

STATELINE MIDWEST



MIDWEST

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IN THE EYE OF THE STORMS

The increased frequency of natural disasters is challenging states to rethink how they budget and plan for these events, as well as how to mitigate future impacts

by Tim Anderson (tanderson@csg.org)

Know your risk. It is common advice for residents and businesses about the potential impacts of natural disasters.

But what about state governments themselves?

Several factors are driving states to reassess their own disaster-related fiscal and economic risks, and to implement policy changes. Here is a look at three of those factors, plus how states are trying to do more in terms of long-term budget planning and risk mitigation.

MORE COMMON AND COSTLY

First, the number of high-cost natural disasters is on the rise in every Midwestern state, often dramatically so.

The National Oceanic and Atmospheric Administration tracks

the frequency of billion-dollar disaster events over time, with costs adjusted for inflation. During the first half of this decade, every state in this region had experienced a doubling, tripling, quadrupling or more in the frequency of these events compared to the 2000s.

Between 2020 and 2024, the average annual number of billion-dollar disaster events in Midwestern states ranged from 7.8 per year in Illinois, up from 2.1 in the 2000s, to 1.2 in North Dakota, up from 0.4 in the 2000s. (See the bar graph for trends in each Midwestern state.)

Federal assistance comes when a disaster reaches a certain threshold, but a cost share from state and/or local governments is required. Additionally, states take on the financial responsibility for smaller-cost natural disasters within their borders.

MORE RESPONSIBILITY?

A second factor for lawmakers to consider: potential changes in the federal-state relationship.

Recent policy proposals from the nation's capital have included raising the threshold for federal disaster assistance, leaving more planning and recovery to states, or even eliminating the Federal Emergency Management Agency altogether.

"The idea of states taking on a larger role in managing

their disasters, and the federal government being involved in fewer and only the larger ones, has a lot of energy behind it right now," says Andrew Rumbach, a senior fellow at the Urban Institute.

HIGHER COSTS OF INSURANCE

A third factor is the economic burden of rising property insurance costs on homeowners and businesses. Between 2018 and 2022, average homeowners' insurance premiums outpaced the rate of inflation by 8.7 percent, the U.S. Department of the Treasury noted in a January 2025 report.

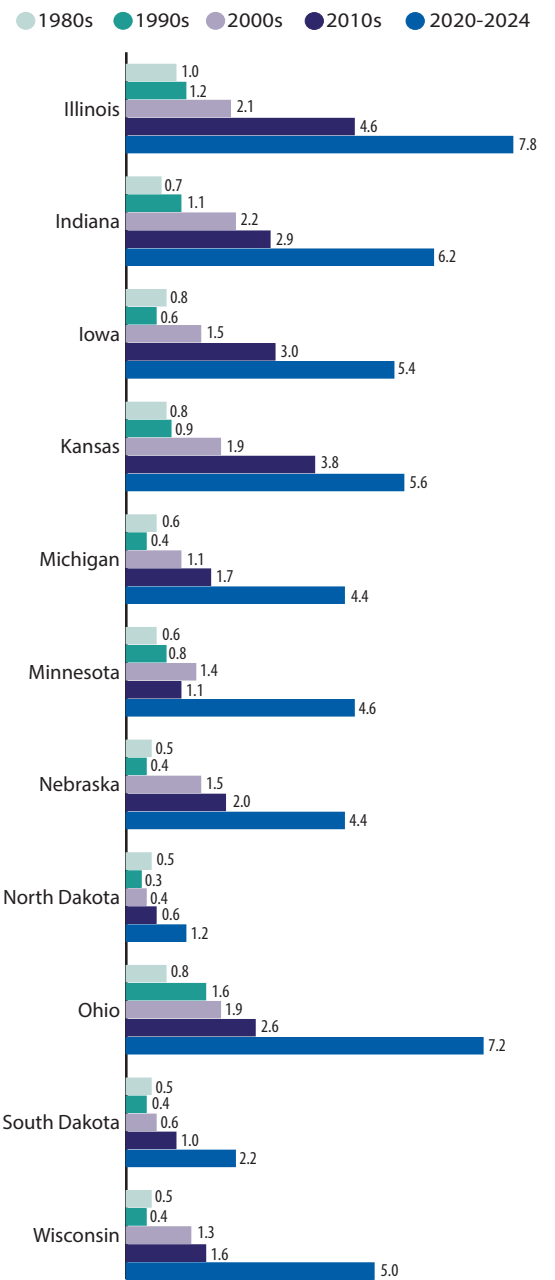
"It's the significant rise in catastrophic losses and a rise in uncertainty; larger and more unpredictable losses make for a really challenging insurance market," says Daniel Schwarz, a professor of law at the University of Minnesota.

He also points to persistent problems in the state-regulated insurance market — for example, government policies that keep premiums artificially low in areas most at risk of natural disasters.

According to the U.S. Treasury report, premium increases were sharpest in disaster-prone parts of the country. However, consumers in relatively low-risk states such as North Dakota are being hit as well.

"We're not immune from it

GREATER FREQUENCY OF BILLION-DOLLAR DISASTERS IN MIDWEST: AVERAGE # PER YEAR ACROSS FIVE DIFFERENT DECADES (\$ INFLATION-ADJUSTED)



Source: National Centers for Environmental Information, National Oceanic and Atmospheric Administration



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HOW RULES ON LEGISLATIVE QUORUMS VARY, AND WHY THEY MADE HEADLINES IN MINNESOTA AND MICHIGAN

Sixty-seven members of the 134-seat House present. Sixty-six members not present. That was the head count during the scheduled start of the 2025 session in **Minnesota**, and this unusual situation brought attention to a common, but often little-noticed, part of state constitutions: the requirement that a certain number of legislators be in attendance to conduct business.

With the exception of **Indiana**, as well as **Wisconsin** in some instances, states in the Midwest tie their quorum threshold to a simple majority. At issue in Minnesota, though, was this: What exactly constitutes a majority?

The Minnesota House has 134 seats, but at the start of the year, one seat was vacant pending a special election. That left the House with 67 Republicans and 66 Democrats, and the latter were all staying away from the chamber amid disputes over power-sharing arrangements and a contested House election. (The partisan makeup entering session looked to be 67-67, but a victorious Democrat candidate resigned after a court found him ineligible to serve because he did not live in the district, thus creating the temporary vacancy.)

According to the Minnesota Constitution, "A majority of each house constitutes a quorum." Citing this language, the state Supreme Court ruled that the threshold for a quorum in the House is 68 — no matter the actual number of legislators in office at the time. "Vacancies do not reduce the number required," the court said. **Iowa** also has this "majority of each house" language. The constitutions in most other Midwestern states have slightly different wording that ties the quorum threshold to the "majority of elected members" of each chamber (see map).

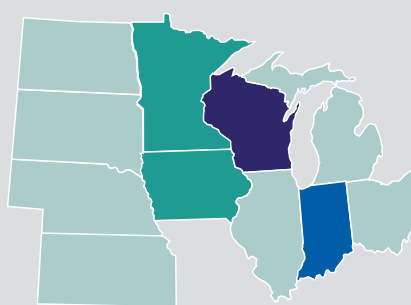
Indiana is one of only a few states in the nation where two-thirds of the members must be present for a legislative quorum. In Wisconsin, three-fifths of the members must be present for a chamber to pass bills on taxes, spending or other fiscal matters. Last decade, those two states made national news due to walkouts by members of the minority party (Indiana House and Wisconsin Senate) that prevented quorums. More recently, the **Michigan** House could not reach a quorum at the end of its 2024 session.

Every Midwestern state has at least general language (in the constitution or elsewhere) to compel the attendance of absent legislators and to allow a chamber to impose penalties of its choosing on those members. For instance, the rules of the **Kansas** House spell out that "reprimand, censure or expulsion may be imposed." Indiana legislators had to pay fines because of their walkout in 2011.

In Michigan, *The Detroit News* reports, the lack of a quorum in late 2024 prompted the speaker to issue a "call of the House," a legislative rule that calls for a closing of the chamber doors, a requirement that present members not leave, and a dispatching of the sergeant-at-arms to retrieve absent members. Despite the call, the absent members did not return and a quorum was not reached. Legislative rules in most Midwestern states also provide for a "call of the house or senate," if a certain number of lawmakers in attendance ask for it.

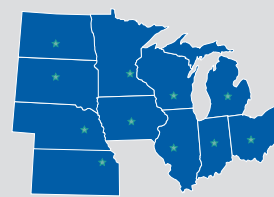
Capital Closeup is an ongoing series of CSG Midwest articles focusing on institutional issues in state governments and legislatures. Past articles can be found at csgmidwest.org.

REQUIREMENTS FOR A LEGISLATIVE QUORUM IN MIDWEST'S LEGISLATURES



- Two-thirds of each house
- Three-fifths to vote on fiscal bills; "majority of current membership" to conduct other business
- Majority of each house
- Majority of members of each house

Capital Closeup



KANSAS IS REGION'S FIRST STATE WITH A BAN ON THE 'INTERCEPTING' OF FOSTER YOUTHS' BENEFITS

A first-in-the-nation executive order in **Kansas** will protect the rights of foster care youths to their federal benefits, a policy move that a handful of other states, all outside the Midwest, have taken through the recent enactment of laws or agency-directed initiatives.

According to the Children's Advocacy Institute (housed at the University of San Diego), between 40,000 and 80,000 young people in the nation's foster care systems are eligible for or are receiving Social Security disability, survivor or other benefits, which can amount to more than \$900 per month.

