States are increasingly looking at faith-based programs to cut costs, help reduce recidivism and address the problems associated with the record number of offenders in state prisons.

Religious education and training programs have always been a part of state prison systems, offering different levels of religious and rehabilitative services to offenders. Until recently, however, these rehabilitative programs received very little attention and resources because of constitutional restrictions concerning the separation of church and state and because of the lack of research evaluations about such programs.

But greater levels of scientific research and data over the past decade, policy changes at the federal level, and federal funding to support state-level efforts are prompting states to examine faith-based partnerships as a possible alternative to traditional, secular efforts. And, anecdotal evidence suggests that states are turning to such programs to save costs and reduce recidivism.

Faith-based organizations provide a variety of rehabilitative services to corrections facilities, either voluntarily or under contract. In addition to religious and moral teachings, many programs include anger management and substance abuse counseling, job and life skill education and training, and housing assistance.

A 2003 study by the University of Pennsylvania and the Manhattan Institute suggests promising results from these programs. Specifically, graduates of a religion-based rehabilitation program in Texas were significantly less likely than a comparison group to be arrested (17 percent versus 35 percent) or incarcerated (8 percent versus 20 percent) during the two-year post-release tracking period.

The federal government is also providing states incentives to consider faith-based programs. First, President Bush signed an Executive Order on Dec. 12, 2002, which provides that “no organization should be discriminated against on the basis of religion or religious beliefs regarding the administration or distribution of fed-
eral financial assistance under social service programs.” Previously, many states discounted religious-based efforts in applying for federal grants.

Secondly, the federal Serious and Violent Ex-offender Reentry Initiative commits federal funds to state correctional agencies to work with faith-based or community organizations on the re-entry of serious, high-risk offenders into communities. All 50 states received funding through this program in fiscal year 2003 and the Bush administration requested an additional $15 million for 2004.

During the late-1990s, many states began implementing faith-based efforts aimed specifically at rehabilitation and reentry. Texas began a program at the Winfield Correctional Facility in 1997, which involved classes for the offenders, Bible study, life skills training and prison jobs.

Similarly, a partnership between Louisiana corrections officials and the New Orleans Baptist Theological Seminary in 2000 resulted in the creation of a program at the Angola prison that offers two college level degree programs: an associate’s degree and a bachelor’s degree in Christian Ministries.

Corrections officials allow inmates with degrees to transfer to other prisons in the state to conduct counseling and strengthen religious programming.

In Florida, state corrections officials have recently established faith-based prisons for men and women. The male-only facility at the Lawtey Correctional Institution became operational in 2003 and the state recently announced the development of a female-only faith-based prison at the Hillsborough Correctional Institution. The female facility is equipped to house 300 prisoners and will provide instruction on such topics as anger management, job skills, substance abuse, parenting and strengthening marriages.

Many opponents believe that these taxpayer-funded programs violate the constitutional separation of church and state. Other critics, citing the requirements of some programs to read and study the Bible, believe the programs are nothing more than religious indoctrination. In fact, Iowa is currently facing a lawsuit over the use of faith-based programs. Despite these challenges, several states are looking to faith-based programs to reduce crime and better prepare offenders for re-entry.

—Chad Foster, chief public safety and justice policy analyst, cfoster@csg.org

**Biobased Products**

Agriculture producers and rural entrepreneurs can take advantage of this movement to add value to farm commodities. State officials can move their state to greater self-sufficiency and promote economic development for rural communities by replacing petroleum-based products with biofuel, biopower and biobased products.

Biobased products are commercial or industrial products derived from biological products or renewable domestic agricultural materials.

The list of available biobased products is extensive and includes adhesives, construction materials, fibers, paper and packaging, fuel additives, landscaping materials, lubricants and fuels, plastics, paints, solvents and cleaners, sorbents and inks.

