

Canada - United States  
Inter-Parliamentary Group  
Canadian Section



Groupe interparlementaire  
Canada - États-Unis  
Section canadienne

**Report of the Canadian Parliamentary Delegation  
to the Council of State Governments – Southern Legislative  
Conference - 2008 Annual Meeting**

**Canada-United States Inter-Parliamentary Group**

**Oklahoma City, Oklahoma, United States of America  
July 11-15, 2008**

# Report

## INTRODUCTION

From 11-15 July 2008, Mr. Brad Trost, M.P. represented the Canada-United States Inter-Parliamentary Group (IPG) at the 2008 Annual Meeting of the Council of State Governments - Southern Legislative Conference (SLC) in Oklahoma City, Oklahoma.

Founded in 1947, the Southern Legislative Conference includes state legislators from 16 southern states (see the Appendix). Its mission is to foster and encourage intergovernmental cooperation among member states. It is the largest of the four regional legislative groups of the Council of State Governments, with a membership of 2,588 legislators representing almost 12 million people.

The 16 states in the SLC are important to the Canada-US relationship. Of the estimated 7.1 million US jobs that depend on bilateral trade, recent figures indicate that more than 2.6 million jobs in those states rely on Canada-US trade. Bilateral trade was recently valued at nearly \$107 billion annually: about \$52.8 billion was exported from the 16 states to Canada, while they imported just over \$54 billion. Moreover, recent data suggest that, in a one-year period, Canadians made more than 5.6 million visits to the SLC states and spent more than \$3.1 billion, while residents of the SLC states made almost 2.2 million visits to Canada in that same period and spent nearly \$1.4 billion.

The meeting included a variety of plenary, committee, roundtable and other sessions. The plenary sessions were:

- Is the Economy Headed Higher – or Off a Cliff?
- New Frontiers.

The following committees held sessions during the meeting:

- Agriculture & Rural Development
- Economic Development, Transportation & Cultural Affairs
- Education
- Energy & Environment
- Fiscal Affairs & Government Operations
- Human Services & Public Safety.

Finally, roundtable and other discussions were held on the following topics:

- Navigating the Rapids of Term Limits
- Gulf Coast & Atlantic States Regional Task Force

- Lower Mississippi River Basin Initiative.

The interaction with state legislators enables members of the IPG to achieve better the aim of finding points of convergence in respective national policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding on shared issues of concern. Moreover, the meetings with state legislators provide the members of the IPG with an important means to provide input to, and gather information about, state-level issues that affect Canada.

This report summarizes the discussions that occurred at the plenary sessions.

## **AGRICULTURE & RURAL DEVELOPMENT COMMITTEE**

### **Rural Housing: Improving Access & Affordability**

#### **Mr. Joe Belden, *Housing Assistance Council***

- formed in 1971, the Housing Assistance Council helps to provide affordable housing in low-income rural communities
- the Housing Assistance Council's services include:
  - offering direct technical aid to all providers and potential providers of affordable rural housing
  - providing revolving loan funds and operating support grants
  - conducting regional training workshops on rural housing development
  - convening a national rural housing conference every two years
  - conducting research on rural housing
  - publishing technical manuals, program guides, analyses, information sheets, reports, magazines and newsletters
- many rural Americans live in substandard, unaffordable or crowded homes because of such barriers to housing as persistent poverty, a lack of affordable units, the absence of affordable mortgage financing, housing cost burdens, etc.
- in some areas in rural America, people lack indoor plumbing
- the rate of substandard housing is relatively higher in the US South
- in the United States, there are counties that can be characterized as consistently poor, and almost all of these counties are in rural America; these counties have had a poverty rate of at least 20% annually since 1960
- according to a 2005 survey, while rural America was predominantly white, there were relatively large rural communities of racial and ethnic minorities in some

regions of a number of states, including Southern states; rural minorities often had relatively higher poverty rates and relatively lower incomes

