

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

**REPORT OF THE
CANADIAN PARLIAMENTARY DELEGATION OF THE
CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP
SOUTHERN LEGISLATIVE CONFERENCE OF THE COUNCIL
OF STATE GOVERNMENTS: 60TH ANNUAL MEETING**

Louisville, Kentucky

July 29 – August 2, 2006

From 29 July - 2 August 2006, members of the Canadian Section of the Canada-United States Inter-Parliamentary Group attended the 60th annual meeting of the Southern Legislative Conference of the Council of State Governments in Louisville, Kentucky. This report summarizes the presentations made at select plenary and concurrent sessions.

Report

GULF COAST & ATLANTIC STATES REGIONAL TASK FORCE: EMERGENCY PREPAREDNESS

- each state should have a person/position who is responsible for emergency preparedness, reporting to the Governor
- evacuation routes should be established in advance of an emergency, and evacuation should be staggered; as well, those without transportation of their own should be identified and a transportation plan should be developed
- lives are often lost when people refuse to evacuate; some citizens become complacent and adopt the view that “we survived x, so we can survive y”
- shelters – including churches, schools, civic centres, etc. – should be identified in advance of an emergency and a registry should be made; in particular, shelter capabilities for those with special needs should be identified
- drills should be undertaken in order to ensure that all parties know how to respond in the event of an emergency
- contracts for transportation, communication and other services should be in place prior to an emergency
- decision makers need to become educated about emergency preparedness issues
- institutions, such as nursing homes, need to be educated about what to do in the event of an emergency, and any special medical, dietary or other requirements should be considered
- liability for volunteers, such as doctors who enter another state to provide assistance, must be considered
- satellite, radio and telephone communications must be improved; phone trees and conference calls on a regular basis at a pre-arranged time may be desirable
- individuals should be informed that they need to be self-sufficient for the first 72-96 hours in the event of emergency
- capability must exist at the individual, community, local, state and federal levels, and the responsibilities of each stakeholder should be clear
- the private sector should be involved as appropriate, since they have existing distribution systems
- disasters cross state lines, and surrounding states are called on to assist evacuees; states need information about who is coming to their states – number, characteristics, etc. – in order to avoid, for example, putting sex offenders and children together in the same shelter
- disaster protocols by level may be desirable, in the sense that different types of disasters would lead to different activation levels

- building codes should ensure that buildings are constructed in a manner that is safer, stronger and smarter
- the Dutch model, with multiple layers of protection, may be a useful model
- faith-based and charitable groups play an important role in disasters, since your neighbours are also affected and you cannot turn to them for assistance

Trina Sheets, National Emergency Management Association

- the National Emergency Management Association (NEMA) enhances public safety by improving the nation's ability to mitigate, prepare for, respond to and recover from emergencies, disasters and threats to the homeland
- NEMA's mission is to:
 - provide national leadership and expertise in comprehensive emergency management
 - serve as a vital emergency management information and assistance resource
 - advance continuous improvement in emergency management through strategic partnerships, innovative programs and collaborative policy positions
- important disaster preparedness issues for the southern U.S. include:
 - the Emergency Management Assistance Compact (EMAC), a national interstate mutual aid compact enacted into law by all 50 states
 - catastrophic disaster planning
 - mass evacuation planning and sheltering
 - funding for state and local emergency management programs
- the total estimated EMAC response to Hurricanes Katrina and Rita included the deployment of almost 66,000 personnel and an estimated cost of almost \$830 million; it was the largest deployment of mutual aid assistance in the history of the United States
- 35 states have – and six additional states have proposed – intrastate mutual aid agreements
- 40 states have agreements that allow local governments to be deployed through mutual aid