The executive order in Kansas, signed by Gov. Laura Kelly in January, directs the Department for Children and Families to stop using these federal benefits to reimburse itself for the cost of providing basic needs for foster care youths in the agency's care. As of December 2024, the institute reports, legislatures in Arizona, California, Colorado, Connecticut, Maryland and Oregon had passed laws to prevent the "intercepting" of federal benefits by foster care agencies. In Massachusetts and New Mexico, agencies themselves prohibit the practice.

No such blanket bans were in place in the Midwest prior to Kansas' executive order. However, states such as **Illinois** (SB 3470 of 2022), **Minnesota** (HF 5237 of 2024) and **Nebraska** (LB 1173 of 2022) require notification about the federal benefits to the child, the child's parents or guardian, and/or the child's legal advocate. The Illinois law also requires that a minimum percentage of an older foster care youth's federal benefits be saved or invested: 40 percent for ages 14 and 15; 80 percent for ages 16 and 17; and 100 percent for 18 and older.

In Kansas, the Department for Children and Families must screen all children in its care for eligibility, provide notification, open accounts to preserve their benefits, and provide financial counseling for those 14 and older. One of the goals is to help youths as they leave or age out of foster care. These individuals often face financial challenges related to housing, transportation and health care.

NUMBERS ON INDIVIDUALS WHO AGE OUT OF CHILD WELFARE SYSTEMS

25,000	APPROXIMATE # WHO AGE OUT OF STATE SYSTEMS EVERY YEAR
70%	% ON GOVERNMENT ASSISTANCE WITHIN FOUR YEARS
50%	% UNEMPLOYED WITHIN FOUR YEARS
50%	% EXPERIENCING HOMELESSNESS WITHIN FOUR YEARS

Source: iFoster

POPULATION IS GROWING MODESTLY IN THE MIDWEST, THANKS MOSTLY TO INTERNATIONAL MIGRATION

Populations grew in each of the Midwest's 11 states between 2023 and 2024, with the steepest increases occurring in **North Dakota**, **Nebraska** and **Minnesota** (see map). However, no state in the region matched overall U.S. growth, which, at 0.98 percent, marked the largest annual rise in the population since 2001. The South added more people than all other U.S. regions combined.

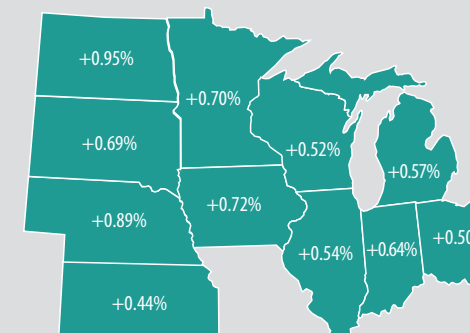
Nationwide, the U.S. Census Bureau notes, international migration accounted for 84 percent of the nation's population growth between 2023 and 2024. It also is the largest driver of growth in the Midwest.

One of the more striking U.S. population trends over the past five years has been "the diminishing role of natural increase," says Kristie Wilder, a bureau demographer. Yes, there continues to be more births than deaths in most states, but the gap between the two has narrowed considerably. And over the past five years, **Michigan** and **Ohio** have had a natural decrease in population — more deaths than births.

A third component of state population change is domestic migration. Between 2020 and 2024, the 11-state Midwest lost a net total of nearly a half-million people due to this intra-country movement, with **Illinois** experiencing the biggest drop. **Indiana**, **South Dakota** and **Wisconsin** bucked this regional trend, adding more people from domestic migration than they lost (see table).

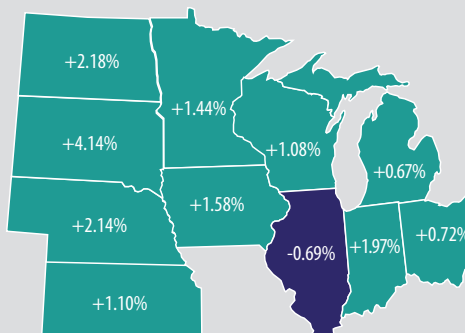
Since the start of the decade, South Dakota has been the only Midwestern state to outpace national population growth: 4.14 percent compared to the U.S. rate of 2.57 percent. Based on population trends, the Brennan Center for Justice projects that Illinois, Minnesota and Wisconsin will lose one U.S. House seat each, and one vote each in the Electoral College, after the 2030 congressional reapportionment.

% CHANGE IN POPULATION: 2023 TO 2024



Source: U.S. Census Bureau

% CHANGE IN POPULATION: 2020 TO 2024



Source: U.S. Census Bureau

COMPONENTS OF POPULATION CHANGE IN MIDWEST: 2020 TO 2024

State	Natural increase (births-deaths)	International migration	Domestic migration
Illinois	+25,566	+278,657	-336,181
Indiana	+17,793	+88,582	+30,239
Iowa	+10,095	+49,793	-9,482
Kansas	+13,891	+42,138	-23,923
Michigan	-38,340	+166,465	-67,785
Minnesota	+51,570	+80,796	-47,930
Nebraska	+23,681	+33,331	-13,758
North Dakota	+11,086	+13,165	-6,450
Ohio	-43,641	+164,274	-38,018
South Dakota	+9,387	+6,665	+21,370
Wisconsin	+74	+63,489	+2,958
Midwest	+81,162	+987,355	-488,960

Source: CSG Midwest calculations of U.S. Census Bureau data

STATES ALREADY PLAY KEY ROLE IN DISASTER AID, RECOVERY — AND MAY BE REQUIRED TO DO MORE

» CONTINUED FROM PAGE 1

because of the way insurance works — the pooling of risks and the costs of reinsurance," North Dakota Insurance Commissioner Jon Godfreed says.

"I think we're in a better position than a lot of other states, but that's still a tough sell for our consumers here who are seeing rate increases, especially given the inflationary times that we've been in."

A FIRST STEP: MEASURE YOUR STATE'S DISASTER COSTS

Colin Foard, director for The Pew Charitable Trusts on a project helping states better manage their fiscal risks, suggests that leaders adjust to this era of higher-frequency, higher-cost natural disasters with a three-step approach: measure, manage and mitigate.

Measure means cataloging and reporting on how much the state is spending on disasters.

"That has been a challenge because the spending is intergovernmental and, even within the state, may occur across many different government agencies," Foard says. "That makes it harder to track or get a holistic assessment. Also, disaster spending is a volatile cost, or least it has been. So there may be many years where it's just not getting the attention of policymakers."

He points to Minnesota as a leader in trying to get a handle on the ongoing budgetary impact of natural disasters.

Eleven years ago, the Legislature established a separate disaster-assistance contingency account to improve fiscal planning as well as the state's on-the-ground assistance for individuals and communities. Prior to creation of the account, the timeliness of that assistance (critical in the aftermath of a disaster) was dependent on legislative approval of supplemental appropriations.

Under that same law, at the start of each calendar year, legislative budget leaders are provided details on state expenditures for disasters, as well as information on the status and balance of the account.

This kind of commitment to measuring costs, Pew's Foard and Muller say, gives legislators the data they need to manage fiscal risks over the long term.

MORE SAVING FOR RAINY DAYS

According to a 2020 study from Pew, states have typically covered the costs of natural disasters through supplemental appropriations, rainy day funds and/or separate disaster relief accounts.

With rainy day funds, for example, 35 states either explicitly authorize the use of these general savings accounts for use

"We have been very aggressive about mitigation: Beat the disasters back before they even get here."

John Benson, director, Iowa Homeland Security and Emergency

in disasters or provide enough legislative flexibility to do so. However, upward adjustments in how much is being put into rainy day funds may be needed to account for the increased frequency and costs of natural disasters.

It is common for states, too, to have separate disaster accounts, sometimes with a dedicated source of funding.

In Indiana, a tax on fireworks goes to the State Disaster Relief Fund, which reimburses individuals and communities for costs not covered by private insurance or federal aid. Last year, legislators increased the maximum payout in this fund to disaster-impacted individuals from \$10,000 to \$25,000; that same measure, SB 190, expedites access to state aid by changing how a local disaster can be declared. (A U.S. Small Business Administration declaration is no longer required.)

Wisconsin dedicates a portion of its petroleum inspection fee to disaster assistance for local governments, and under statutory language in North Dakota, a share of oil and gas tax revenues goes to the state's Disaster Relief Fund.

Still, the amount of money in many state-run disaster-relief accounts may be insufficient due to the lack of a dedicated, consistent or adequate funding source, or because of the greater frequency of natural disasters.

Last year, with the passage of HF 5216, Minnesota legislators sought to shore up the availability of funds in the state disaster-assistance contingency account. Now, during times of relatively high budget surpluses, money from the general fund will automatically be transferred to this stand-alone account. The amount can be as much as \$50 million.

Under legislation this year in Iowa (HF 982), some money from an existing economic emergency fund would be shifted to the state Department of Management for disaster relief, recovery and aid. This movement of funds would occur automatically if money in the economic emergency fund hits a statutory maximum.

The Iowa Department of Management, or other agencies, could then allocate the funds immediately in response to a governor-declared emergency.

"It's important for states to have a way for funds to be tapped really quickly in the event of a disaster," Rumbach says. "You want to be able to get communities back online as quickly as possible, get them operating again. That is really important for their recovery, but also for the tax revenue of state and local governments."

FASTER RETURNS ON MITIGATION

Iowa was hit especially hard last calendar year by natural disasters — three presidential declarations within the span of just two months due to severe storms, flooding and tornadoes.

In the aftermath of those events, one immediate priority became housing for displaced residents. Iowa partnered

with FEMA on a plan to get individuals immediate shelter, first by providing recreational vehicles and trailers as interim housing and then coordinating a program to get them settled into more-permanent arrangements.

Iowa had never attempted such a rapid response to meet these housing needs, Iowa Homeland Security Director John Benson says, but it likely will be used again in future recovery efforts.