- 2005 survey results indicated that one in three rural households had at least one member with a disability
- according to a 2005 survey, homeownership was the preferred form of rural tenure, with more than 76% of rural households owning their residence; homeownership rates in the rural South were similar to the rural homeownership rate nationally
- 2005 survey results revealed that about 17% of all housing units in rural America were constructed prior to 1940, which has implications for the use of lead-based paint, among other considerations
- according to a 2005 survey, housing affordability had replaced housing quality as the most prevalent housing problem in rural America
- 2005 survey results indicated that rural housing values were relatively lower in the US South and that residents of the South were relatively more likely to live in manufactured homes
- in April 2008, there were more than 535,000 homes in or near foreclosure in the 16 states included in the Southern Legislative Conference; of these, more than 45% were located in Florida
- rural areas often have a relatively higher incidence of high-cost loans
- over time, there have been declines in United States Department of Agriculture housing programs, including those in respect of:
  - section 502 guaranteed homeownership loans
  - section 502 direct homeownership loans
  - section 504 home repair and rehabilitation grants
  - section 515 new and rehabilitation rental loans
  - section 523 self-help technical assistance grants
  - section 538 guaranteed rental housing loans

## **Updating Agricultural Education**

**Mr. James Woodward, *Department of Education, State of Georgia***

- agricultural education is experiencing dramatic success in Georgia, with the turning point occurring in 1996 when agricultural education in the state underwent a performance audit and the results were negative

- following the negative performance audit, agricultural education received increased funding, a curriculum review, etc.
- enrolment in agricultural education programs is rising in Georgia
- key factors leading to successful agricultural education include:
  - teacher-focussed
  - strong legislative involvement at the state and local levels
  - a strong curriculum focus that integrates agriculture
  - a balanced approach to program improvement
  - industry engagement
  - new marketing approaches to agricultural education

## **ECONOMIC DEVELOPMENT, TRANSPORTATION & CULTURAL AFFAIRS COMMITTEE**

### **Short Update on the Southeast US-Canada Trade Association**

#### **Senator Mark Norris, *Tennessee Senate***

- the Southeast US-Canada Trade Association was formed in November 2007, and includes the US states of Alabama, Georgia, Mississippi, North Carolina, South Carolina and Tennessee as well as the Canadian provinces of Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Quebec
- Canada is the largest trading partner for many states represented in the Southern Legislative Conference

## **PLENARY SESSION: IS THE ECONOMY HEADED HIGHER – OR OFF A CLIFF?**

### **Mr. Todd Buchholz, *Author and Former Director of Economic Policy, The White House***

- the building blocks of the world economy are changing before our eyes, and we now live in an instantaneous world
- global change has created "winners" and "losers," which makes it difficult to create economic policy
- we need to increase our understanding of "hyper-competition," which has three elements:

- speed – the speed of change is incredible
  - scissors – the "middleman" is being "snipped" out of nearly every transaction
  - trust
- middle-class Americans feel that they are caught in a pincer movement
  - the internet economy forces increased efficiency, competitiveness and customer service
  - when you have economic turmoil, the only choice you have is to be more innovative and competitive than others; we should compete on the basis of expertise and service
  - the nature of what we produce in our economy has changed, and the focus is now on "brain" rather than "brawn"
  - education is the most important long-term economic issue, and we must do a better job of making US children as competitive as they will need to be in the future; other countries are surpassing the United States in terms of education
  - change X people = opportunity
  - demographic change has resulted in the US having more golf courses than it has McDonald's restaurants
  - with a decline in the relative value of the US dollar, American manufacturers are exporting more goods, which is limiting the depth of the recession
  - companies are not engaging in the same type of massive layoffs that occurred during earlier recessions; there are several reasons for this behaviour by companies:
    - they had relatively more cash going into the current recession
    - they are aware of the impending retirements of baby boom employees and they are expecting labour shortages
    - inventories are relatively low, with the result that there is a reduced need for layoffs

## **ROUNDTABLE DISCUSSION: NAVIGATING THE RAPIDS OF TERM LIMITS**

**Senator Shane Broadway, *Arkansas Senate***

**Senator Glenn Coffee, *Oklahoma Senate***

**Mr. Alan Rosenthal, *Rutgers University***

**Mr. Thomas Little, *State Legislative Leaders Foundation***

**Question One: How are term limits like "rapids"?**

- they are unpredictable
- they take you places: some good, some bad
- they change the context and nature of interactions among people and institutions
- they bring in new blood