- 16 states have agreements in place that allow the deployment of private-sector assets; states should consider how to integrate more effectively the private sector into disaster planning, response and recovery
- 23 states have agreements in place to deploy volunteers through the EMAC; states should consider how to integrate more effectively volunteers into disaster response and where laws exist that prohibit the sending or receiving of volunteers for mutual aid purposes
- regarding catastrophic disaster planning, the following points should be borne in mind:
 - there is no definition of when a disaster is “catastrophic”
 - the Department of Homeland Security expects all states to plan for catastrophic disasterS regardless of their level of risk and vulnerability for any given hazard
 - no national standards or guidelines exist for catastrophic planning
 - there are no additional federal funds for catastrophic planning
- in 36 states, the Governor has explicit legal authority to direct and compel emergency evacuations
- in 15 states, local mayors are responsible for issuing mandatory evacuations
- at least 27 states have penalties for disobeying mandatory evacuation orders
- evacuation planning for specials needs populations is critical for most states, and private hospitals and nursing homes must be integrated into evacuation planning with a clear understanding of their responsibilities
- average per capita spending by states on emergency management is \$0.66 ANNUALLY
- the majority of federal grants to state and local governments under the category of emergency management funding continue to be focused on terrorism

MEETING THE NEEDS OF RURAL AMERICA

Chuck Fluharty, Rural Policy Research Institute

- policies and budgets are ultimately about visions and values, and we must determine the policy framework that will best integrate rural initiatives and farm programs for the benefit of producers, their rural communities and regions, and childrens’ opportunities
- key questions must be answered:

- what are the principal policy goals of rural initiatives and farm programs?
- who are the constituencies of each, and how are they benefited by public investments?
- since almost all producers are rural residents, why have these programs historically been viewed as inherently competitive or contradictory?
- the rural economy is too diverse for agricultural policy to be an effective “rural development policy”
- commodity payments do not spur rural economic growth; the “catch 22” of agricultural policy is that commodity subsidies wed regions to commodities and thwart innovation
- four key questions for rural policy change are:
 - why should America care?
 - can a meta-policy shift occur?
 - what are the key elements in such a shift?
 - where are the current and future opportunities for such an approach?
- America should care for reasons that include culture, place, equity/access and public-sector stewardship; a change in rural rhetoric is long overdue
- there is a structural rural disadvantage in U.S. federalism and, as well, a disadvantage in foundation and corporate grantmaking; of the \$30 billion annually in foundation giving, \$100 million is committed to rural development, and of the 65,000 active grantmaking foundations, there are 184 engaged in rural development; of the \$12 billion annually in corporate philanthropy, 1% of the total and 153 of 10,905 grants go to rural organizations
- on a per capita basis over the 1999-2001 period, federal spending on urban community development was two to five times higher than on rural community development; on an annual basis, the rural disadvantage is \$14 billion
- components of a regional rural innovation policy include:
 - moving from recruiting to entrepreneurship
 - identifying and encouraging “functional” economic regions
 - engaging higher education in a regional framework
 - creating a policy framework that encourages regional leadership

- globalization is changing the framework for rural policy and programs, since: commodity industries are driven by cost pressures; consolidation is widespread; and impacts are, most often, regional in nature
- national competitiveness is increasingly determined by regional actions
- place-based policies are World Trade Organization-compatible and non-trade-distorting
- capturing a regional competitive advantage must be the goal, and components of this approach include:
 - identifying regional assets
 - using a niche approach
 - focusing on innovation, entrepreneurship, collaboration and new governance
 - integrating single firms and places into a regional, systems approach
- a new rural policy should:
 - acknowledge that the current agricultural policy has many goals but has failed to assure broad-based rural economic growth
 - build innovative new regional approaches for global competition
 - support needed institutional innovation
 - assist in easing current agricultural trade conflicts
- four critical components are:
 - maintain the current level of federal rural investment, bearing in mind the need for essential public services in such areas as infrastructure, broadband and community capacity, as well as the rural funding disadvantage that should be overcome
 - create a new rural policy framework based on regional rural innovation, and ensure that there is inter-departmental and inter-governmental collaboration, funding alignment and programs
 - support key operational principles, including asset-based development and the requirement for local input
 - develop and sustain a national dialogue on rural America that includes rediscovering the social contract with rural America

