STATELINE MIDWEST

CSG MIDWEST

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SUCCESS AND SETBACKS: A LOOK AT STATE EFFORTS TO PROTECT KIDS' ONLINE SAFETY

Legislative proposals focus on three areas: age verification, parental consent and design codes

by Tim Anderson *(tanderson@csg.org)*

Between the ages of 8 and 18, young people spend 4.8 years of their waking lives in front of a screen.

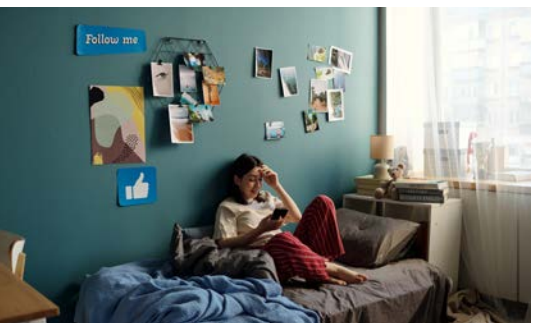
Most state legislators didn't grow up in this digital world, but they're immersed in it today — including as policy leaders looking to address concerns about the online safety and well-being of today's generation of children and teens.

In 2024, legislatures in 23 U.S. states passed 48 online child safety laws, according to New York University's Center on Tech Policy. That legislative momentum has carried into this year.

To date, the proposed and enacted legislation has mostly taken two forms:

1. Demand of certain online sites or social media platforms age verification and/or parental consent (see maps on this page); or

2. Require online service providers to have age-appropriate design features in their products.



Nebraska Sen. Carolyn Bosn learned about the latter approach early in her legislative career, and says she became interested in what California had done by focusing on "product design" rather than "content moderation."

Passed in 2022, California's first-in-the-nation Age-Appropriate Design Code Act soon became the subject of litigation, and has subsequently been blocked by federal courts on grounds that it violates free-speech rights.

Could Nebraska pass its own version of a design-code law, using California's framework but making adjustments and addressing some of those constitutional concerns?

Bosn set out to try, and the result was this year's passage of LB 504. Nebraska is now one of only of four U.S. states where some version of an Age-Appropriate Design Code law has been passed. (California, Vermont and Maryland are the others.)

Generally, these laws set out to safeguard young people's data, privacy and safety, as well as their mental well-being. They do so by regulating the design features of an online product — for example, through more-protective default settings for young users or a prohibition on certain design features.

But the details of these legislative proposals can vary widely from state to state, and continue to evolve, says Bailey Sanchez, who tracked and analyzed this activity as a deputy director at the Future of Privacy Forum. (She left this position in late September.)

Not only does Nebraska's new law diverge from California's, Bosn says, the final version of LB 504 is considerably different from the bill she introduced early in 2025, a reflection of session-long negotiations and compromises.

"We took in a lot of feedback from a lot of people, including opponents, and we really did make an effort to say, 'OK, what kinds of guardrails can the tech industry comply with and still be successful as an industry, but also will actually have meaningful protections for minors,' " Bosn says.

She expects more tweaks to the law next session, as well as legal challenges once it takes effect, in January 2026, and enforcement can begin, in July 2026.

DETAILS ON DESIGN-CODE LAW

Regulate product design features. Empower the parents.

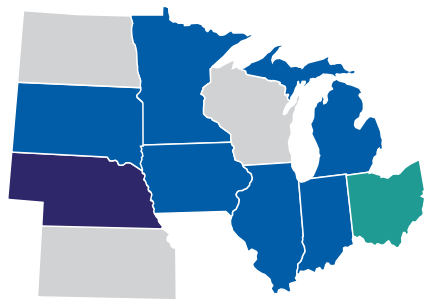
They are two common, but often distinct, considerations for legislators when looking to protect children's online safety.

"The design-code laws typically don't mention the name 'parent' at all," Sanchez says.

