, Gov. Kristi Noem is touting a \$7.28 billion budget for next year, down about 1.33% from last year, [the South Dakota Searchlight reports](#).

“Last year, the Legislature spent tens of millions of dollars that wasn’t in my budget recommendation,” Noem said during her annual budget address.

“Clearly, I signed that budget, but this year will be different. I am committed to budgeting conservatively, spending within our means, returning money to the taxpayers and focusing on our priorities.”

Among her priorities is boosting the state’s near-the-bottom teacher salaries. She called out school districts, saying they had received \$26 million in new funding during her time in office but boosted salaries just 10%, [the Searchlight reports](#). She wants to dedicate state money to a 4% raise for teachers, who are 49th in the country in terms of pay.

“Why would we continue to send money to school administrators and school boards when they don’t pass it on to teachers?” Noem said.

She also wants to expand a program supporting first-time mothers, fund construction of two new prisons, and allocate federal infrastructure money to

water projects. It would also put \$6 million into state universities [to research quantum computing](#).

What wasn't in the budget address?

"Did you hear one word about our Native American population and how we're going to lift up our poorest populations?" said state Rep. Linda Duba, D-Sioux Falls. "Republicans continue to treat this state like a two-class system."

In Florida, Gov. Ron DeSantis is proposing to pour money for the state's \$46.3 billion budget for health services into cancer research, Alzheimer's programs, child welfare, waivers for Floridians with disabilities and initiatives for elderly folks, [the Florida Phoenix reports](#).

Conspicuously absent from his proposal, however, was any move to expand Medicaid, as 40 other states have done under the Affordable Care Act. That expansion would extend health care to people who make up to 138% of the federal poverty line.

But the governor did take the opportunity of a press conference about his health care budget to comment on, of course, immigration.

"When you look at what's happening with the Biden border crisis, we have massive amounts of fentanyl that are coming across that border. That is impacting every community in this country. We've done a lot to combat illegal immigration in Florida, and, incidentally, we did legislation this year that was the strongest in the country, and we've seen the impact," said DeSantis, who just happens to be running for the Republican nomination for president.

Overall, Florida's budget would shrink by about \$3 billion, to \$114.4 billion next year under DeSantis' proposal, [the Phoenix reports](#).

But DeSantis did want everyone to know that he is definitely setting aside money to cover the costs of litigation that might arise from the epic snub delivered by college football officials to the Florida State Seminoles. They were left out of the four-team playoff lineup.

"What we've decided to do is set aside a million dollars for any litigation expenses that may come as a result of this very, very poor decision by the college football playoffs to exclude an undefeated team that won a big Power Five conference championship," he said during a press conference unveiling his

budget.



*Florida Gov. Ron DeSantis, not expanding Medicaid but Big Mad about the college football playoff situation.
(Screenshot via Florida Channel)*

In Maryland, local officials reacted with dismay after the state Department of Transportation said it would need to make deep cuts to planned projects to address a \$3.3 billion shortfall in its six-year spending plan, [Maryland Matters reports](#).

“This is not a new problem for our state,” State Transportation Secretary Paul Wiedefeld told Maryland Matters. “In 2020, the Department of Legislative Services identified that Maryland’s transportation program had a structural issue with operating costs increasing faster than overall revenues. Since 2020, these issues have been exacerbated by historic inflation impacting labor and materials costs, depleted COVID-19 relief funding, and the gradual decline of transportation’s largest revenue source – motor fuel tax revenue.”

Local officials, mindful of the explosive nature of transportation funding in the traffic-plagued Baltimore-Washington corridor, were quick to denounce the cuts and ask the new Gov. Wes Moore to cover the funding shortfall in his annual budget.

“It is evident this administration inherited challenges from the previous administration, but we believe funding cuts that shortchange residents in

Baltimore County – and across the entire Baltimore region – should not be the solution,” said Baltimore County Executive Johnny Olszewski Jr. (D).

“From daily commutes to high-profile incidents like the [tanker explosion](#) in March, the US 15 project has a very real and direct impact on the quality of life in Frederick County and all of Western Maryland,” said Frederick County Executive Jessica Fitzwater (D). “Furthermore, the decision to abandon the expansion of MARC service along the Brunswick line does damage to our shared transit goals.”

But not everyone was buying what the transportation secretary was saying. Senate Minority Leader Stephen S. Hershey Jr. (R-Upper Shore) dismissed talk of cuts as a manufactured crisis.

“This is a script of a bad movie that we’ve seen over and over again,” said Hershey, who is a member of the Transportation Revenue and Infrastructure Needs Commission. “They come out and they claim that they don’t have enough money to do something. Then they want to put it back on the legislature and say you’re going to have to be the ones to solve the problems.”



*Maryland Transportation Secretary Paul Wiedefeld, making himself unpopular with local officials.
(Photo by Bryan P. Sears/Maryland Matters)*

By now, it may be obvious that there is a sub theme running through all of these budget stories: Spending cuts.

It is no coincidence that state officials find themselves a little short of change this year, [Stateline reports](#). After years of enjoying robust support from the federal government, states are seeing pandemic-era funding drying up. Many states used the budget surpluses of recent years to boost spending or cut taxes.

Just as those costs are starting to bite, tax revenue in many states is on a downward swing, despite a generally strong national economy.

“Nationally, state tax revenue has been declining for 14 straight months and was down 5.6% in September compared with the year before, according to [data](#) compiled by the left-leaning Urban-Brookings Tax Policy Center,” Stateline writes. “Early October reports show ‘continued weakness’ for most states, though a recent stock market turnaround may help states for the rest of the year, said Lucy Dadayan, principal research associate at the center.”

