

## Spotlight on State Innovation

### New Mexico Improves State-Tribal Collaboration

December 21, 2009

[New Mexico Governor Bill Richardson](#) announced new Tribal Collaboration Communication Policies adopted by every Cabinet-level agency, as required by the [State Tribal Collaboration Act](#) signed in March 2009. Created collaboratively by six state-tribal workgroups, these new policies and procedures will increase communication and collaboration between the state and the state's 22 sovereign tribal governments and better address the needs of the Native American citizens. The State Tribal Collaborations Act required cabinet-level agencies to adopt methods to communicate and collaborate between the state and tribal governments, the assignment of a tribal liaison to each Executive agency, an annual state-tribal summit, additional training for state agency managers and employees who work with tribes, and an annual report of each agency's activities related to the Act.



### Streamlining Government

December 21, 2009

[Michigan Governor Jennifer Granholm](#) signed [executive order 2009-55](#) that will consolidate the Department of Management and Budget (DMB) and the Department of Information Technology into a new Department of Technology, Management and Budget (DTMB). This change will take effect March 21, 2010, after a 60-day legislative review period. This is part of Gov. Granholm's continued efforts to restructure and streamline state government. In 2002, state government had grown to the constitutional maximum of 20 state departments. This latest consolidation reduces the number of state departments to 15, a 25 percent reduction since 2003.

### Reviewing School Districts

December 21, 2009

[Mississippi Governor Haley Barbour](#) formed a special advisory commission that will review the state's public school district structure and recommend a method to consolidate districts in order to increase efficiency and improve quality of the state's public education. Currently, the state's educational structure includes 152 school districts in only 82 counties. The commission will recommend a method for consolidation and select which school districts will be combined. A final report, due April 1, 2010, may also include other ways to maximize educational quality, while reducing wasteful administrative spending. Members of the commission will include legislators, education specialists, and business leaders.

### 'Meaningful' Ethics Reform

December 30, 2009

[Missouri Governor Jay Nixon](#) sent a [letter](#) to every member of the Missouri General Assembly stating the need for additional ethics reform ideas built around: setting strict campaign contribution limits, as mandated by 74 percent of Missouri voters through a ballot initiative in 1994 and upheld by the U.S. Supreme Court; abolishing committee-to-committee transfers, which undermine transparency and weaken contribution limits; prohibiting an officeholder from taking money under the guise of "political consulting," political advice or similar services, during their time in office and for a reasonable period after leaving office; and closing the revolving door between the legislature and lobbying, by prohibiting legislators from serving as registered lobbyists of the legislative branch for a reasonable period after they leave office.

## Recent Publications

### [State and Local Governments' Use of Performance Measures](#)

November 2009

The [Association of Government Accountants](#) (AGA) released a report that explores state and local governments' use of performance measures to monitor their delivery of services. This AGA project identified the elements of performance management used to improve service delivery; developed case studies describing five governments' successful use of performance measures to improve service delivery; and executed of an online survey to determine the extent to which the performance management elements are used.



### [Iowa Efficiency Review Report](#)

December 8, 2009

[Public Works](#) recently released an Efficiency Review report in Iowa that identifies 90 recommendations that could produce \$340.9 million in savings/revenue in the first year of implementation and \$1.693 billion over five years. The report includes recommendations for immediate executive action, ideas for legislative action and issues for further analysis and consideration. The 90 recommendations in this report include taking full advantage of e-government solutions, managing state assets better, delivering government services more efficiently, and leveraging funds and improving financial management.

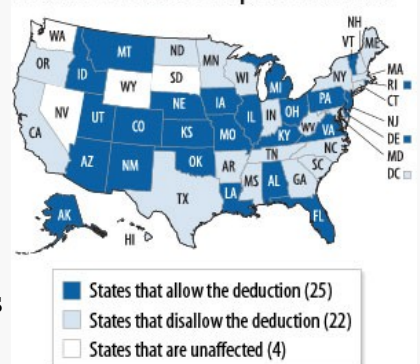


### [States Can Opt Out of the Costly and Ineffective "Domestic Production Deduction" Corporate Tax Break](#)

January 14, 2010

State revenue collections have dropped dramatically, creating large budget gaps for many states. This report by [Center on Budget and Policy Priorities](#) discusses a relatively new and rapidly growing corporate tax break that has contributed to the fiscal crisis in many states. Created by the federal government in 2004, the "domestic production deduction," is costing states hundreds of millions of dollars each year. Since 2008, 21 states prohibited the deduction and reduced their current budget shortfalls. But 25 states continue to permit it. (Four states lack personal and corporate income taxes and are unaffected). By 2011, it will cost these remaining 25 states over \$500 million per year.

25 States Lose Revenue Due to "Domestic Production Deduction" Corporate Tax Breaks



Source: Federation of Tax Administrators, based on survey responses from state tax agencies. Updated based on news reports and other sources.

*If you have a program or report you'd like other states to know about, something you think we should include in the newsletter, or other questions or comments, please contact us:*

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