Nebraska's LB 504 is unique, she says,

▶ COVER STORY CONTINUED ON PAGE 3

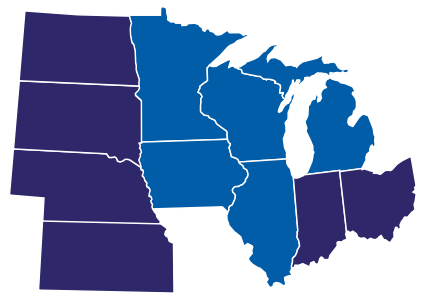
STATUS OF MEASURES REQUIRING AGE VERIFICATION AND/OR PARENTAL CONSENT PRIOR TO CHILDREN OPENING SOCIAL MEDIA ACCOUNTS



- LB 383 signed into law in 2025; enforcement begins in July 2026
- HB 33 signed into law in 2023; law permanently enjoined by a U.S. District Court in 2025; new bill introduced in 2025
- Bill(s) introduced in 2025

Sources: The Age Verification Providers Association and CSG Midwest research

AGE VERIFICATION LAWS TO PREVENT CHILDREN FROM ACCESSING 'HARMFUL MATERIAL'/ PORNOGRAPHIC CONTENT ONLINE (AS OF SEPTEMBER 2025)



- Law passed
- Bill(s) introduced in 2025

INSIDE THIS ISSUE

CAPITAL CLOSEUP: IN THE MINORITY PARTY, BUT SERVING AS THE CHAIR OF A LEGISLATIVE COMMITTEE

For close to 30 years, Democrats have held a consistent majority in the Illinois House. As such, leadership of the chamber's various standing committees usually is reserved for members of the majority party caucus — a common practice across all U.S. partisan state legislatures.

There have been occasional exceptions in Illinois, however, with a member of the minority party having the chance to serve as a committee chair. The latest example: Rep. Dan Swanson, Republican chair of the Veterans Affairs Committee in the Democrat-led House.

On a Sunday afternoon in early January, prior to the start of session, House Speaker Chris Welch reached out to Swanson about the opportunity. Not knowing it was Welch, Swanson let the call go to voicemail and began listening to the message. "The first thing that goes through your head is, 'Oh no, what now?' " Swanson recalls.

But Welch reached out because he had been impressed with Swanson's work on behalf of veterans, as well as the western Illinois lawmaker's work in raising awareness and expanding insurance coverage for individuals with Lyme disease.

Illinois Rep. Dan Swanson formally took over chairmanship of the Illinois House Veterans Committee in February.

Swanson also has a background of service that, regardless of party, seems a perfect fit to lead the committee. He was a second lieutenant in the Illinois Army National Guard for over two decades, and after initially retiring in 2001, Swanson was voluntarily recalled to active duty and subsequently deployed to Iraq from 2007 to 2008. After his full retirement from the armed services as a lieutenant colonel in 2013, Swanson served as the superintendent of the Henry County Veterans Assistance Commission.

"As a veteran, Representative Swanson has served our country with honor and distinction," Welch said when appointing him chair. "I know he will bring the same solemn sense of duty to leading a bipartisan Veterans Affairs Committee."

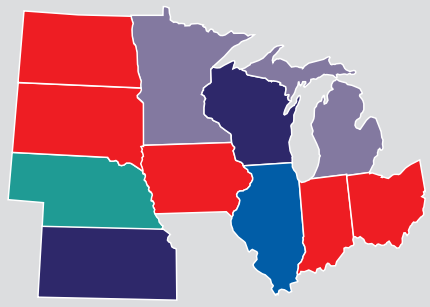
Upon assuming his new role, Swanson made it a goal to give fellow legislators a "perspective on what it means to be a veteran." He organized a series of subject-matter hearings featuring testimony from several veterans groups, the state Department of Veterans Affairs, and liaisons from the offices of U.S. Sen. Tammy Duckworth and U.S. Rep. Mike Bost, both of whom sit on or lead a veterans affairs committee in the U.S. Congress.

Swanson says his selection as committee chair by Welch sent a positive message to members of his caucus; it also has resulted in more veterans' groups reaching out to him directly. The Illinois House Veterans Affairs Committee has been led by a minority-party Republican in the past, most recently by former Rep. Michael McAuliffe from 1999 to 2013. Last biennium, two committees in the Democrat-led Illinois Senate had Republicans as co-chairs.