Biobased products are plentiful, dependable and can be more economical. The breadth of the market can be illustrated by the use of corn stover to develop industrial enzymes to replace bleaching chemicals for the pulp industry. And in Illinois, an agriculture engineer has even turned pig manure into crude oil that can be refined to generate electricity or heat homes. Industry experts estimate the potential for the market could be as high as $1 trillion.

Biobased products are not suitable for every need and may carry a premium price. The advantages, however, of the reduced environmental impact and the economic development opportunities mean the significance and impact of biobased products will continue to increase.

Biobased products provide an opportunity for revitalization of agricultural communities and have the potential to viably use millions of tons of agricultural waste that is currently landfilled or burned. There are enormous opportunities with biobased products for companies to impact the “triple bottom line,” improve operations, and benefit people, communities and the environment.

Iowa State University spearheads the federal program, hosting the Federal Biobased Product Preferred Procurement Program (FB4P), which should help biorenewable resources become a more

**Biobased products are plentiful, dependable and can be more economical.**
Every driver has been stuck in traffic at an annoying red light, wishing for some way to make the light turn green. In many areas of the United States this is possible with a “traffic signal pre-emption device.” For years, emergency responders have used this tool. Police, fire trucks, and ambulances are able to reach emergencies faster in cities that utilize this technology, which includes a receiving device mounted on a stoplight and an infrared transmitter, with a range of about 1,500 feet, usually placed in emergency vehicles. The system allows an emergency responder approaching an intersection to use the remote transmitter to change the light and then proceed more quickly and safely through the intersection.

The technology has existed for about three decades and is widely used across the country. Last year, a U.S. Department of Transportation survey of the nation’s 78 largest metropolitan areas found the devices available at more than 26,500 intersections. However, the mobile infrared transmitters, or MIRTs, are starting to turn up in private vehicles, a revelation that is quite unnerving to public safety and transportation officials as well as state legislators.

In fact, these transmitters are sold on the Internet for about $300. And, up until early this year, they could be found on eBay, which later banned their sale at the request of public safety officials. Nevertheless, now that these devices, about the size of a dash-top radar detector, are cheaper and more accessible than they used to be, officials worry that they could create significant highway safety issues for states as private citizens manipulate traffic signals.

Several states, such as Kansas, Michigan and Virginia, have passed laws to restrict the use of such devices to emergency personnel only. And several others, including Louisiana, Ohio, and Alaska, are considering similar legislation. However, MIRTs could be difficult to regulate because their small size makes them easy to conceal. And developing and implementing technology to detect these devices could prove costly to states if it is necessary to prevent the public from using them.

While traffic officials can alert police about an area where a signal is being pre-empted, an officer on the scene would probably not be able to tell which vehicle was using the device because newer models, unlike the older models, do not emit a strobe flash. Therefore, states could struggle to cope with the implications of a public safety device that, while beneficial in the hands of emergency responders, has the potential, in the wrong hands, to threaten highway safety.

—Barry Hopkins, chief infrastructure policy analyst, bhopkins@csg.org

### Rogue Traffic Signal Changers Pose Danger

Mobile infrared transmitters, or MIRTs, are starting to turn up in private vehicles, a revelation that is quite unnerving to public safety and transportation officials as well as state legislators.

CSG is developing a searchable Web database for state officials of biobased products.

Action items for states include identifying biobased products that are suitable replacements for regular commodities, involving potential users in discussions, determining ways to overcome possible barriers and experimenting with different products to determine bioproducts’ suitability.

—Dr. Carolyn Orr, Ph.D., chief agriculture and rural policy analyst, corr@csg.org
Medicaid in the Federal Crosshairs

Disagreement between states and the federal government is heating up over how states finance their portion of Medicaid.

Because Medicaid is financed partially by states and partially by the federal government, using alternative financing mechanisms allows states to increase the amount of state funds used to draw down federal matching dollars. As the Medicaid financial crisis has deepened, states have turned to these alternative mechanisms to raise revenue for Medicaid, including special provider taxes, intergovernmental transfers, use of upper payment limits and other legal, but controversial methods that help maximize federal dollars.