FARM BILL UPDATE

Jonathan Watts Hull, Southern Legislative Conference

- the core mission of the Farm Bill for more than 70 years has been farm-income and commodity-prices support, although the scope has expanded over time to include nutrition, conservation, research, farm credit, rural development, forestry and energy
- there was a new approach to farm policy in the 1990s as a consequence of a changing agricultural economy, shifts in global trade rules and new political realities
- with high prices in 1995-1996, high prices were built into the model; when prices declined dramatically in 1997-2000, emergency payments were made to farmers; as well, trade liberalization had uneven benefits for agricultural producers and on-farm income was unstable
- the 2002 Farm Bill involved an 80% increase in farm program payments, and emergency payments were codified as counter-cyclical payments
- the 2007 Farm Bill will face a number of policy pressures, including:
 - the federal budgetary deficit – Farm Bills passed during periods of budget deficits tend to provide lower levels of farm spending
 - World Trade Organization negotiations – the Doha round of negotiations was recently suspended, and agriculture was at the centre of the derailment; as well, Secretary of Agriculture Johanns and U.S. Senate Agriculture Committee Chair Chambliss have said that the U.S. will have a Farm Bill that is compliant with World Trade Organization rules, and the United States Trade Representative and President Bush have said that the United States will end agricultural subsidies by 2010 or 2013
 - political considerations – neither U.S. Senate Agriculture Committee Chair Chambliss nor House of Representatives Agriculture Committee Chair Goodlatte has written a Farm Bill, and the current climate in the U.S. Congress is such that there is little bipartisanship; as well, the agricultural community is highly fragmented
 - conditions in the farm sector – only the largest farms are profitable

INNOVATIVE STATE APPROACHES TO MEDICAID

Secretary Mark Birdwhistell, Health and Family Services, Kentucky

- financial deficits mean that changes must be made or people will be unable to access Medicaid

- the U.S. health care system should focus on wellness and disease management; the right care must be provided to the right people at the right time in the right setting
- there is a concern about the population covered and the distribution of assistance, since too much is being spent on too few
- consumers must be provided with incentives to take personal responsibility for their own health care
- flexibility is needed to provide different benefit packages and different co-pay arrangements
- states need greater flexibility to design a Medicaid system that meets the needs of citizens

CHILDHOOD OBESITY: A NATIONAL EPIDEMIC

Chris Bolling, Cincinnati Children's Hospital Medical Center

- childhood obesity has reached epidemic proportions, with implications for health and funding priorities
- in nine states more than 25% of the adult population was obese in 2004
- about 10-15% of children are overweight, and "heavy" children become "heavy" adults; an increasing number of children are "super-obese"
- the poor and visible minorities are disproportionately represented among the overweight and obese
- the health effects of obesity include: sleep apnea; colon cancer; liver disease; cardiovascular problems; osteoarthritis; heart disease; stroke; Type II diabetes; and a diminished quality of life
- "adult diseases" are no longer restricted to adults
- because there is a spectrum for obesity, a spectrum of solutions is needed; there is no "silver bullet cure" and solutions will occur on a number of levels, including behavioural change, public health, etc.
- there must be aggressive efforts made to identify those who are overweight or at risk of becoming overweight

Victor Sutton, Department of Health, Mississippi

- the percentage of overweight children has more than tripled since 1980, and childhood obesity has reached epidemic proportions
- childhood obesity is a consequence of the choices that are made; children should eat more fruits and vegetables, consume less sugar and fat, and exercise more

- with limited resources, the focus should be children, since with them the return is greatest and there is a greater chance of changing behaviour
- healthy children = healthy students = healthy communities = healthy states
- vending machine policies should consider:
 - portion size – the number of calories per portion
 - availability – the number of machines, the location of machines, the times at which students can access the machines

Hon. Herschel Cleveland, Former Speaker, Arkansas House of Representatives

- healthy students learn better and have better school attendance
- Arkansas spent all of its tobacco settlement money on health care
- standards are needed with respect to nutrition and physical activity