The 2024 experiences also led Gov. Kim Reynolds to call for a series of legislative changes this year. Her proposals include accelerating the construction of new housing (for example, tax exclusions for developers who work with the state to build new units after a disaster) and establishing new insurance regulations that protect homeowners in times of crisis.

Benson notes, too, that the governor's plan eyes a greater state investment in mitigation.

This would be done through the creation of a state-run revolving loan fund, with zero- or low-interest loans going to local projects that reduce future risks from natural disasters.

"In years past, the thought was, OK, if I spend a dollar on mitigation, it will take me a couple of disasters to get that dollar back," Benson says. "It's a lot faster than that now. If we spend a dollar in mitigation now, we make it back with the next disaster."

"Because of that, we have been very aggressive about mitigation: Beat the disasters back before they even get here."

One example of mitigation in Iowa has been the buying up of properties in flood-prone areas. In the small town of Cherokee, Benson says, considerable flood damage was avoided this past year because many homes had been replaced with green space.

At least part of the money for Iowa's new revolving loan fund would come from a new federal grant program, the Safeguarding Tomorrow Through Ongoing Risk Mitigation. Iowa (\$12 million), Michigan (\$17.4 million) and North Dakota (\$16.6 million) were among the 12 federal grant recipients in FY 2024.

Common types of mitigation projects include investing in upgrades to the flood-control infrastructure, implementing changes in zoning and land-use planning, and enforcing building codes that make structures more resilient to severe weather.

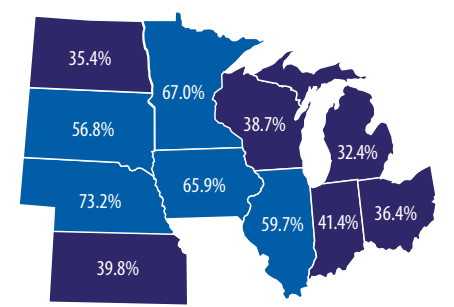
"Historically, states have relied much more on federal funds for mitigation," Pew's Muller notes. "But there's been an increasing trend of states making their own investments."

This means financing not only capital projects, he says, but also putting money toward the types of statewide risk assessments, planning and workforces that can ensure state funds are used wisely.

One notable example is South Carolina. Five years ago, the Legislature created an Office of Resilience and gave

RISE IN PREMIUM RATES FOR HOMEOWNERS IN 11-STATE MIDWEST

Cumulative increase: 2019-2024



- Higher than weighted national average increase (44.9%)
- Lower than weighted national average increase (44.9%)

* Figures are based on an analysis of rate filings submitted to state departments of insurance by each state's 10 largest homeowner underwriters plus any of the country's 10 largest homeowner underwriters outside the state's top 10.

Source: S & P Global

it three main functions: housing recovery after a disaster, mitigation against future flood risks and overall resilience planning. The state subsequently invested \$200 million in a Disaster Relief and Resilience Fund.

Rumbach suggests that states also make mitigation part of their broader, long-term plans for investing in infrastructure.

"Is this project going to make us more safe or more resilient? Is it going to make future disasters cost less?" he says. "Yes, you may be adding upfront costs to a project, but if you're making your infrastructure, big or small, more resilient, that is really a fiscally responsible thing to do."

He points to Louisiana as a state where this kind of mitigation-based capital planning now occurs on a regular basis.

HARDENING HOMES

Hurricane-prone states often have been the first to explore innovations in mitigation. For example, the Alabama Legislature established a home-hardening program a decade ago.

Run by the state Department of Insurance, Strengthen Alabama Homes offers incentives and grants to homeowners who "fortify" their roofs (beyond traditional building codes) against heavy winds and rains. A discount on insurance premiums is available to homeowners upon completion.

In the Midwest, the Minnesota Legislature in 2023 established a similar program (SF 2744) to protect roofs from hail and wind damage. According to the state Department of Commerce, once this project is up and running, the projected grant amount for each qualifying home will be \$10,000.

Additionally, insurers will be statutorily required to provide a discount on premiums or insurance rates.

Godfreed says he has watched with interest the spread of these programs and others that strive to reduce risks from natural disasters, and how they might be implemented in North Dakota.

"On the national level, more and more, I think the discussion is going to be how to construct communities that are more resilient," he says. "You cannot continue to build the way we've always built and expect that insurance is going to continue to absorb these losses."



ENERGY & ENVIRONMENT

Special property assessments, 'green banks' are among financing tools for states to stimulate investments in energy efficiency, clean energy

by Jon Davis (jdavis@csq.org)

The idea to let Indiana commercial property owners voluntarily tax themselves to finance renewable energy or energy-efficiency projects began in 2021 with residential property owners seeking ways to finance a switch from septic tanks to municipal sewer systems.

When residents approached him for help in finding such financing, then newly elected Sen. Fady Qaddoura tapped his experience as a former controller and CFO for the city of Indianapolis to file SB 405.

The bill called for an interim session study to look at creating "wastewater facility improvement districts" that could use a form of property-tax-assisted financing to help pay for such conversions.

While the bill died in the House of Representatives, the idea didn't.

In 2024, Qaddoura revised, revived and expanded it with SB 259, a measure that also would have authorized "Property Assessed Clean Energy" (PACE) financing for commercial properties.



Indiana Sen. Fady Qaddoura

by a state legislature and then locally by city or county ordinance. In some cases, the local government may provide the PACE financing itself for a project; more commonly, the upfront capital comes from a third-party lender. Still, the local government plays a critical role as remitter and collector of the PACE assessment.

According to PACENation, an association of organizations that provides PACE financing, 40 states have adopted commercial PACE-enabling legislation. Only three (California, Florida and Missouri) have authorized residential PACE programs.

Residential programs are rarer in part due the PACE tax lien's superior position vis-à-vis other loans, including mortgages, according to a study published in the March 2024 edition of the *Journal of Environmental Economics and Management*. In the Midwest, the six states with enabling legislation only allow for this financing tool to be used on commercial property. It is known as C-PACE.

As of the end of 2024, \$9.7 billion in C-PACE financing had helped pay for 3,581 projects nationwide, according to market data gathered by PACENation. In the Midwest, Ohio has had the largest cumulative C-PACE investment, \$930 million (see graph).

A recent statutory change in that state also added a new option: allow a state entity itself, the Ohio Air Quality Development Authority, to use C-PACE financing to fund energy improvements at commercial or industrial sites.

This authorization came from HB 33, Ohio's budget bill.

Christina O'Keefe, the authority's executive director, says this option should help bring the capital needed for energy upgrades in rural or underserved areas that "have more difficulty securing investors or lending."

In late 2024, the authority announced its first project under the new law: More than \$1.6 million in bond financing for energy upgrades at a vacant church in Cincinnati being converted into a modern event venue.

This financing will cover the upfront costs of energy-efficiency projects at the 156-year-old structure. The loan then gets repaid over time through the special PACE assessment. (The city of Cincinnati needed to approve this special assessment for the property.)

Michigan Saves operates outside of state government, as a nonprofit green bank. The state Public Service Commission provided seed money in 2009 to start Michigan Saves, and the green bank also has received state appropriations (\$5 million in the current budget). It partners with private lenders to offer affordable financing and other incentives to property owners. Most projects are for energy upgrades to residential homes.

A SECOND OPTION: GREEN BANKS

PACE funding is one tool states can employ to help residents and businesses finance energy-efficiency projects. Its more generally known fiscal cousin, the "green bank," is another.

Green banks are dedicated to financing clean energy rather than maximizing profit, according to the Coalition for Green Capital.

In the Midwest, four states have

state-led and/or -supported green banks or have a state entity that functions like a green bank.

Ohio
Established 55 years ago, Ohio's non-regulatory, independent Air Quality Development Authority is overseen by a governor-appointed, Senate-confirmed board. In 2023, the authority issued more than \$431 million in air quality revenue bonds to 15 different projects. The single largest investment was \$275 million to support construction of a large-scale "agrivoltaic" facility, which allows for new solar generation and farm production on the same land.

Illinois
The Illinois Climate Bank was established in 2021 as part of a landmark energy law (SB 2408). Overseen by the Illinois Finance Authority, which has a 15-member board appointed by the governor and confirmed by the Senate, the bank has helped finance grid resilience and electric vehicle charging station projects, operated a revolving loan fund for energy efficiency, and recently secured \$156 million in federal funds to expand access to solar energy.

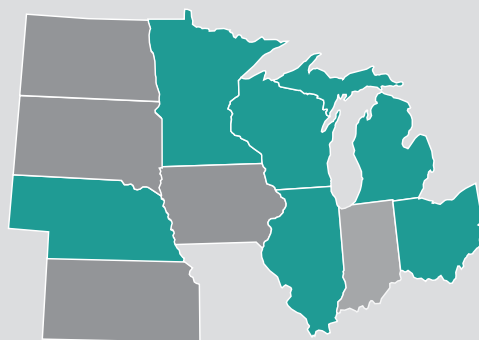
Additionally, under legislation passed in 2024 (SB 3597), local governments now have the option of securing a loan from the Illinois Climate Bank to finance their own clean energy projects. The goal: give local governments access to lower borrowing costs.

Minnesota
The Climate Innovation Finance Authority was established in 2023 (SF 3035) and has a 13-member board: the heads of six state agencies and seven gubernatorial appointees. It uses state funds to invest in clean energy projects, with a focus on bringing capital to underserved communities. The Minnesota Legislature appropriated an initial \$45 million to the authority.

Michigan
Michigan Saves operates outside of state government, as a nonprofit green bank. The state Public Service Commission provided seed money in 2009 to start Michigan Saves, and the green bank also has received state appropriations (\$5 million in the current budget). It partners with private lenders to offer affordable financing and other incentives to property owners. Most projects are for energy upgrades to residential homes.