**Question Two: What are the challenges faced by states with term limits?**

- tension is created
- longer orientation periods are needed
- there is a relative lack of institutional memory
- there is a huge learning curve, including in respect of issues, rules, traditions, etc.
- turnover is relatively higher
- leadership is relatively less stable
- everyone is positioning himself/herself to become a leader, and this manoeuvring begins on the first day that legislators arrive in the legislature
- lobbyists are relatively more empowered
- energy and intensity are created, which can be positive or negative
- there is a diminishing commitment to legislatures
- partisanship is exacerbated
- it is relatively more difficult to forge the relationships that enable bipartisan decisions to be made

**Question Three: With the "rapids" of term limits, how does "management" of the legislature change?**

- the process is relatively more open
- everyone wants to have his/her "say"

- communication is very important

**Question Four: What are some "coping mechanisms" that can be used in a term-limited environment?**

- recognize that nothing is going to change

**ENERGY & ENVIRONMENT COMMITTEE**

**Energy Efficiency in Southern States**

**Mr. Craig Johnston, *Oklahoma Gas and Electric***

- we are facing a number of unprecedented challenges:
  - the demand for electricity continues to rise
  - resources are constrained worldwide
  - natural gas prices are significantly higher and are volatile
  - electricity infrastructure in the US is aging
  - in the United States, legislation in respect of greenhouse gas emissions is likely to be enacted
- recognizing that there is no "silver bullet," there are a number of ways in which existing challenges might be addressed, including:
  - an increased focus on renewable energy
  - a focus on a smart grid
  - measures directed at energy conservation and efficiency
  - carbon capture and storage initiatives
  - an inclusion of nuclear power and coal in the energy mix
- wind power is a relatively unattractive option for Southeastern states, since the wind quality is poor
- wind power can be a key component in the solution to our energy challenges, but it is only a particular answer to energy sustainability; wind power must be integrated into other energy supply assets
- production tax credits are important for helping to ensure the viability of wind power
- a lack of transmission capability in some areas creates challenges



**Mr. Todd Lucas, *Georgia Power***

- the "Smart Grid" concept has existed for approximately a decade, although there is no clear definition of what the concept really means
- "Smart Grid" characteristics include:
  - self-healing
  - customer interaction, including with respect to the product and its cost
  - security
  - integrated applications
  - power that is of a high quality
  - generation diversity
  - asset optimization
- technology should be used to create the power grid of the future
- for many, the goals are high reliability, low price and high customer satisfaction; constructive regulation would help to achieve healthy levels of capital spending in order to realize these goals
- societal demand for energy efficiency is growing
- critical issues going forward include:
  - cutting through the rhetoric
  - identifying ongoing activities and pilot projects
  - security, including cyber security
  - weighing the costs and the benefits of various options

**Mr. Wayne Shirley, *The Regulatory Assistance Project***

- utilities can be expected to respond to the incentives that they are given; if incentives are poorly developed, the results attained will be poor
- the financial structures of utilities increase the power of incentives; utilities have high fixed costs, and few non-production costs vary with the level of sales

- utility profits are highly sensitive to changes in revenues; consequently, utilities are very interested in maintaining sales at high levels
- throughput incentives are at odds with public policy
- energy efficiency can lead to lower revenues for utilities; consequently, there should be positive incentives for meeting efficiency goals, and the link between how much is sold and how much is made in profits should be broken in order that profit levels would be immune to changes in sales volume
- sales are a proxy for profits at the expense of customers, representing a transfer in wealth
- utility sales volumes can be changed by the weather and by economic conditions
- efficiency should be considered as "avoided waste"
- "tough" performance goals should be established