PANDEMIC INFLUENZA: AWARENESS, PREPAREDNESS AND RESPONSE

Chris Downing, U.S. Department of Health and Human Services

- preparing for a pandemic flu is a top priority of the U.S. Department of Health and Human Services
- states have a role to play with respect to authorizations and appropriations
- public health has been, and must continue to be, a local function, although the federal government has a role to play
- the federal government assists states in developing preparedness plans; as well, it funds Centers for Disease Control and Prevention surveillance efforts and anti-viral medicines
- the most effective vaccines cannot be developed until a specific strain of influenza manifests itself; then, it takes time to mass-produce
- anti-viral treatments are not a panacea and may lead to other problems, such as resistance
- the H5N1 strain of avian influenza is spreading
- while federal, state and local governments have a responsibility to prepare for a pandemic flu, so too do individuals

Roba Whiteley, Together Rx Access

- the Together Rx Access program provides help to those who would not otherwise be able to access needed prescription drugs; it helps the uninsured, many of whom are children

- the uninsured includes those who: cannot afford medication; work for a small employer that does not provide a drug plan; and feel invincible, such as young adults
- the program was created in 2002 by seven pharmaceutical companies
- the uninsured may visit an emergency room rather – than the doctor – which is relatively more costly
- more than 18,000 Americans die each year because they are not insured
- a component of the program is a card that is free to acquire and free to use, with most pharmacies accepting the card; cardholders have significant savings on more than 300 prescription products

IMMIGRATION AND THE U.S. ECONOMY

Secretary Carlos Gutierrez, *U.S. Department of Commerce*

- immigration is the domestic social issue of our time, and we must determine how we moved forward and build the economy of the future; decisions taken today will affect opportunities tomorrow
- the United States is existing in the global economy, with new competitors
- since many countries are facing demographic challenges, immigration is being used as a strategy
- the United States has a proven history in assimilating immigrants, since the country has been accepting immigrants for more than 230 years; in fact, the United States is a nation of immigrants in the sense that if you are not a Native American, you are either an immigrant or the child of immigrants
- regarding illegal immigration, issues must be addressed in a rational and unemotional manner
- immigration is a net gain for Americans, but it will not work unless the northern and southern borders can be controlled; the United States can secure the borders by having proper immigration policies, with effective enforcement
- immigrants are needed for jobs that American citizens either do not want to do or do not have the right skills to do
- employers need the tools to ensure that their immigrant employees have the proper documentation
- there are 12 million people who are in the United States illegally, and they have 3 million children who are U.S. citizens because they were born in the United

States; it is not practical or humane to deport these illegal immigrants, even putting aside the issue of their children

- illegal immigration puts a strain on state and local budgets as funds must be spent on health care, education, etc. for these individuals
- there are two extreme positions regarding illegal immigrants:
 - mass deportation, which is not realistic
 - amnesty, which is not President Bush's position
- the path to naturalization/legalization is hard, with background checks, language skills to acquire, etc., and many want a job, not necessarily U.S. citizenship
- the United States is a nation of laws and a nation of immigrants
- comprehensive immigration reform will make the United States stronger

AG ENERGY AND RURAL DEVELOPMENT

Commissioner Gene Hugoson, Department of Agriculture, Minnesota

- Minnesota has an ethanol program designed to:
 - boost the farm and rural economy
 - reduce U.S. dependence on foreign fossil fuels
 - improve urban air quality
- the Minnesota Department of Agriculture has played a role in providing public education, offering production incentives and other support, and encouraging farmer-owned developments; the Governor wants Minnesota to be the "Saudi Arabia of renewable energy" and the state leads the United States in per-capita consumption of renewable energy
- the production goal is to increase renewable fuel production from 1.5 million gallons to 200 million gallons to, eventually, 550 million gallons; each gallon of ethanol reduces oil import needs by 7 gallons
- since it is more efficient to have larger plants, plants are expanding and new plants are larger
- in July 2006, there were 16 ethanol plants in Minnesota, 10 of which were farmer-owned; 20% of the corn crop is used for industrial processing and \$300 million in value is added; there are 1,000 new jobs in the ethanol plants and 4,800 external jobs supported by the plants
- the impacts of farmer-owned processing include:

- corn-to-ethanol adds an average of \$1.74 per bushel in value
- each 15-million-gallon plant adds up to \$10 million in value to 5.5 million bushels of corn annually
- money is injected into local communities
- as an investment, ethanol provides:
 - a hedge on corn prices
 - more total profit for farmers
 - a diversified farm income
- U.S. ethanol plants produced almost 8 million tons of dried distillers grains in 2005, a figure that is expected to be 10 million tons in 2006
- Minnesota has legislation in place to require 20% ethanol content in state gasoline by 2013, the number of E-85 vehicles in the state fleet will increase and the state was the first to mandate use of 2% biodiesel
- the annual production capacity for biodiesel in Minnesota is 63 million gallons, second to Texas in biodiesel production
- challenges remain, including:
 - resistance to E-85 pumps, with 225 E-85 stations in Minnesota in July 2006
 - there is limited consumer awareness of the benefits of flexible fuel vehicles
 - there are lingering misconceptions about ethanol, such as that it: causes engine problems; plays a role in gas price hikes; and takes more energy to produce than it yields

PREPARATION AND RESPONSE FOR AGRICULTURE

Edwin Jones, North Carolina State University

- the Extension Disaster Education Network (EDEN) shares educational resources, experience and expertise
- the EDEN was started in 1994 following floods
- although the EDEN has a website, a website is not useful when the lights go out; without power, disaster recovery depends on relationships

- everyone should have a disaster preparedness plan, beginning with the individual/family

ENERGY SECURITY AND RELIABILITY

Robert Baumann, Louisiana State University

- in terms of transportation fuels, no good substitute for oil is available
- most energy policy must occur at the federal level
- constituents are not very sophisticated about energy policy; their primary concern is purely economic: what is the price
- increased drilling, biofuels, energy conservation, etc. are all needed, since there are no silver bullets
- U.S. energy consumption as a proportion of Gross Domestic Product has been declining, with much of the progress occurring due to the loss of such energy-intensive industries as steel and fertilizers
- the world uses twice as much oil today as it did in the 1970s
- oil and gas reserves are measured in decades, coal reserves are measured in centuries and nuclear reserves are measured in millenia if Canada is considered
- while hydrogen is the most abundant element on earth, its bond must be broken with other elements
- at some point, the production of biofuels will affect the price of food
- to the extent possible, the geographic location of energy assets should be diversified

Kenneth Friedman, U.S. Department of Energy

- state and local governments play an important role in responding to energy emergencies
- coordination is required to ensure an effective disaster response
- waiver of environmental regulations often must occur at the state, rather than the federal, level
- following a disaster, priorities regarding restoration must be determined

Francis Bradley, Canadian Electricity Association

- electricity networks in Canada and the United States are highly integrated, and regional markets are relatively common

- Canada is the largest foreign supplier of energy to the United States
- 28 states import electricity from Canada, and Canada also imports electricity from the United States
- Canada and the United States have significant two-way trade in electricity
- there are “time of day” and seasonal considerations
- there is an urgent need to invest in energy – including electricity – infrastructure in order to build additional capacity to meet rising consumer demand and to replace aging infrastructure

ENERGY INDEPENDENCE AND ECONOMIC DEVELOPMENT

Ernest Shea, Natural Resource Solutions

- energy is the linchpin of the economy; it is fundamental to prosperity, contributes to the quality of life of citizens and, historically, has been abundant and affordable
- fossil-based energy systems are not sustainable; world oil reserves are limited and are located in volatile parts of the world, and dependence on foreign oil hinders U.S. efforts designed to ensure energy security; as well, emissions from the burning of fossil fuels have environmental implications
- the 25×’25 initiative, formed in 2004, seeks to forge a consensus on a new energy future; it focuses on economic, national security and environmental benefits, and is advocating a food, feed, fibre and fuel visions that is economically viable
- the technology, capacity and leadership exist to offer new energy solutions that will enhance farm income and strengthen rural communities
- the 25×’25 initiative has three phases:
 - create a vision
 - build an energy alliance
 - construct an implementation strategy
- the vision of the 25×’25 initiative is: by the year 2025, America’s farms, ranches and forests will provide 25% of the total energy consumed in the United States while continuing to produce safe, abundant and affordable food, feed and fibre
- agriculture and forestry can play a major role in helping the U.S. achieve energy independence, and an historic opportunity is on the horizon; benefits are likely to include