Jon Davis is CSG Midwest staff liaison to the Midwestern Legislative Conference Energy & Environment Committee.

MIDWEST STATES THAT ALLOW FOR COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY FINANCING — KNOWN AS 'C-PACE'

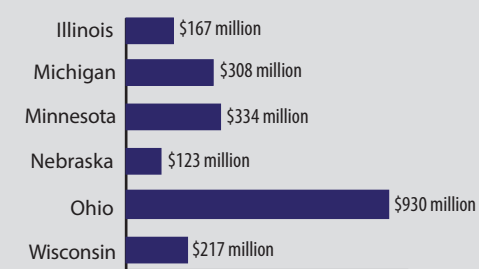


● C-PACE-enabling legislation has been enacted

* C-PACE lenders finance 100 percent of the costs of a project through fixed-rate, fully amortized loans of up to 30 years. C-PACE assessments are secured by a voluntary assessment on the property.

Source: PACENation

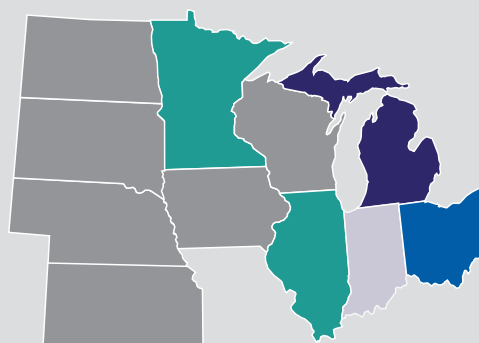
CUMULATIVE C-PACE INVESTMENT, BY STATE, AS OF DECEMBER 2024*



* Nationwide, the cumulative C-PACE investment was \$9.7 billion; 55% of that total went to energy-efficiency projects. Other project types include renewable energy and climate resilience.

Source: PACENation

USE OF 'GREEN BANKS,' OTHER STATE ENTITIES FOR FINANCING CLEAN ENERGY PROJECTS (AS OF FEBRUARY 2025)*



- Green bank established in statute, run by state entity/authority
- State entity established in statute to issue air quality revenue bonds
- Nonprofit green bank started with a state grant, has received state appropriations
- Nonprofit green bank established; no related state statute or funding

* The U.S. Environmental Protection Agency defines green banks broadly as "public, quasi-public or nonprofit financing entities that leverage public and private capital to pursue goals for clean energy projects that reduce emissions."

Source: Coalition for Green Capital

POTENTIAL SOURCES OF FUNDING FOR STATE GREEN BANKS

- ✓ state appropriation
- ✓ federal funding/grants
- ✓ ratepayers/surcharge on utility bill
- ✓ authority to issue bonds
- ✓ private donations/philanthropy

Source: U.S. Environmental Protection Agency

AGRICULTURE & RURAL AFFAIRS

States set the rules on intrastate sales of raw milk; the issue is getting more attention with the enactment of new laws and spread of avian flu to cattle

by Rebecca Leis (rleis@csq.org)

Across the 11-state Midwest, thousands of dairy farms produce approximately 38 percent of the nation's milk supply.

Tens of billions of pounds of it is produced in a single year for distribution and consumption under a federal regulation in place for more than 50 years: The milk crossing interstate lines must be pasteurized.

This 1973 rule of the U.S. Food and Drug Administration (and a 1987 rule that removed an exemption for "certified" raw milk) capped a decades-long movement toward requiring pasteurization to protect the public health from foodborne illnesses caused by viruses or bacteria.

The FDA's regulatory reach, however, is limited to interstate sales.

States and their legislatures retain authority to prescribe how unpasteurized, or raw, milk can be sold within their borders. In recent years, some states have eased restrictions on raw milk sales, at a time when interest in and consumption of the product have been on the rise.

Now, though, there is another point for lawmakers to consider in their rules on raw milk sales: the spread of avian influenza to cattle.

In spring 2024, veterinarians found that the same H5N1 virus infecting poultry flocks had reached U.S. cattle herds, with symptoms that included reduced milk supply.

Dr. John Lucey, a food scientist with the Center for Dairy Research at the University of Wisconsin-Madison, explains that while the virus is less lethal in cows than poultry, it is highly concentrated in the milk they produce.

"[The H5N1 virus] is relatively heat sensitive," Lucey notes, "so pasteurization is enough to inactivate it." This makes pasteurized milk safe to consume, he adds, but the virus persists in raw milk for up to three weeks.

LAWS VARY ON RAW MILK SALES

Left to decide the legality of intrastate sales of raw milk, state legislators ultimately must choose between competing interests: consumer choice vs. consumer protection, for example, and the balance between providing new options for smaller dairy farmers and protecting the dairy industry.

Current regulation of raw milk sales in the Midwest generally falls into one of two categories:

- Raw milk is available (incidentally or expressly) only through herdshare agreements, under which consumers

purchase a share of the farm's livestock and then get a share of the milk that is produced; or

- Direct farmer-to-consumer sales are allowed, in addition to herdshare agreements.

Twelve U.S. states (none in the Midwest; most in the West) also allow for retail sales of raw milk and raw milk products.

DETAILS OF RECENT CHANGES IN IOWA AND NORTH DAKOTA

In 2023, Iowa and North Dakota joined the five other Midwestern states with laws that permit direct farmer-to-consumer sales of some kind.

North Dakota's HB 1515 allows for raw milk sales on the farm, by delivery or at farmers markets. (HB 1131, signed into law in 2025, also now permits similar sales of raw milk products.)

Notably, the 2023 law expressly exempts raw milk sales from labeling, testing, permitting or licensing requirements. The North Dakota Department of Agriculture has noted in a guide for consumers and farmers that there is no liability protection for producers should anyone become harmed from consuming raw milk.

Iowa's SF 315 allows for on-farm sales of raw milk from producers with 10 or fewer dairy animals.

Under the law, producers must have a veterinarian examine each animal once per year, ensure cold storage of raw milk, properly label it, and sell it within seven days of production. The producer also must conduct monthly tests for pathogens and post the results at the point of distribution. Iowa does not allow for online orders.



Minnesota Sen. Steve Green

MINNESOTA BILL EYES MORE OPTIONS, WITH SAFEGUARDS

In Minnesota, direct farm-to-consumer sales currently are allowed on a limited basis (see table). A bill introduced this year by Sen. Steve Green would ease some of the restrictions.

Green grew up on a farm in his home state and drank raw milk as a child. But that isn't why he introduced SF 490, a bill that would expand sales options for dairy producers.

"I really didn't like the fact that years ago, they changed over to having to sell everything [pasteurized]," he says. "I thought that was a little bit intrusive to the smaller farmers."

And after several years in the Legislature, representing a rural part of the state, he realized a considerable number of people were interested in consuming and selling raw milk.

Under SF 490, farmers with fewer than 12 animal units could sell raw milk at farmers markets and community events, provided the

product had this labeling:

"These are raw milk products that are not subject to state inspection."

Anyone selling raw milk in Minnesota would need to be licensed — a process requiring an annual fee (if sales were greater than \$5,000); veterinarian testing for tuberculosis and brucellosis; and completion of a class on food safety, animal health and safe milk handling.

Green notes that SF 490 puts more procedural safeguards in place (testing and licensure) than are currently required of raw milk producers, but he believes it's a good balance to provide some protection while expanding where raw milk can be sold.

QUESTIONS ABOUT PUBLIC HEALTH AND DAIRY ECONOMY

According to Lucey, testing raw milk for H5N1 or any other pathogen, prior to sale, is not an effective tool to combat foodborne illness because testing is not frequent enough. He adds that the product is usually distributed and consumed before lab results come back.

Despite raw milk being attributed to sporadic foodborne illness outbreaks across Europe, many countries there permit on-farm raw milk sales, while mandating that milk be kept at a certain temperature, be labeled with health warnings, and be regularly tested for pathogens. Canada, on the other hand, strictly prohibits the sale of non-pasteurized milk.

In addition to human health concerns, there are potential economic consequences when outbreaks occur.

Some dairy farmers, too, already have been

impacted as the result of dairy herds being infected with H5N1. The milk from infected cows cannot be sold, and the virus naturally suppresses milk production.

In September 2024, the U.S. Department of Agriculture began compensating farmers for these losses through an emergency livestock assistance program. (As of late February 2025, continuation of this program was uncertain.)

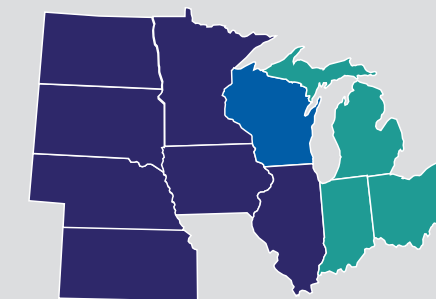
There also can be reputational risks to the industry.

Should the H5N1 spread due to raw milk consumption, Lucey says, consumers may broadly attribute it to all dairy products — pasteurized and raw alike.

Green doesn't see his bill as a threat to the industry. Rather, he promotes it as creating a niche market that gives smaller dairy operations an alternative revenue source and consumers access to a product they want.

Rebecca Leis is the CSG Midwest staff liaison to the Midwestern Legislative Conference Agriculture & Rural Affairs Committee.

STATE LAWS ON RAW MILK SALES



- Sales only allowed through herdshare arrangements¹
- "Incidental" sales only (not sold as regular business or advertised)
- Direct farm-to-consumer sales allowed in some form; see table below for details

¹ Under herdshare arrangements, individuals buy part of a farm's herd of livestock, become a part owner of the herd, and are able to obtain raw milk from it based on this partial ownership. Illinois, Iowa, Michigan, North Dakota and Ohio allow for herdshare arrangements. Wisconsin does not permit them. Indiana, Kansas, Minnesota, Nebraska and South Dakota do not have laws on herdshares.