### **Applied Energy Solutions: CO<sub>2</sub> Collection Project**

#### **Mr. Lundy Kiger, *Applied Energy Solutions***

- a key priority is supplying clean, safe and reliable electricity
- technology is available that results in lower sulphur dioxide and nitrogen oxide emissions while firing at lower temperatures than conventional technology
- it is possible to use technology to remove 99.99% of particulates, with no visible emissions
- a challenge that has been addressed with technology is the creation of a process to turn carbon dioxide into a liquid of food-grade quality that is safe for shipping

### **EDUCATION COMMITTEE**

#### **Early Childhood Education Update**

#### **Mr. W. Steven Barnett, *National Institute for Early Education Research***

- hundreds of studies show that early childhood education programs have a substantial impact; nevertheless, the long-term impacts on children's learning, behaviour, school success, earnings, welfare dependency, adult mental health, etc. are not as well understood
- during the last decade, most Latin American countries have surpassed the United States in terms of the provision of early childhood education

- many of the benefits of early childhood education programs lead to reduced state costs later in life; consequently, states should make investments in early childhood education now in order to benefit from lower education, crime, welfare, health and other costs in the future, since the benefits of these programs exceed their costs many fold
- studies indicate that children who have benefitted from early childhood education programs are relatively less likely to require grade repetition and/or special education, have relatively higher high school graduation rates and rates of educational success, are relatively more likely to earn more and to own their own home, have relatively fewer arrests and lower rates of delinquency, are relatively more likely to have a savings account, and are relatively less likely to smoke, use drugs or experience depression
- since it may be hard to "target" those children who are most in need of early childhood education programs and since it is possible to move back and forth between an "advantaged" and a "disadvantaged" status, providing pre-kindergarten for all children is one means of ensuring that all disadvantaged children will benefit, recognizing that the gains may be relatively larger for disadvantaged children
- some studies suggest that school failure is largely a problem associated with children from middle-class, rather than lower-class, families; since middle-class children have relatively high rates of failure, reducing problems for them could generate large benefits
- efforts should be made to improve the literacy and mathematics skills of all children
- most state pre-kindergarten programs begin at age 4; beginning these programs at age 3 could double their impact
- pre-kindergarten programs should have well-educated and adequately paid teachers, good curricula and professional development, small classes and reasonable child-teacher ratios, high standards and accountability, and strong supervision, monitoring and review
- the South leads the nation in pre-kindergarten coverage as well as in the quality of pre-kindergarten programs
- all children need good pre-kindergarten programs, since low-income status is not the only important criterion in determining risk
- workforce investments should begin in pre-kindergarten

**Ms. Diane Horn, *University of Oklahoma-Tulsa***

- "educare" is a generic term that refers to a combination of education and care

- "Educare" involves state-of-the-art early childhood centres that work together to advance quality within and among states; each Educare centre is a partnership, a place, a program and a platform for policy change
- each Educare centre serves 150-200 children aged up to five years and their low-income, at-risk families, with an emphasis on services for infants and toddlers; as well, each Educare centre implements a model developed in 2000 by Chicago's Ounce of Prevention Fund
- it is important to start early in order to alleviate the achievement gap that can exist as early as kindergarten
- the best practices from Head Start, pre-school and child care services are used in providing a full-day, full-year service, with well-prepared and -supervised classroom staff and family support services in order to ensure that the comprehensive needs of each family are addressed
- about one-third of the Educare budget and space is devoted to adults
- Educare centres are often located near elementary schools in order to facilitate collaboration and to send the message that learning begins at birth
- Educare partners often include public schools as well as other public and private partners
- Educare buildings are intended to rival corporate childcare centres in design and quality in order to "level the playing field," all centres work with the same architectural firm in order to ensure that lessons learned are shared and that quality is improved with each subsequent centre
- each Educare centre provides an opportunity to educate the public about high-quality early childhood education
- key partners from participating Educare centres meet regularly in order to learn from each other as well as from leaders in the field
- although only two centres have been in operation long enough to examine results, the clear conclusion is that Educare does make a difference

## **AGRICULTURE & RURAL DEVELOPMENT COMMITTEE**

### **Commodity Markets in Turmoil**

#### **Mr. Bailey Ragan, *Bunge North America***

- world food stocks are at all-time lows, and demand for food is rising as world populations continue to rise, led by emerging economies in China, India and North Africa