Following the 2024 election, a couple of Midwestern states have had to negotiate power-sharing agreements. Most notably, in the Minnesota House, partisan membership was evenly split for the first time since 1979. Under an agreement reached by party leaders, House standing committees have equal numbers of Democrats and Republicans and are led by committee co-chairs (one from each party).

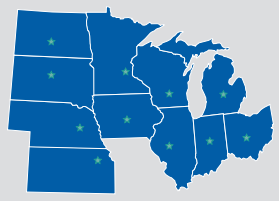
Article written by CSG Midwest policy analyst Derek Cantù, who can be reached at dcantu@csg.org. *Capital Closeup is an ongoing series of CSG Midwest articles focusing on institutional issues in state governments and legislatures. Past articles can be found at* csgmidwest.org.

PARTISAN CONTROL OF STATE GOVERNMENTS IN MIDWEST



- Democrats have majorities in both legislative chambers and the governor's office
- Republicans have majorities in both legislative chambers and the governor's office
- Republicans have majorities in both legislative chambers; governor is Democrat
- Split control of legislature; governor is Democrat
- Nonpartisan unicameral legislature; governor is Republican

Capital Closeup



CRYPTO FRAUD IS ON THE RISE; NEW LAWS IN THE MIDWEST SEEK STRONGER CONSUMER PROTECTIONS

In a single year's time, reported losses nationwide from cryptocurrency fraud jumped 66 percent, up to $9.3 billion in 2024, and the total number of complaints more than doubled, to nearly 150,000, according to the FBI.

One example of this type of fraud: Scammers who use cryptocurrency ATMs (physical machines or kiosks increasingly seen in grocery stores, gas stations and other retail establishments) as a way to steal money from victims, who most often are individuals over the age of 60. The victim is convinced of the need to deposit money in the cryptocurrency ATM; the money is lost to the scammer.

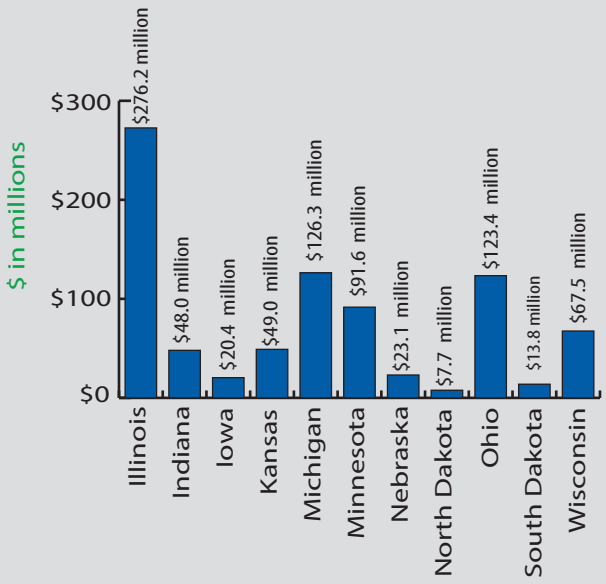
The goal of recently enacted laws in the Midwest is to add protections for consumers.

Nebraska's LB 609 establishes licensing and reporting requirements for cryptocurrency ATM operators, who must now refund victims of fraud and provide disclosures and warnings to customers. Other new statutory provisions establish daily transaction caps ($2,000 for new customers, $10,000 for existing ones) and limit fees to 18 percent of the transaction. A similar law in **Iowa**, SF 449, took effect in July. Compared to the Nebraska measure, it sets a lower daily transaction limit for new customers ($1,000) and a tighter limit on transaction fees (no more than 15 percent).

North Dakota's HB 1447 and **Illinois'** SB 2319, both of which passed this year, also create new regulations for crypto ATMs.