Some congressional leaders have criticized states, saying they have used federal matching funds for other purposes, such as building stadiums or roads, a charge the states deny. The states say these financing methods are legitimate means of raising revenue, such as provider taxes and intergovernmental transfers, or are legal loopholes in the regulatory structure of Medicaid much like a tax loophole, such as use of upper payment limits.

To curb the use of these approaches, the Bush administration issued an emergency rule in the Federal Register on January 7, 2004. The rule authorized The Centers for Medicare and Medicaid Services to change the way they collect information about state funding. Using an established form, CMS would have the opportunity to review state sources of Medicaid funding, even prior to a governor or state legislature reviewing or approving funding for the program.

Following a huge outcry from states and state associations, including CSG, the administration delayed implementing the requirement and agreed to work with states to come up with a more workable solution and allow 60 days for comments.

Meanwhile, states are already estimating what these potential changes may mean for them. In Montana, nursing homes and community hospitals owned and operated by the counties could lose millions of dollars, as much as $16 million for nursing homes, according to the Billings Gazette. Hospital officials say they may have to close their doors if counties are not allowed to use intergovernmental transfers to increase the amount of federal funds that come into the state.

Oregon uses special health care taxes to increase revenues for Medicaid. Special taxes on nursing homes, hospitals and other providers usually have the support of these organizations because the additional state revenue enables the state to bring in additional federal monies, which prevents provider payment cuts. If the federal government denies Oregon the ability to use the provider taxes, Medicaid will have to make much deeper cuts, according to the Statesman Journal.

Meanwhile, Alabama’s Gov. Bob Riley is looking to close the $182 million dollar gap in his state’s Medicaid budget through a variety of cuts as well as a $1,200 increase in the nursing home bed tax. Under the plan, Alabama would use the $35 million raised to keep federal matching dollars in the state, the Birmingham News reported.

CSG’s Executive Committee passed a resolution on Medicaid’s state-federal financial partnership in April 2004 at its Spring Meeting. The resolution calls on the federal government to provide due notice and opportunity for states to comment on any change in federal policies, rejects unfunded mandates and federal encroachment on states rights, and objects to abrupt changes to Medicaid financing arrangements without considering implications for state budgets. A copy of the resolution is available at www.csg.org (keyword: resolutions).

—Trudi Matthews, associate director for health policy, tmatthews@csg.org

Focus on Teacher Leadership

States are starting to focus on teacher leadership in efforts to improve students’ academic performance and to sustain adequate progress for their districts and schools.

Several states are working to improve professional development for educators and education majors, according to Amy Mast, The Council of Chief State School Officers’ assistant director for the Wallace Foundation’s State Action for Education Leadership Project.

These “breakthrough” ideas are topics that states have identified as their primary focus areas in this new round of Wallace Foundation-supported initiatives aimed at improving school leadership.

Among the selected breakthrough idea topics being developed in the 15 project states, six have tackled distributed or shared leadership that shifts focus to teacher leadership. Those states are Delaware, Georgia, Kentucky, Maine, Montana and New Jersey.

The revision or new design of programs for professional development, training, and induction are taking shape in Connecticut, Delaware, Missouri and Virginia as a pathway for school improvement.

Five states—Indiana, Kentucky, Massachusetts, Missouri, and Virginia—are working closely with university/preparation programs to redesign or to align their educator pre-service training programs through the Wallace Foundation support. In particular, according to Mast, Indiana and Missouri have specifically identified university-district alignment as a primary area of focus to improve conditions of school practice.

Some states and districts have worked well ahead of the curve when it comes to preparing professional development to train highly qualified educators. In Vermont, through a partnership of public and private colleges, the Vermont Mathematics Initiative offers professional development that not only builds teachers’ mathematics knowledge but also provides leadership training. Teachers then share their newly acquired leadership skills and enhanced mathematics knowledge not only with their students but also their schools and districts.

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