- with scarce rice supplies and high demand, such major exporters, as Thailand, Vietnam, Pakistan and Indonesia, have reduced – if not eliminated – exports as a means of helping to ensure sufficient domestic supply
- earlier this year, Argentina stopped exporting wheat because of supply-related concerns
- in richer countries, where 10-20% of income is used to purchase food, prices in supermarkets have risen; in developing countries, where 50-60% of income is used to purchase food, the effect of higher food prices is far more pronounced
- countries are calling for coordinated responses to the world food crisis
- historically, crude oil and petroleum markets have been characterized by 30-year cycles, with 10 years of investment followed by 20 years of consumption; cycles start with demand growth and end in oversupply, which has not been reached yet in the current cycle
- financial investors are continuing to invest in commodities, with the result that commodities remain strong; commodity firms are continuing to make money
- it has been estimated that \$40 of the price of a barrel of oil reflects speculative pricing
- index funds currently hold more than \$40 billion worth of "safe haven" corn, beans, wheat and soy oil Chicago Board of Trade futures
- in June 2008, the Commodity Futures Trading Commission indicated that it will develop rules to improve the transparency of passive investments in energy and agricultural markets
- while the low relative value of the US dollar is good for American exporters, the Chairman of the Federal Reserve Board has indicated that he will address growing concerns about inflation, if required
- in the US, access to credit is continuing to tighten as foreclosures increase; properties are expected to remain under pressure into 2008-2009, with an estimated 2 million foreclosures in 2008 and perhaps 4 million by the end of 2009
- banks are continuing to write off bad loans, which is contributing to the relatively weak value of the US dollar
- according to the International Monetary Fund (IMF), economic problems in the US could lead world growth to slow to 3.8% for 2008, down from 4.7% one year ago; however, it expects that China, India and Brazil would emerge "unscathed" even if the US is in a recession

- the IMF believes that the annual rate of growth in China's Gross Domestic Product (GDP), which was 11% in 2007, could be 9.3% in 2008; India's GDP could grow at an annual rate of 7.9%
- as wealth increases in China, the Chinese will consume more meat; worldwide meat consumption is expected to rise by more than 50% from 1997 to 2020, with most of the demand occurring from China
- total soybean meal consumption in China and Southeast Asia has increased at the rate of about 10% per year since 2000; strong demand for soybeans is the result of rising use of soybean meal as a protein source for swine and poultry
- Chinese oil consumption in 2005 was 6.5 million barrels daily, a figure that is expected to rise to 99 million gallons by 2031
- rising fuel prices have affected trucking, barge and rail freight costs
- a one-cent increase in the price of diesel, annualized over one year, costs the trucking industry an additional \$391 million
- barge towing rates have increased 22% since 1 February 2008, and are 55% higher than they were one year ago; high fuels costs continue to increase operating costs for barge freight
- no significant increase in barge fleet size is expected and attrition is occurring primarily through scrapping, although some older equipment is being sold for overseas use, primarily in South America
- ocean freight is rising
- a rail shipment moving 2,000 miles can face a fuel surcharge of as much as \$1,320 for a single carload
- excess rail capacity exists, and overall railroad network traffic – including intermodal and containers – is reduced
- railroads are focussed on improving the velocity of their equipment and on revenue, with rates, accessorial charges and fuel surcharges continuing to rise
- increased US exports have created periodic rail corridor congestion

**Mr. Kim Anderson, *Oklahoma State University***

- turmoil in commodity markets became clear with changes in the price of oil
- alternative fuels are the driver in agriculture; they have led to a reallocation of resources, with reduced soybeans and increased corn

- higher oil prices lead to higher fuel prices
- markets allocate resources to their most profitable uses; these market adjustments appear as chaos or turmoil
- speculators add liquidity to the market