Other common types of cryptocurrency fraud involve extortion and investment scams, the FBI notes in its "2024 Internet Crime Report." A second new law in Illinois, SB 1797, establishes general state-level regulatory oversight of cryptocurrencies and other digital assets. According to the Illinois Department of Financial and Professional Regulation, with this new law in place, the state can provide consumer protections in line with those that already apply to traditional financial services.

$ LOSSES TO CRYPTOCURRENCY FRAUD, 2024



Source: FBI, "2024 Internet Crime Report"

MORE DEMAND FOR POWER HAS MORE STATES EYEING USE OF ADVANCED TRANSMISSION TECHNOLOGIES

Indiana, **Minnesota** and **Ohio** are among the states encouraging utilities to explore how advanced transmission technologies can improve the capacity, efficiency and reliability of their electric grids.

The Pew Charitable Trusts describes these technologies — sensors, power flow control devices, analytical tools, etc. — as a near-term strategy that helps maximize transmission along an existing power grid. Planning, permitting and constructing new transmission lines can take many years, Pew notes, while there is an immediate need for grid improvements, especially with electricity demand on the rise.

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MLC CHAIR'S INITIATIVE

Signed into law in March, Indiana's SB 422 makes advanced transmission technology eligible for the same cost recovery provided to utilities for traditional equipment. It also directs utilities to consider these software and hardware upgrades as part of their long-term planning and calls on state regulators to complete a study by October 2026 on the potential costs and benefits.

The Midwestern Office of The Council of State Governments partnered with Pew and CSG South early in Indiana's 2025 session for an Under the Dome program on advanced transmission technologies. Several legislators and legislative staff took part in the event. (Under the Dome is CSG Midwest's customized, in-state training program for the region's lawmakers.)

As part of a comprehensive energy law passed in 2025 (HB 15), Ohio will require studies of grid-enhancing technologies, including prior to approval of new transmission projects by the state's Power Siting Board. Under provisions of a 2024 law in Minnesota (HF 5247), these technologies must be considered an option for addressing grid congestion. Cost recovery for utilities also was authorized.

Saskatchewan Minister Lori Carr has chosen "North American Energy Security" as her CSG Midwestern Legislative Conference Chair's Initiative for 2025. To support the initiative, CSG Midwest is producing articles and holding sessions for legislators throughout the year on energy policy.

PROJECTIONS OF U.S. ELECTRICITY DEMAND: 2023 TO 2050

50%	***PROJECTED INCREASE IN DEMAND***
300%	***PROJECTED INCREASE IN CONSUMPTION BY DATA CENTERS***
9,000%	***PROJECTED INCREASE IN CONSUMPTION BY ELECTRIC VEHICLES***

Source: National Electrical Manufacturers Association, "A Reliable Grid for an Electric Future"

STATE LAWS ON DESIGN CODE, PARENTAL CONSENT ARE EVOLVING AMID LEGAL SCRUTINY

» CONTINUED FROM PAGE 1

because of its inclusion of language on design features and the rights of parents. Specifically, the law says online service providers "shall provide parents with tools to help [them] protect and support minors using covered design features" and that these tools "be enabled by default."

This includes managing a child's privacy and account settings, preventing financial transactions, and restricting the time spent by the child on an online site or platform.

According to Bosn, throughout debate on LB 504, the perspectives and concerns of parents were front and center. Nebraska legislators heard from a parent whose child died from a fentanyl overdose after purchasing the drug on a social media platform and from a mother who said her daughter's addiction to social media led to a near-fatal eating disorder.

Nebraska Sen. Carolyn Bosn

"It was really powerful testimony from a mom who thought she was really on top of things and who had lots of parental controls," Bosn says.

"But it still happens. It can't simply be just, Oh, you're not a good parent because you let your kid do this. No, you can have really good, attentive parents and you still see this happening."

For Bosn, one priority with LB 504 was to ensure the availability of settings that limit access to harmful or "addictive feeds": content served to a user based on recommendation algorithms.

"If a young girl looks up how to make a healthy smoothie, you as a parent don't want the next video to be, here's some good skills on being a bulimic" because of the algorithm, she says.