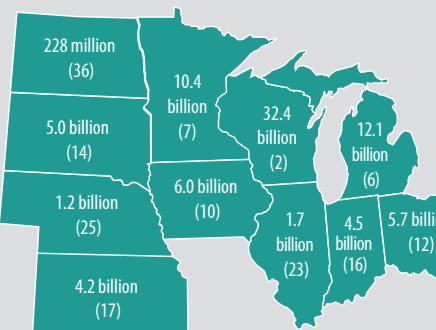
Sources: Raw Milk Institute, U.S. Centers for Disease Control and Prevention, and CSG Midwest research

OVERVIEW OF RULES ON DIRECT FARMER-TO-CONSUMER SALES OF RAW MILK

State	Details
Illinois	<ul style="list-style-type: none"> • On-farm sales allowed by holders of raw milk permit • "Unpasteurized" label required warning of potential serious illness • Continued testing required after initial permitting
Iowa	<ul style="list-style-type: none"> • On-farm sales allowed on operations with 10 or fewer dairy animals • Testing is required • Containers must include notice that product is not subject to state inspection
Kansas	<ul style="list-style-type: none"> • On-farm sales permitted • Container must be labeled as "raw" or "unpasteurized-ungraded" milk
Minnesota	<ul style="list-style-type: none"> • "Occasional" on-farm sales permitted • Producers not allowed to bottle raw milk; consumers must bring own container to farm
Nebraska	<ul style="list-style-type: none"> • On-farm sales permitted
North Dakota	<ul style="list-style-type: none"> • On-farm sales and certain off-farm, non-retail sales permitted, such as at a farmers market • Direct delivery of raw milk to consumer permitted
South Dakota	<ul style="list-style-type: none"> • On-farm sales permitted • Direct delivery of raw milk to consumer permitted

Sources: CSG Midwest research and Farm to Consumer Legal Defense Fund

POUNDS OF MILK PRODUCTION IN 2024; U.S. RANK IN PARENTHESES*

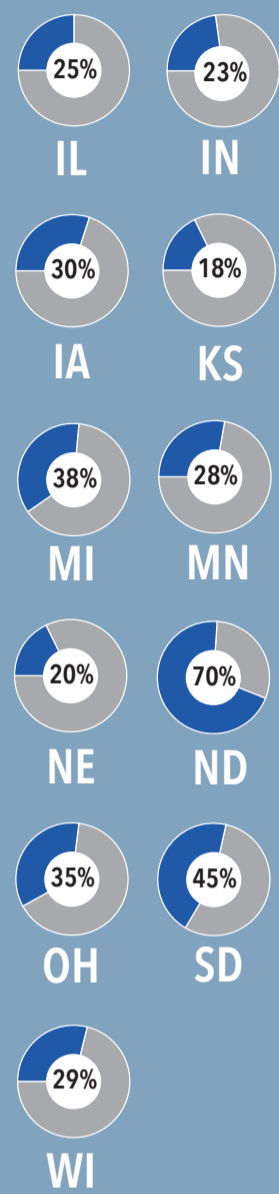


Source: U.S. Department of Agriculture, Economic Research Service

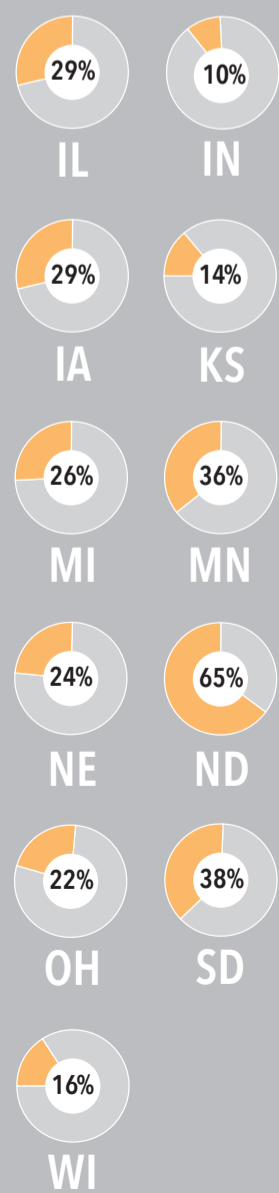


MIDWEST-CANADA RELATIONS: A DATA SNAPSHOT OF BINATIONAL TRADE AND BORDER CROSSINGS IN THE REGION

% OF STATE'S TOTAL GLOBALEXPORTS THAT WENT TO CANADA (2024)



% OF STATE'S TOTAL GLOBALIMPORTS THAT CAME FROM CANADA (2024)



Information on these pages was collected by The Council of State Governments' Midwestern Office as part of its ongoing staff support for the Midwestern Legislative Conference and its Midwest-Canada Relations Committee. First formed in 1991, the committee is made of legislators from 11 Midwestern states and four Canadian provinces. Saskatchewan is a full member of the MLC; Alberta, Manitoba and Ontario are affiliate members. Providing a forum for cross-border relationship building and information sharing is among the goals of the MLC Midwest-Canada Relations Committee. For information on the committee, or how to get involved, please contact CSG Midwest staff liaison Mitch Arvidson at marvidson@csq.org.

THE STATE OF TRADE: AMOUNT OF GOODS TRADED WITH CANADA (2024)



Source: CSG Midwest calculations of U.S. International Trade Administration, Tradestats Express

BACK AND FORTH: CROSS-BORDER ACTIVITY AT BORDER CROSSINGS OF THE MIDWEST (2024)

29 LAND PORTS OF ENTRY

18 North Dakota with Saskatchewan and Manitoba
7 Minnesota with Manitoba and Ontario
4 Michigan with Ontario

MI 7.6 Million TOTAL CROSSINGS

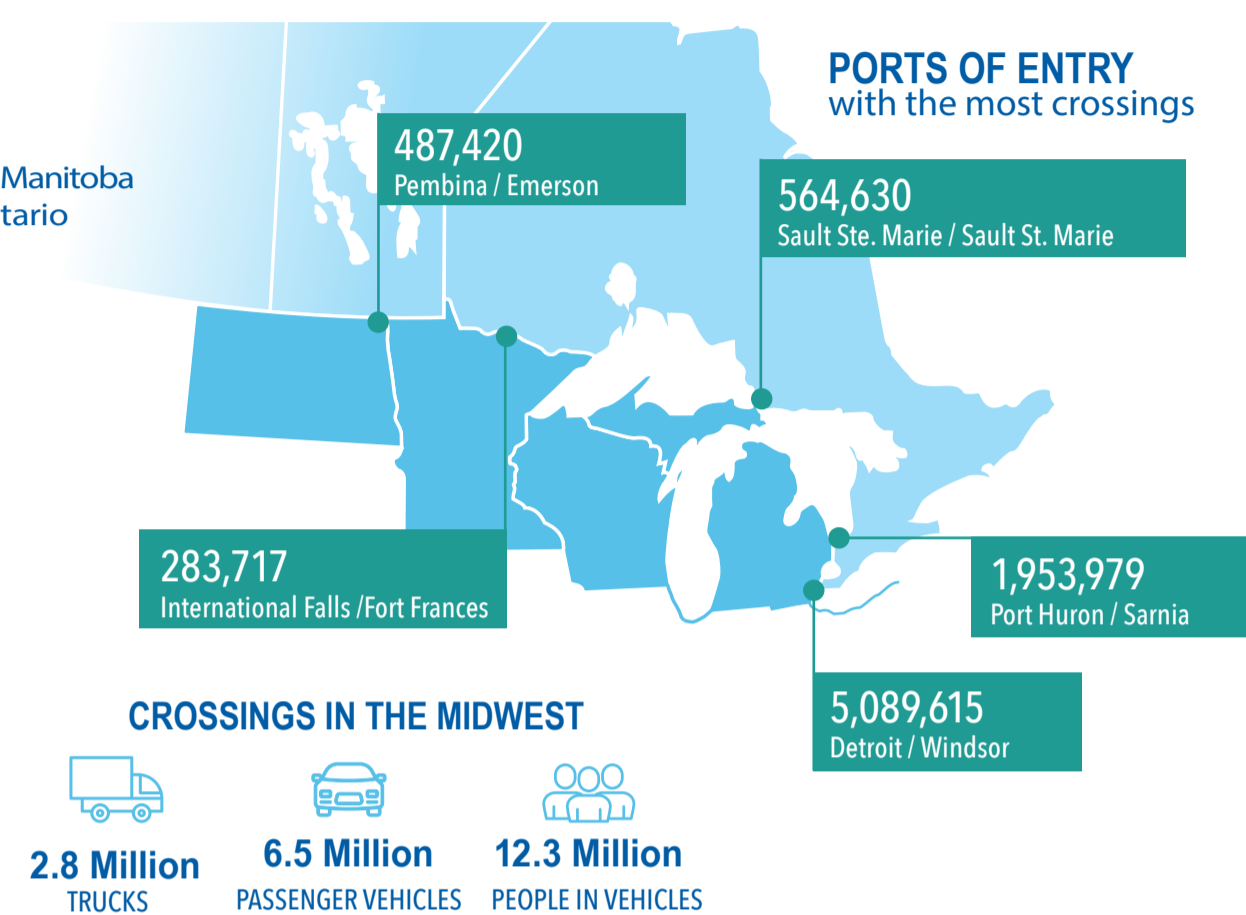
5.3 MILLION passenger vehicles
2.3 MILLION trucks