## **The 20072008 Farm Bill**

### **Mr. Larry Sanders, *Oklahoma State University***

- excessive deregulation may be part of the cause of what is happening globally
- agriculture will suffer because of the problems with sub-prime mortgages, since agriculture is a capital-intensive industry
- China and India are important drivers of global change, in part because residents of those countries want to live as Americans live
- if the price of gasoline rises to \$5 per gallon, people may begin to travel to their workplace only three days per week
- in the 1970s, there were relatively high prices in agriculture; it took more than 20 years to recover from this period of high prices
- there was an unprecedented level of concern regarding the most recent Farm Bill, in part because of funding to be provided to "wealthy" farmers and in part because of federal budget deficit issues, among others
- because of international trade agreements, the US must exercise care in deciding how it wishes to support agriculture; that being said, trade negotiations continue to be an unresolved issue
- the 2002 Farm Bill had 10 Titles; the 2008 Farm Bill has 15 Titles:
  - Commodity Programs
  - Conservation
  - Trade
  - Nutrition
  - Credit
  - Rural Development
  - Research and Related Matters

- Forestry
  - Energy
  - Horticulture and Organic Agriculture
  - Livestock
  - Crop Insurance and Disaster Assistance Programs
  - Commodity Futures
  - Miscellaneous
  - Trade and Tax Provisions
- regarding the 2008 Farm Bill, distributional equity remains an issue, and the Bill did little to respond to volatility in agriculture, food and input markets
  - the Energy Title of the 2008 Farm Bill indicates a clear shift to non-corn ethanol

## **HUMAN SERVICES & PUBLIC SAFETY COMMITTEE**

### **Panel Discussion on Corrections in Southern States**

#### **Senator Kenneth Corn, *Oklahoma Senate***

- in the mid-1990s, Oklahoma introduced a "you do the crime, you do the time" approach, which increased the need for prisons and for funds to finance the justice system
- at times, Oklahoma and other states pass corrections-related laws without full consideration of their fiscal cost
- a requirement to fund prisons undermines the ability to allocate taxpayer funds to other priorities
- as states consider ways in which to reduce correctional costs, they may consider private prisons; however, an over-reliance on private prisons allows these prisons to, in some sense, hold states "hostage"
- states may have problems attracting and retaining correctional workers, perhaps because of relatively low pay and unsavoury working conditions
- a requirement that prisoners serve 85% of their sentence can lead to more violence in prisons, since prisoners may perceive that they have little to lose; as well, keeping people in prison longer can have other detrimental effects, including on behaviour



- everyone wants to be "tough on crime," but being tough on crime can have unintended consequences; the focus should be on being "smarter," rather than tougher, on crime
- an important consideration is whether we are imprisoning people at whom we are mad at rather than people of whom we are, or should be, afraid

**Mr. Steve Buck, *Department of Mental Health and Substance Abuse Services, State of Oklahoma***

- those with mental illness and/or an addiction often end up in the criminal justice system; addictions and mental illnesses are health conditions rather than crimes
- a significant proportion of Oklahoma inmates have a serious mental illness; many are incarcerated for non-violent offences
- in some cases, the criminal justice system becomes the de facto provider of assistance for those with mental illness and/or an addiction; this assistance is far more costly than would be the case if it was provided in the community
- when they are incarcerated, those with mental illness and/or an addiction may not get the type, quality or quantity of help they need; recidivism rates among those with a mental illness and/or an addiction are relatively high
- we are on the cusp of a breakthrough in understanding mental illness and addiction
- partnerships among corrections, mental health and addiction agencies are needed

**Mr. Justin Jones, *Department of Corrections, State of Oklahoma***

- prevention is key; by the time people come into contact with the corrections system, it may be too late
- since prevention starts at the local level, it is important to ensure that the incentives at this level are appropriate
- the effects of collateral sanctions must be considered; for example, the laws that prevent ex-felons from getting a job, obtaining a skill certification, etc. should be considered
- there is a 70% likelihood that a person will go to jail or be incarcerated by the age of 25 if he/she has at least one parent who has been incarcerated; consequently, there is a need to pay attention to the children of incarcerated parents
- re-entry into society should begin when the offender enters the prison system, since re-entry is a state of mind rather than a physical location