- increased farm income
- added-value uses
- alternative enterprises
- more productive use of marginal lands
- resolution of air, water and soil quality problems
- reduced reliance on government payments
- enhanced rural economies
- the 25×'25 goal may be met by:
 - producing transportation fuels
 - harnessing wind energy
 - converting biogas emissions
 - capturing solar energy
 - providing biomass for generating heat and power
- attainment of the 25×'25 goal is likely to lead to:
 - enhanced national security
 - an improved environment
 - a revitalized economy
- the southern United States is rich in renewable energy feed stocks, with 42% of the nation's biomass potential located in the South
- more than 225 organizations have endorsed the 25×'25 initiative, as well as 13 Governors and 4 state legislatures; by 1 September 2006, state-level 25×'25 alliances will be operating in 20 states, and by election day 2006, more than 50% of the U.S. Congress will be on the record in support of adopting 25×'25 as a national goal
- the building blocks of the 25×'25 initiative are:
 - enabling federal and state policy
 - research, development and demonstration
 - communications and education

- appropriations
- coalitions and outreach
- commercialization of new and emerging technology
- access to capital
- infrastructure

Rep. Jamie Franks, Jr., Mississippi House of Representatives

- Mississippi has a comprehensive approach to alternative and renewable energy, including: laws supporting alternative energy research and development; and funding for innovative industries
- two goals include: saving energy costs; and being at the forefront in energy efficiency
- Mississippi offers tax credits for consumers who purchase hybrid vehicles and for homes that meet environmental design standards

THE MASSACHUSETTS HEALTH INSURANCE INITIATIVE: MAKING HEALTH INSURANCE AVAILABLE TO EVERY RESIDENT BY 2009

Secretary Tim Murphy, Health and Human Services, Massachusetts

- with 16% of the nation's Gross Domestic Produce spent on health care, the right decisions must be made
- with double-digit increases in the cost of insurance and many uninsured citizens, Massachusetts undertook health care reform using an holistic approach
- individual consumers have no idea about the true cost of the health care they receive; it is important to build a culture of personal responsibility regarding health care and individuals should purchase health insurance in the same way that they purchase automobile insurance; as well, people should be encouraged to think about the consequences of their lifestyle choices
- 93% of Massachusetts' 6.4 million citizens have health insurance; the uninsured include those: eligible for Medicaid or other health insurance; who work for an employer that does not offer health insurance; and who can afford health insurance but choose not to purchase it

INNOVATIVE APPROACHES TO STATE TRANSPORTATION ALTERNATIVES

Governor Mitch Daniels, *Indiana*

- Indiana had a number of deficits: budget, trade and transportation

- Indiana is moving aggressively into the measurement of performance state-wide, since without such measurements it is more difficult to determine what public purpose is served and whether goals have been met in the best manner possible
- Indiana is the “cross-roads of America,” since it is a manufacturing, logistics and distribution centre
- creativity in raising money to close the transportation infrastructure gap is needed
- transportation = jobs

Respectfully submitted,

Hon. Jerahmiel Grafstein, Senator
Co-Chair, Canadian Section
Canada-United States
Inter-Parliamentary Group

Rob Merrifield, M.P.
Co-Chair, Canadian Section
Canada-United States
Inter-Parliamentary Group

Travel Costs

NAME OF ASSOCIATION	Canada United-States Inter-Parliamentary Group
ACTIVITY	Southern Legislative Conference of the Council of State Governments: 60th Annual Meeting
DESTINATION	Louisville, KY
DATES	July 29 – August 2, 2006
NAMES OF SENATORS	Hon. Jerry Grafstein, Senator
NAMES OF MEMBERS	Ms. France Bonsant, M.P.
NAMES OF STAFF	Ms. June Dewetering, Mr. Daniel Charbonneau,
TRANSPORTATION	\$ 4,495.87
ACCOMMODATION	\$ 2,353.92
HOSPITALITY	\$0
PER DIEMS	\$ 905.21
OFFICIAL GIFTS	\$0
MISCELLANEOUS/REGISTRATION FEES	\$ 2,246.52
TOTAL	\$ 10,001.52