MN 746,000 TOTAL CROSSINGS

697,000 passenger vehicles
49,000 trucks

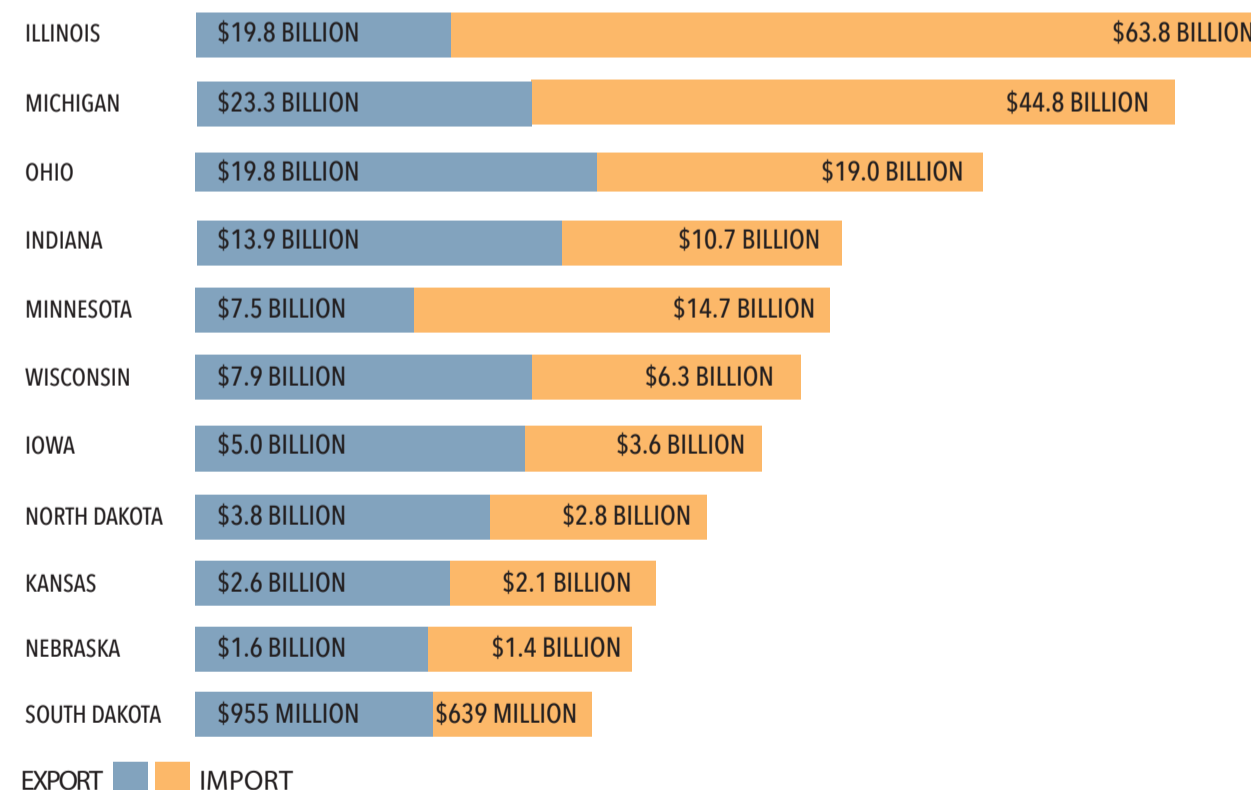
ND 887,000 TOTAL CROSSINGS

485,000 passenger vehicles
402,000 trucks



Source: CSG Midwest calculations of U.S. Department of Transportation, Bureau of Transportation Statistics

\$ VALUE OF EXPORTS TO/IMPORTS FROM CANADA (2024)



Sources: U.S. International Trade Administration, Tradestats Express, and CSG Midwest calculations

POWER RELATIONSHIP: ENERGY TRADE WITH CANADA (2024)

STATE	ESTIMATED \$ VALUE OF ENERGY EXPORTS*	ESTIMATED \$ VALUE OF ENERGY IMPORTS*
ILLINOIS	\$2.3 billion	\$47.4 billion
INDIANA	\$287 million	\$288 million
IOWA	\$53 million	\$96 million
KANSAS	\$172 million	\$75 million
MICHIGAN	\$1.4 billion	\$5.1 billion
MINNESOTA	\$2.8 billion	\$9.3 billion
NEBRASKA	\$147 million	\$7 million
NORTH DAKOTA	\$2.0 billion	\$436 million
OHIO	\$578 million	\$4.0 billion
SOUTH DAKOTA	\$2 million	\$12 million
WISCONSIN	\$324 million	\$608 million

*These are estimates based on CSG Midwest calculations of data from the U.S. International Trade Administration. The amount of energy trade is based on binational business activity across three sectors of the North American Industry Classification System: Oil & Gas; Minerals & Ores; and Petroleum & Coal Products.

79TH ANNUAL MEETING of the MIDWESTERN LEGISLATIVE CONFERENCE

JOIN US IN SASKATOON THIS JULY

The top meeting of Midwestern legislators will be held in Canada this summer, an ideal time and place to strengthen cross-border ties. This year's hosts — the province of Saskatchewan and its Legislative Assembly — are eager to welcome their legislative friends and peers from across the Midwest. The family-friendly MLC Annual Meeting will be held July 27-30 in Saskatchewan's largest city of Saskatoon.

These four days will be filled with sessions and workshops on public policy and professional development — all designed by and for legislators from the Midwest. It's an important period in U.S.-Canada relations, and also an ideal time for legislators in this region take part in the tradition of The Council of State Governments' bipartisan, binational Midwestern Legislative Conference Annual Meeting.

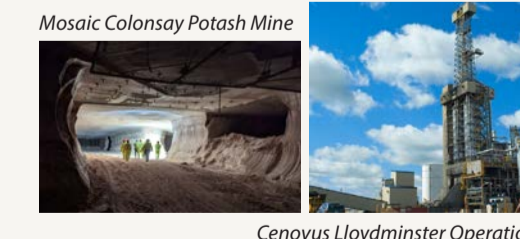
Enjoy one-of-kind evening events at premier Saskatoon venues, as well as daytime

activities for attendees' youth and adult guests. The meeting will include programming and a learning site tour built around the MLC Chair's Initiative of Minister Lori Carr: *North American Energy Security: Powering Our Future*. Throughout the meeting, too, legislators will learn with and from each other at policy sessions on trade, agriculture, health care, education, workforce, housing and more.

Come early for learning site tours. For attendees who arrive on Saturday morning, two unique tours will be offered: the chance to take a short flight and see the oil sands at the Cenovus Lloydminster Operations, or the opportunity to go underground and experience the processing of potash at the Mosaic Colonsay Potash Mine operations.

Take the opportunity to stay late. Experience the Saskatoon culture, museums, nature and tours — from history to cuisine, spa day to glamping, there are many ways to extend your stay.

Come to the table this summer in Saskatoon! At the MLC Annual Meeting, interstate and cross-border collaboration flourish and lasting relationships are built. Register now to be a part of it.



EXPERIENCE SASKATCHEWAN

EARLY-BIRD DISCOUNT ENDS MAY 27
REGISTER at csqmidwest.org/mlc25



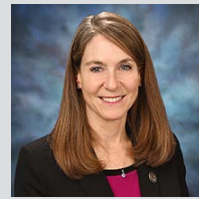
Opening Reception at THE GLEN AT CROSSMOUNT

Family Night at the WESTERN DEVELOPMENT MUSEUM

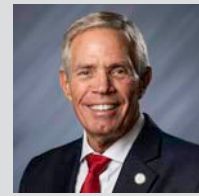
State Dinner at REMAI MODERN

NEW BIPARTISAN, BINATIONAL GROUP OF LAWMAKERS IN PLACE TO LEAD GREAT LAKES LEGISLATIVE CAUCUS

Through their membership in the Great Lakes-St. Lawrence Legislative Caucus (GLLC), more than 160 legislators are able to collaborate on policy steps to improve the environmental and economic health of their states, provinces and the entire region.



Illinois Sen. Laura Fine



Indiana Rep. David Abbott

Leading this work is a two-officer team and an executive committee of legislators from across the Great Lakes basin.

The group's two officers through 2026 will be Illinois Sen. Laura Fine and Indiana Rep. David Abbott, both of whom were selected to these leadership positions by fellow GLLC members.

Fine is in her first term as chair, having represented Illinois on the GLLC Executive Committee since 2019. She served as vice chair in 2023-2024. Abbott has long been active in the caucus and has been on its Executive Committee since 2021.

The GLLC also welcomes these four legislators to its Executive Committee for the first time:

- Michigan Sen. Sue Shink,
- New York Sen. Pamela Helming,
- Ohio Sen. Paula Hicks-Hudson, and
- Wisconsin Rep. Deb Andraca

Returning members are Illinois Sen. Laura Ellman, Minnesota Sen. Mary Kunesch, Ontario MPP Jennifer French, Pennsylvania Sen. Daniel Laughlin and Québec MNA Marie-Belle Gendron.

Ex officio members of the Executive Committee include four past chairs of the GLLC: Wisconsin Sen. André Jacque, Illinois Rep. Robyn Gabel, Indiana Sen. Ed Charbonneau and Minnesota Sen. Ann Rest. Illinois Rep. Sonya Harper, former Michigan Rep. Rachel Hood and Wisconsin Rep. Lisa Subeck also are ex officio members.

HOW TO BECOME PART OF THE GLLC

Membership in the GLLC is free and open to all legislators from the eight U.S. states and two Canadian provinces in the Great Lakes basin. Becoming a member opens up opportunities for travel scholarships to attend GLLC events and to become a regional leader on Great Lakes and water policy.

The online membership form is available at gllc.csgmidwest.org.

CSG Midwest provides staff support to the caucus, whose activities include an annual meeting, smaller workshops and institutes for legislators, regularly held webinars on Great Lakes topics, advocacy on behalf of the region and the Great Lakes, and a legislative tracker and other policy resources.