- employment, education, health treatment and substance abuse treatment are the "big 4" that reduce recidivism rates

**Mr. Richard Jerome, *Pew Center on the States***

- regarding justice issues, one size does not fit all states, although experiences in some states can help other states
- the correct changes to the justice system could result in fewer victims, lower prison and public safety costs, etc.
- the states in the US South lead the nation in terms of prison growth
- the size of the prison population is related not only to the incidence of crime, but also to decisions made by courts about who goes to prison and how long they remain behind bars once they are imprisoned
- between 1987 and 2007, prison and correction costs in the US more than doubled, even after adjusting for inflation; on average, \$1 out of every \$15 state dollars is spent on corrections
- if fewer funds were needed for corrections, more funds would be available for such other purposes as education and health
- prison growth and prison costs are being driven by such factors as:
  - population growth
  - parole violations
  - more mental health cases in prisons
  - legislative changes regarding such factors as sentencing
  - correctional staff turnover
- the growth in the number of women entering prisons exceeds the growth in the number of men doing so
- there are two levers that states can use to address prison growth and prison costs while pursuing the goal of increased public safety:
  - reduce admissions, including through a focus on prisons for repeat and violent offenders and diverting offenders to community corrections as appropriate as well as through a focus on efforts to reduce recidivism
  - reduce the length of time that offenders remain in prison

- there is tremendous variability across states in terms of crime rates, incarceration rates, etc.

**Mr. Frank Smith, *Private Corrections Institute***

- mentally-ill individuals should be kept out of the prison system
- laws that have unintended consequences in respect of the ease with which offenders can re-enter society, such as those that would limit employment opportunities for offenders who are released from prison, should be changed
- the failure to fund community treatment for those who are mentally ill leads to increased mental illness in prisons; to some extent, prisons have become mental institutions
- states do not engage in the auditing and oversight of private prisons in the way, or to the extent, that they should
- private prisons do not result in lower costs for taxpayers; they have a much higher escape rate, and public funds are expended in locating escapees
- "desperate," rural and remote towns are "targeted" by private prisons, which "sell" their presence in the community as an economic development opportunity
- private prisons may attempt to reduce costs in order to increase their profitability, which may lead them to reduce medications, limit the quantity and quality of food, etc.
- in using private prisons rather than public facilities, tax revenues are converted into profits for companies that may be located outside the state in which the tax revenues were collected
- private prisons have relatively higher rates of correctional staff turnover, which creates problems in terms of mentoring, institutional memory, etc.

**LOWER MISSISSIPPI RIVER BASIN INITIATIVE**

**Management for "America's River"**

**Mr. Dave Hokanson, *Upper Mississippi River Basin Association***

- the Upper Mississippi River Basin Commission was formed by Governors in 1972 under the authority of the 1965 Water Resources Planning Act; the name was changed in August 1981 by a Joint Governors' Resolution

- the Upper Mississippi River Basin Association (UMRBA) facilitates dialogue and cooperative action regarding water and related land resource issues in the Basin; in doing so, it:
  - serves as a regional interstate forum for the discussion, study and evaluation of river-related issues of common concern, including the evaluation of policies, programs and laws
  - facilitates and fosters cooperative planning and coordinated management
  - creates opportunities and means for the states and federal agencies to exchange information, and to plan and coordinate their efforts
  - develops regional positions on river issues and advocates states' collective interests before the US Congress and federal agencies
- the UMRBA is not involved in:
  - regulation or land management
  - the construction or operation of facilities
  - scientific research
- the UMRBA includes representatives appointed by Governors from the states of Illinois, Iowa, Minnesota, Missouri and Wisconsin; these representatives are the primary participants at meetings and in the making of decisions, and each has one vote
- although state legislatures do not have a direct role in the UMRBA, the representatives appointed by the Governors represent a state's position as a whole, and legislatures appropriate UMRBA dues
- UMRBA deliberations usually do not have direct bearing on the content of law or rules in an individual state

**Mr. Ron Nassar, *Lower Mississippi River Conservation Committee***

- when thinking about the Mississippi River, it is important to consider such factors as the value of tourism and the economic value of the natural resources
- nature tourism is the fastest-growing segment of the tourism industry
- outdoor recreation has great value in terms of job creation, tax generation, consumer spending, etc.