Nebraska's new law requires "accessible and easy-to-use tools" that allow minors to instead choose a "chronological feed." Those same tools must be provided in areas such as data privacy and online transactions. Additionally, minors (and their parents) must have the option of setting limits on how much time they spend on the site or online platform.

What Nebraska did not include, Bosn says, is a requirement that online service providers report on or assess the potential harms of content, a provision in the California law that proved problematic when challenged on First Amendment grounds.

Nebraska also narrowed which providers fall under the design-code. LB 504 only applies to an online service that derives 50 percent of its revenue from the sale or sharing of consumers' personal data and that has more than $25 million in annual gross revenue.

Exempt, too, are services with "actual knowledge" (based on marketing and advertising data or self-identification by individuals) that fewer than 2 percent of users are minors.

Nebraska legislators passed a bill on age verification and parental consent as well. Under LB 383, social media companies must use a "reasonable age verification method" when an individual wants to open an account on their platform. This can include use of a digitized ID card or another "commercially reasonable" method.

If the person seeking a social media account is a minor, a parent or legal guardian must provide signature authorization. Parents also must be able to revoke consent and have a child's social media account removed.

As of August 2025, 13 U.S. states had laws restricting children's access to social media and/or requiring parental consent, according to the Age Verification Providers Association.

Nebraska is the only Midwestern state with such a law.

An Ohio measure from 2023 has been permanently enjoined by a U.S. District Court judge, who cited several constitutional problems with the statute, including what he said was vague wording and an infringement of the free-speech rights and expression of minors.

SHIELD VS. SWORD

In a presentation this summer at The Council of State Governments' Midwestern Legislative Conference Annual Meeting, Duke University professor Nita Farahany placed state policy responses into two categories: one the "shield," the other the "sword."

The shield approach focuses on safeguards from the potential downsides of living in today's digital world; the sword, she said, emphasizes building the capacity of individuals to thrive in the digital age and preserve their "cognitive liberty."

"The sword side, reinvigorating those core capacities, may be where there is the most promise," Farahany said, noting that some of the "shield" approaches are being struck down by the courts.

In Finland and Sweden, she said, part of the sword approach is integrating a digital education into classrooms. At a young age, students in these countries are exposed to online content and social media sites, and have the chance to evaluate them and understand how they work.

"[Classes] are teaching them the skills to navigate as digital natives from day one, recognizing that … depriving them of technology in the classroom is not going to prepare them for the inevitable future that they're facing," Farahany said.

SURVEY RESULTS ON SOCIAL MEDIA USE BY TEENS AND ITS IMPACTS

95%	% OF YOUTHS AGES 13 TO 17 WHO REPORT USING SOCIAL MEDIA
3.5	AVERAGE # OF HOURS 8TH- AND 10TH-GRADERS SPEND PER DAY ON SOCIAL MEDIA (AS OF 2021)
48%	% OF TEENS WHO SAY SOCIAL MEDIA MOSTLY HARMS PEOPLE THEIR AGE (11% SAY IT HAS A MOSTLY POSITIVE EFFECT)
14%	% OF TEENS WHO SAY SOCIAL MEDIA MOSTLY HARMS THEM, PERSONALLY; 28% SAY SOCIAL MEDIA HAS A MOSTLY POSITIVE EFFECT ON THEM
74%	% OF TEENS WHO SAY SOCIAL MEDIA PLATFORMS HAVE MADE THEM FEEL MORE CONNECTED TO FRIENDS
25%	% OF TEEN GIRLS WHO SAY SOCIAL MEDIA HAS NEGATIVELY IMPACTED THEIR MENTAL HEALTH (14% AMONG BOYS)
89%	% OF PARENTS WHO SAY THEY ARE AT LEAST SOMEWHAT CONCERNED ABOUT TEEN MENTAL HEALTH; 44% OF THESE PARENTS CITE SOCIAL MEDIA AS HAVING THE MOST NEGATIVE IMPACT