SHARE YOUR LEGISLATIVE INNOVATION

Have you worked on enacted legislation that is innovative and addresses an issue of regional or national significance?

If so, consider submitting the bill for consideration in the next volume of The Council of State Governments' "Shared State Legislation (SSL)." CSG launched the member-driven program in 1941, and ever since, SSL has been a valuable tool for legislators to share and learn about promising policy solutions occurring across the nation's 50 "laboratories of democracy."

Bill submissions are accepted at ssl.csg.org.

A bipartisan committee of state legislators and legislative staff from across the country curates each SSL volume. The committee, appointed by each member jurisdiction, meets every year as part of the CSG National Conference.

MARK YOUR CALENDARS: UPCOMING OPPORTUNITIES FOR LEGISLATORS AND OTHER STATE LEADERS

July 27-30 | CSG Midwestern Legislative Conference Annual Meeting

Where: Saskatoon, Saskatchewan

What: Premier meeting for state and provincial legislators from the Midwest; see meeting details on pages 6 and 7.

Registration: Early-bird discount runs through May 27. Registration deadline is June 26. Register at csgmidwest.org. Please contact CSG Midwest's Jenny Chidlow at jchidlow@csg.org with questions.



August 8-12 | CSG Henry Toll Fellowship Program

Where: Lexington, Kentucky

What: A top national leadership program for legislators and other state officials serving all three branches of state government. This year's application season runs through May 1; applications are available at csg.org.



August 22-26 | 2025 BILLD Leadership Program

Where: Madison, Wisconsin

What: Renowned training institute for Midwestern state and provincial legislators in their first four years of service; BILLD Fellows are chosen via a competitive application process (this year's application season ended April 14)



September 15-16 | Great Lakes-St. Lawrence Legislative Caucus Meeting

Where: South Bend, Indiana

What: Unique learning and networking opportunity for state and provincial legislators from the Great Lakes region to meet with peers and top experts on Great Lakes and water resource protection



Registration: Visit gllc.csgmidwest.org or contact program director Jess Lienhardt at jljenhardt@csg.org about the meeting and travel scholarships for legislators

December 9-13 | CSG National Conference

Where: Chicago, Illinois

What: Meeting for state leaders from all three branches of government and from across the United States. Illinois Sen. Elgie Sims is the 2025 CSG chair.



Registration: Will open soon and be available at csg.org

UNDER THE DOME PROGRAMMING HELD FOR INDIANA AND MINNESOTA LEGISLATORS IN EARLY 2025

As part of its work on behalf of the Midwestern Legislative Conference, CSG Midwest regularly delivers customized, in-state training to legislators and legislative staff in their capitols.

The two most recent events: a session and roundtable discussion in March at the Indiana Statehouse on energy and advanced-transmission policies, and a workshop in April at the Minnesota Capitol on issues related to critical minerals.

All legislators, legislative staff and other state leaders were invited to take part in these sessions.

They were held as part of CSG Midwest's Under the Dome program. The Indiana event involved a



partnership between CSG Midwest, CSG South and The Pew Charitable Trusts.

BRING UNDER THE DOME TO YOUR STATE

Under the Dome is member-driven. Legislators or legislative staff bring an idea to CSG Midwest for customized training in a specific policy area or on a professional development topic of their choosing. CSG Midwest then works to design the programming and execute the event, usually held in or near the capitol. Under the Dome events occur during or outside of legislative session.

Please contact CSG Midwest director Laura Tomaka at ltomaka@csg.org or 630.925.1922 to learn more.



Indiana Sen. Eric Koch, author of a bill this session on advanced-transmission technologies (SB 44), addresses participants at an Under the Dome session in March on the topic. Seated at the table are four other legislative participants: Reps. Matt Pierce, Ed Clere and Alana Shonkwiler, and Sen. Scott Alexander.

ALUMNI NOTES: MANY BILLD GRADUATES HOLDING TOP LEADERSHIP POSTS

One indicator of the success and far-reaching impact of the Bowhay Institute for Legislative Leadership Development: the number of graduates who go on to serve in top leadership posts in their respective states. Four BILLD alumni are new to that list this year, serving in the highest-ranking leadership position of their caucus and/or legislative chamber for the first time.

- **Erin Healy**, BILLD class of 2019, and **Liz Larson**, BILLD class of 2023, new minority leaders in the South Dakota House and Senate, respectively;
- **Rob McColley**, BILLD class of 2015, the newly elected president of the Ohio Senate (see profile on page 11); and
- **Shelli Yoder**, BILLD class of 2021, new minority leader in the Indiana Senate.



South Dakota Rep. Erin Healy



South Dakota Sen. Liz Larson



Ohio Sen. Rob McColley



Indiana Sen. Shelli Yoder

They join these other BILLD graduates holding the highest-ranking caucus post and/or a top officer position in their legislative chamber in 2025:

- Illinois Senate President **Don Harmon**, BILLD class of 2005
- Indiana House Minority Leader **Phil GiaQuinta**, BILLD class of 2009
- Indiana Speaker of the House **Todd Huston**, BILLD class of 2016
- Indiana House Speaker Pro Tem **Mike Karickhoff**, BILLD class of 2011
- Iowa Senate President **Amy Sinclair**, BILLD class of 2016
- Iowa House Speaker Pro Tem **John Wills**, BILLD class of 2016
- Kansas Senate Minority Leader **Dinah Sykes**, BILLD class of 2017
- Michigan Senate Minority Leader **Aric Nesbitt**, BILLD class of 2012
- Minnesota House Speaker **Lisa Demuth**, BILLD class of 2021
- North Dakota House Minority Leader **Zac Ista**, BILLD Class of 2021
- North Dakota House Majority Leader **Mike Lefor**, BILLD class of 2015
- North Dakota Speaker of the House **Robin Wiesz**, BILLD class of 1999
- Ohio House Speaker Pro Tem **Gayle Manning**, BILLD class of 2011
- Wisconsin Senate President **Mary Felzkowski**, BILLD class of 2013
- Wisconsin Senate President Pro Tem **Patrick Testin**, BILLD class of 2018

BIPARTISAN GROUP OF LEGISLATORS LEADS BILLD, INCLUDING THE SELECTION OF THIS YEAR'S FELLOWS

CSG Midwest thanks all of the state lawmakers from the region who applied this year for a 2025 fellowship to attend the Bowhay Institute for Legislative Leadership Development.



Fellows will be selected on May 17 at a meeting of the BILLD Steering Committee in Madison, Wis.

This interstate, bipartisan committee of The Council of State Governments' Midwestern Legislative Conference oversees all aspects of the BILLD program, including the application process, programming for the annual institute and fundraising.

Committee members are appointed by legislative leaders from their respective states and chambers. Many are BILLD graduates themselves.

A signature program of the Midwestern Legislative Conference, which receives staff support from CSG Midwest, BILLD has been legislator-led ever since it began in 1995.

Over those 30 years, the institute has earned a reputation for being the top leadership program of its kind. It brings together a select group of Midwestern state and provincial legislators for five

days of learning and networking opportunities with colleagues. For example:

- training in areas such as conflict resolution, consensus building and negotiation;
- sessions featuring current legislative leaders in the Midwest and covering important policies and institutional issues in state government; and
- professional development seminars on media relation and effective speech making.

BILLD is open to legislators in their first four years of service. (The 2025 application deadline was April 14; applications for 2026 will be available later this year.) This year's program will be held Aug. 22-26 in Madison, Wis.

CSG Midwest will formally announce the 2025 BILLD Class in late May.

THANK YOU TO THE EARLY 2025 SPONSORS OF BILLD

This list of early sponsors is as of April 7. CSG Midwest continues to accept corporate, foundation and other sponsors for this year's Bowhay Institute for Legislative Leadership Development. Please contact CSG Midwest development manager Katie Kelly at kkelly@csg.org to learn about the benefits of supporting BILLD, the premier leadership training program for Midwestern legislators.

SILVER SPONSOR

BRONZE SPONSORS

PATRON SPONSOR



PROFILE: KANSAS SENATE MINORITY LEADER DINAH SYKES

Her political journey began as a PTA president and parent advocate; Sykes' time in office has taught her the value of storytelling and open dialogue as legislative tools

by Tim Anderson (tanderson@csq.org)

Dinah Sykes' path to the Kansas Legislature started with some really long walks as president of her local PTA.

To raise awareness about the needs of schools and role of state funding, she would travel on foot more than 60 miles from the Kansas City suburb of Merriam to the state capital of Topeka.

"The second year that we did it, I was at a press conference and it was actually then-Senator Laura Kelly [now the governor] speaking, and she said, 'We need more people who are involved in their community to step up and lead,'" Sykes recalls.

Should I be one of those people? she asked herself.

Soon after those walks, and the words of Kelly and others, Sykes was running in 2016 for a seat in the Kansas Senate, as a Republican. Fast forward to today, and Sykes is a top legislative leader, as a Democrat.

She switched parties in the middle of her first four-year term due to disagreements over tax policy and other issues. It left Sykes without a political home at the start of the 2019 session, no longer a Republican and now in a party that she had run against three years earlier. "Here I am, the black sheep, not knowing where I fit in," she says, "and there is this piece of legislation that I'm working really hard on and that I think could make a really big difference in people's lives."

A BILL AND THE STORIES BEHIND IT

The goal of her bill was to strengthen housing protections for the survivors of domestic violence. It faced potential opposition because of proposed new restrictions on evictions and limits on the fees that landlords could charge to victims seeking to break a rental lease.

Despite the obstacles, Sykes was able to get SB 78 to the governor's desk for signing. To this day, she holds close some of the legislative lessons from that experience.