- there is an important difference between "conservation" and "preservation;" the latter term might be interpreted to mean "locking something up," and it should be remembered that "that which is used is valued"

**Mr. Peter Tennant, *Ohio River Valley Water Sanitation Commission***

- 25 million people live in the Ohio River Basin, which is used for such purposes as drinking water, recreation and navigation
- the Ohio River Basin has a history of pollution problems, and it was recognized that an interstate compact was needed
- in 1936, the US Congress gave approval for a compact; the compact was finalized in 1948, in a ceremony that involved eight Governors
- at the present time, there are 27 Commissioners: three are appointed by the Governors of each of the eight relevant states, and three are appointed by the US President
- the federal Clean Water Act has a significant impact
- public involvement is increasing

**PLENARY SESSION: NEW FRONTIERS**

**Commander John Herrington, *United States Navy Retired NASA Astronaut***

- students need to become motivated to pursue education in the areas of science, technology, engineering and mathematics (STEM)
- with engineers earning an average of \$100,000 annually, teachers earning \$46,000 each year on average, and college coaches earning perhaps \$1 million annually, our priorities are skewed
- students need to be motivated to do things that they do not think they can do

**Mr. Anthony Shadid, *Author and Pulitzer Prize Winning Washington Post Journalist***

- professional and personal perspectives often intersect
- although the extent of newspaper coverage of the Middle East may have diminished since 2003 when stories about the Middle East were on the front page of many newspapers, the Middle East is still an important source of news

- over the last 15 years, the "tone" in the Middle East has changed; there is more anger and resentment, and it is a more dangerous and less predictable place to be
- in the Middle East, there continues to be an anti-American sentiment, and anger continues to be directed toward the United States; according to some polls, more than 90% of the population expresses resentment toward the US, and at some places in Cairo it is not safe to be American
- the biggest change in the Middle East since 2001 is that the identity of the people is changing; people no longer identify themselves as Arabs, but instead as Shi'ite Muslims, Orthodox Christians, etc.
- diversity, hopefulness and tolerance appear to be disappearing in the Middle East, and the future is likely to contain more conflict and danger
- the United States should not "pick sides;" instead, the US should seek consensus

Respectfully submitted,

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

Dean Del Mastro, M.P  
Acting Co-Chair  
Canada-United States  
Inter-Parliamentary Group

**APPENDIX: STATES REPRESENTED IN THE COUNCIL OF  
STATE GOVERNMENTS - SOUTHERN LEGISLATIVE  
CONFERENCE**

Alabama  
Arkansas  
Florida  
Georgia  
Kentucky  
Louisiana  
Maryland  
Mississippi  
Missouri  
North Carolina  
Oklahoma  
South Carolina  
Tennessee  
Texas  
Virginia  
West Virginia

## Travel Costs

<b>ASSOCIATION</b>	Canada-United States Inter-Parliamentary Group
<b>ACTIVITY</b>	Council of State Governments – Southern Legislative Conference - 2008 Annual Meeting
<b>DESTINATION</b>	Oklahoma City, Oklahoma, United States of America
<b>DATES</b>	July 11-15, 2008
<b>DELEGATION</b>	
SENATE	Ø
HOUSE OF COMMONS	Mr. Brad Trost, M.P.
STAFF	Ms. June Dewetering, Analyst
<b>TRANSPORTATION</b>	<b>\$1,092.38</b>
<b>ACCOMMODATION</b>	<b>\$1,638.54</b>
<b>HOSPITALITY</b>	<b>\$Ø</b>
<b>PER DIEMS</b>	<b>\$704.57</b>
<b>OFFICIAL GIFTS</b>	<b>\$Ø</b>
<b>MISCELLANEOUS/REGISTRATION FEES</b>	<b>\$612.36</b>
<b>TOTAL</b>	<b>\$4,047.85</b>