While fears of a national recession have not materialized, there are troubling signs for many states. While California’s gross domestic product has continued to grow, for example, unemployment rose to 4.8% in October, the third highest rate in the country. In 32 states, GDP dropped from September to October, according to Federal Reserve data.

Still, some economists say it’s possible to read too much into the slumping revenue and troubling economic signals. Several interviewed by Stateline said rising unemployment comes not so much from people losing their jobs as from people who had left the workforce now looking to get back into the job market.

“We’re not falling off the top of a flight of stairs, we’re only falling off the first step,” said EJ Antoni, an economist at the conservative Heritage Foundation.

More from the It’s The Economy, Stupid files: [New study finds guides, outfitter industry contributed nearly \\$600M to Idaho’s economy in 2022 ... \(Arizona\) Task force: Pay teachers more and provide support or they’ll keep quitting ... \(Minnesota\) State projects \\$2.4 billion surplus with looming deficit in fiscal year 2026-2027 ... \(Michigan\) Growth council hears new report suggesting funds for education, infrastructure to boost population ... Nevada wages among nation’s lowest, rate of wage growth among nation’s slowest ... \(Wisconsin\) Finance committee holds off again on approving tribal funds](#)



Also Trending

There's really no way to summarize this story better than [the New Jersey Monitor did this morning](#), so I'll just give it to you straight.

“Instructors at a police-training conference in Atlantic City that drew 1,000 officers — including hundreds from New Jersey — glorified violence, encouraged insubordination, and promoted unconstitutional policing tactics that undercut a decade of police reform, a state watchdog said in a blistering [report](#) released Wednesday,” the Monitor wrote.

“Speakers at Street Cop’s six-day forum in October 2021 also disparaged women, people of color, and other marginalized groups, making more than 100 offensive comments that violated the state’s Law Against Discrimination, acting state Comptroller Kevin D. Walsh and his investigators found.”

There is ever so much more in this story, including advice to cops that smoking during a traffic stop is a signal of criminal activity, as is the absence of an automatic toll payment device known as an EZPass on a car. And a former New York City cop who bragged of his eight shootings, including four fatalities. Shootings, he told attendees, make him feel “victorious.”



*This is bad, everyone agrees. From there, opinions start to vary.
(Getty Images)*

Meanwhile in Oregon, opinions are sharply divided over what to do about the state's drug addiction crisis. But there is one thing that everyone does agree on: The status quo is not working, [the Oregon Capital Chronicle reports](#).

In 2020, Oregon voters passed Measure 110, which decriminalized most drug possession in the state. Backers said it was an effort to right the injustices of the War on Drugs and said it would be better to spend money on prevention and treatment than law enforcement and incarceration.

Critics, however, said the measure has just left local officials powerless to stop drug abuse, vandalism, and homelessness on the streets of Oregon's cities.

While evidence is unclear about how Measure 110 has affected the blight that afflicts parts of the state and the overall rate of addiction, there is broad consensus that changes need to be made.

Many critics of Measure 110 want voters to repeal it entirely next year. Backers of the measure say they just need to tweak the laws and beef up treatment options. That disagreement was on display at a legislative hearing this week.

Lisa Schroeder, chef and owner of Mother's Bistro & Bar in Portland, said the city's floating open air drug markets are making it difficult to stay in business.

"We've been victims of vandalism and other property crimes over the years, but nothing like I have seen since the passage of Measure 110," Schroeder said.

"The drugs make people brazen, committing crimes they'd never committed before ... I'm therefore begging the Legislature to reform, change or revise Measure 110 so there are consequences for public use and possession of more than a small amount of drugs."

But addiction specialists testified that coercion and incarceration does little to actually fix the underlying problems, for individuals facing addiction and for society in general.

"If you just eliminate drugs, you have not addressed the driving circumstances that led to that and other injuries and problematic behavior and circumstances," said Lisa Daugaard, co-executive director of the Seattle-based social services group Purpose Dignity Action. "That means tackling very fragmented, partial and stubborn systems that are not built to work for our folks."

Lawmakers reconvene Feb. 5, leaving the bipartisan Joint Interim Committee on Addiction and Community Safety Response little time to draft a new approach to the problem.

More from the Public Safety files: [Wash U alleges Missouri AG illegally sought patient records from transgender center ...](#) [Louisiana violent crime task force backed by Jeff Landry offers few specific proposals ...](#) [\(New Hampshire\) Amid overdose crisis, a debate over two bail statutes and a death-resulting drug case ...](#) [Lawsuit claims Montana 'food freedom' act endangers public, eliminates local control ...](#) [\(Vermont\) 'It used to feel safe': 4 Muslim students share fears after shooting injured 3 Palestinian Americans ...](#) [\(Florida\) Lawmakers push to provide adults a 'second chance' to expunge their criminal records](#)



From The Newsrooms

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One Last Thing

Stinky cheese has a devoted fan base, but a U.K. cheesemaker is looking to take the stink to new heights this holiday season, releasing its new cheese known as "The Minger," [Sky News reports](#).

Cheesemaker Rory Stone of Highland Fine Cheeses admits that the odor of his product "dominates the room."

"It smells like something's gone badly," he tells Sky News. "People put it in their car, go shopping for half an hour and then don't want to get back in ... For some people, it's just too much; it's too smelly and they don't want it in the house."

While there is no objective measure of the intensity of cheese odor, Rory says his creation may well be the stinkiest one ever developed.

But, he assures us, it tastes better than it smells.

"It's brutal on the nose but it's actually got a gentle taste," he said.

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