First, tell a story. The power of storytelling, Sykes says, can bring people to your side, regardless of party or differences on other issues. With SB 78, for example, the voices of the survivors of abuse needed to be heard. Sykes told their stories of trauma in one-on-one conversations with fellow legislators, and explained how a new state law could be a lifesaver.

The second lesson: Keep an open mind and commit to open dialogue with legislative colleagues.

After her switch in parties, some old legislative allies were going to be new



BIO-SKETCH: KANSAS SENATOR DINAH SYKES

- ✓ has served as Senate Democratic leader since 2020, the first woman in state history to hold the position; first elected to the Kansas Senate in 2016
- ✓ has long been an active member of her community, serving as a PTA treasurer and president, as well as on the Kansas Children's Cabinet
- ✓ previously ran her own business as a personal chef and also worked as a development officer in higher education
- ✓ lives in town of Lenexa with husband, Jeffrey; and their sons, William and Tyler
- ✓ is a 2017 graduate of CSG Midwest's Bowhay Institute for Legislative Leadership Development

"Start with the idea that all legislators want to make life better for our constituents. Of course we're going to disagree [on how], but starting from there helps."

rivals come election time. They wanted to unseat her. But some of those same people became early, and important, backers of SB 78 — after hearing from Sykes and the story she told.

"It helps to start with the idea that all legislators want to make life better for our constituents," Sykes says. "Of course we're going to disagree [on how], but starting from there helps."

Sykes became the leader of the Senate Democratic Caucus after the 2020 elections. She was re-elected by her peers to the same position ahead of the 2025 session.

Q How would you describe your approach to leading a minority caucus in a legislature where the majority, the Republican Party, has a sizable seat advantage?

A We make it clear that there are values that we will always stand for, but at the same time, we want to show that we can work with the other side of the aisle — not just throwing political bombs out there.

So we try to have a plan of attack and an order of operation.

For one, there are many times where you don't need all of your members standing up in opposition to the same bill or resolution. If you keep hounding and adding four or five hours to everyone's day, you're not making friends. So have a plan as a caucus.

We also don't want our story as a caucus to always be "no."

We want to show that there is a path for us to compromise, to show what is possible on our side of the aisle.

Sometimes it happens, sometimes it doesn't. But it's that story you tell — the words you say on the floor, the manner in which you do it, the kinds of amendments you propose to a bill or a resolution.

Q How do you maintain good relations knowing public disagreements between partisan caucuses are inevitable?

A All of us as legislators can help by sharing with each other the stories of our constituents and our district. Or even traveling around the state to each other's districts.

A few years back, the Senate president and I traveled the state when we were looking at redistricting. And I remember before [those trips] that he always was saying, "I don't understand why you vote the way that you do." But he came to my district, and there were probably 200 or 300 people there, and afterward he said, "I understand you a little more, and God bless you for representing these people."

I've had the same experience on travels across the state. You get out of your bubble. For me, that's been going to our rural communities, to places in western Kansas, for example, where some whole school districts are smaller than my kids' homeroom class.

You have conversations in different parts of the state and come away with a greater understanding, appreciation, of the people representing them. It's helped me become a stronger legislator.

Q What are some of the lessons about being a legislator that

you learned from others that you now try to pass on?

A One of them is to learn to pick your battles. I remember coming in as a freshman and being upset about a number of the appointments that the governor had made and that we were being asked to confirm [in the Senate]. I thought many of them were not really qualified and I was mad — I wanted to vote "no" on all of them.

But I talked to others who said, "If you vote 'no' on all of these, what point are you making? Is it really helping the cause?"

Instead, they suggested to me that I really dig in and take a closer look. Don't make a general assumption. Then, if you still find someone is really unqualified, fine. But it was a lesson in learning to be more strategic and thoughtful.

Q What are the aspects about being a legislator that you find most valuable or rewarding?

A You can really affect people's lives — removing barriers or helping them in some other real, tangible way. On the housing protection law (for domestic abuse survivors), I heard from someone who said, "I thought it was good policy and I supported it, but I never thought it would affect me directly, but it did." The family had a niece that was able to get out of a [violent] situation because of that law.

So you might not always see it or feel it when you're voting on a law, but then there are times later on where you hear about how much it really had an impact.

PROFILE: OHIO SENATE PRESIDENT ROB MCCOLLEY

'Deep appreciation for the system we have': That appreciation began early in life, led him to public office, and continues to shape his legislative outlook and priorities

by Tim Anderson (tanderson@csq.org)

The "educational vacation" wasn't near the top of the wish list for a young Rob McColley.

But it is what his family did. Trips to colonial Williamsburg. To Washington, D.C. To Canada's capital of Ottawa.

"Here we are now, and I'm taking my kids on those same vacations," McColley says.

"Funny how that works." Those trips are part of the story of where he finds himself today, as a 10-year state legislator who is Ohio's new Senate president — a leader in one of the American institutions that he had the chance to learn about, and learn to appreciate, from an early age.

His mother, Denise, a fellow traveler on those "educational vacations," is an even bigger part of what helped bring McColley to the legislature.

"She got elected as a [county] judge in 2004 and I was part of that process, or as much as I could be when I was home on the weekend from college," says McColley, a graduate of The Ohio State University and the University of Toledo College of Law.

"I saw the importance of the work she was doing, and at some point, I thought, 'Maybe I will run for judge someday.'"

Ultimately, McColley's chance to continue the family legacy of public service came in another way. In November 2014, he won the election for an open seat in the Ohio House, moved to the Senate a few years later, and quickly ascended in leadership.

McColley took the oath of office as the new Senate president in early 2025, surrounded by his wife, young children and other loved ones.

Just a few feet away, swearing him into office, was his mother — now-retired Ohio Judge Denise McColley.

Q You are the son of a judge, but over the years, you've taken a lead role in efforts to protect the powers of the legislative branch, including trying to improve oversight or control of the executive branch. What are some of the ways you have tried to do this?

A It had become really easy over the years for the legislature to, say, pass a three-page bill that creates a new program and tells the state agency to develop all the rules. Well, a three-page bill might then lead to 150 pages of rules, and that's frankly the legislature not doing its job — and abdicating its own authority in the process.



Surrounded by his wife, children and other loved ones, Ohio Senate President Rob McColley is sworn into office by his mother, retired Judge Denise McColley. The oath-of-office ceremony took place in January.

BIO-SKETCH: OHIO SEN. ROBERT MCCOLLEY

- ✓ unanimously elected Senate president in January; previously served as Senate majority floor leader
- ✓ was first elected to the Ohio House in 2014; served as assistant majority whip before being appointed to the Senate
- ✓ previously worked as executive director for the Henry County Community Improvement Corporation
- ✓ lives in his hometown of Napoleon (in northeast Ohio) with his wife, Denise; their daughter, Anna; and their twin sons, Matthew and Michael
- ✓ is a 2015 graduate of CSG Midwest's Bowhay Institute for Legislative Leadership Development

"[Be] somebody who is seen as good to work with, who is reasonable on legislation and trying to address the concerns of others in a meaningful way, and who is open-minded to creative solutions."

So I've tried to push back on that and really cast our members to put in the time and to do the work. Don't rely on the executive branch to do it, because in many cases, it may not match up with the intent that you were striving for.

Q What do you see as the positive effects of the legislature becoming more active or forceful within the three-branch system of government?

A Part of what we've done is try to address what we see as Ohio's administrative state becoming too large over the course of several decades. So, for example, we passed a law that says a state agency of the executive branch had to cut 30 percent of its rules over a three-year period, and until it did that, two rules had to be eliminated for every one new rule that was created.

Some of this has been an attempt to right-size government. But we also were acknowledging that the legislature can play a bigger role. We had been giving the executive branch too much ability to, in effect, legislate through the bureaucracy, and that is bad public policy.

Q On the more general topic of legislating, what have you observed to be some of the common traits of effective lawmakers?

A I would say that we always have to be mindful of our political

capital balance. You've got to know when to conserve it. You have to know when to spend it. And you have to be mindful of the fact that it is not infinite: If you are spending, spending and spending that political capital, eventually nobody's going to take you seriously.

I've seen political capital built in a variety of methods. One is being somebody who is seen as good to work with, who is reasonable on legislation and trying to address the concerns of others in a meaningful way, and who is open-minded to creative solutions.

But you also build political capital by being trustworthy and forthcoming with information. Do what you said you were going to do.

They sound simple, but I think those are the things that allow people to be successful in the legislature. Because at the end of the day, if people don't trust you, then they're going to be immediately suspect of anything you're trying to do.

Q Do some of those same principles apply to successful legislative leadership?

A Certainly being consistent and doing what you said you were going to do are some of the biggest parts of leadership. I would also say communicating clearly and understanding that, just like leaders in an organization, embrace the fact that you've been entrusted to make difficult decisions.

You are going to have major detractors in many circumstances. But you have

to trust your instincts, you have to trust your skill set and experience, and you have to trust that you have been put in that leadership position for a reason.

On the communication side, understand what people's priorities and desires are, and communicate clearly what the objectives of the caucus are.

For major pieces of legislation, there have been circumstances where we probably over-communicated. But that was because we needed the membership to be comfortable with it, and we understood that the membership was going to be getting hit from all sides.

Q You worked recently on legislation that is going to create new institutes and centers at some Ohio universities focused on civics and constitutional thought. Why was this important to you?

A I always have had a deep appreciation for the system we have in place in this country, even if I didn't always appreciate what our government itself was doing.

I think a lot of the lack of appreciation in our institutions is either based on misinformation or a jaded point of view. What these institutes are aimed at doing is getting back to the basics. Let's really examine the founding of our country and our founding documents — how they came about, how they're impacting our government today. Then let people come to their own conclusions, rather than through a heavily editorialized or modern point of view.



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