Sources: U.S. Surgeon General's Advisory, "Social Media and Youth Mental Health" (for top two numbers); and 2025 Pew Research Center Report, "Teens, Social Media and Mental Health" (for all other numbers)

STATE LAWS ON THE BOOKS TO PROTECT CHILDREN WHILE THEY'RE ONLINE: OVERVIEW OF RECENT ACTIVITY IN THE MIDWEST

AGE-APPROPRIATE DESIGN CODE

Nebraska is the first Midwestern state to enact a version of the Age-Appropriate Design Code Act. LB 504 of 2025 requires online service providers to protect youths' data and privacy and to have other design features that limit compulsive use and allow for parent monitoring. Bills also have been introduced in Illinois (SB 50 of 2025), Michigan (HB 5823 of 2024), and Minnesota (HF 2257/SF 2810 of 2023). A 2025 legislative proposal in Minnesota (HF 48/SF 1528) would ban certain social media algorithms that target children.

CELL PHONES IN SCHOOLS

Most Midwestern states now have policies to curb or prohibit students' use of cell phones during the school day. The trend began with the signing of SB 185 in **Indiana** in March 2024. According to *Education Week*, cell phone laws or policies also are in place in Iowa, Kansas, Minnesota, Nebraska, North Dakota, Ohio and South Dakota. These measures often include some exceptions for certain uses or users, but under a general framework that students should not be using cell phones in school.

AGE VERIFICATION

Ohio was the first Midwestern state requiring social media companies to verify a user's age and obtain parental consent for children younger than 16. Its 2023 law (part of HB 33) has been blocked by a federal court. This year, Nebraska lawmakers passed LB 383, which requires age verification and parental consent before a social media account is opened for ages 17 and under. These two laws place the responsibility of age verification/parental consent on individual apps and platforms. A few states outside this region have made it the responsibility of app store developers as well.

COMPENSATION FOR MINORS

Illinois updated its child labor law in 2023 with a first-in-the-nation measure to protect the rights of minors under age 16 who are featured in monetized video blogs or other online content. Under the law (SB 1782), a portion of earnings must be placed in a trust for these children. Minnesota also now requires that children be compensated for monetized online content (HF 3488 of 2024). Additionally, they can request that videos featuring them be permanently deleted.

NEW RULES FOR ADULT SITES

To date, more states have adopted narrower age-verification laws that apply to adult websites with sexually explicit content. **Kansas** was the first Midwestern state where such a law took effect (SB 394 of 2024). These measures also are in place in Indiana, Nebraska, Ohio, North Dakota and South Dakota.

In a closely watched 2025 U.S. Supreme Court case, justices upheld a Texas law requiring users to verify their age before gaining access to these sites.

WARNING LABEL & PRIVACY RULES

Minnesota will require social media platforms to post a "conspicuous mental health warning label," a provision included in a larger finance bill (HF 2 of 2025). Additionally, a broader privacy law in Minnesota (HF 4757 of 2024) includes special protections for youths: Businesses must obtain parental permission before selling the personal data of children under age 16 and before using this data for targeted advertising.

EDUCATION & WORKFORCE

Homeschooling is on the rise, bringing more attention to state oversight

by Derek Cantù *(dcantu@csg.org)*

Immediately following the first bell of the school day, teachers in the nation's public and private schools are expected to document which students are present in their classroom, in accordance with compulsory school attendance laws.

But anywhere from 3 to 6 percent of U.S. children are not enrolled in these schools. They are homeschooled.

And getting an accurate census of these students is more complicated and varied, in part because of differences in state laws and regulations. Not every state, for example, requires parents/guardians to provide public notification about their decision to homeschool.

State-by-state variations also extend to areas such as what qualifications (if any) must be met by a homeschooling parent-teacher or whether a homeschooled student must take a standardized achievement test.

In some states, oversight includes requirements that families document student attendance, as well as submit individualized instructional plans, quarterly progress reports, and annual assessments with minimum benchmarks.

States in the Midwest have typically taken a much lighter regulatory approach (see maps).

This year, in at least two states in this region, lawmakers considered changes to some of their laws, albeit in much different ways. The goal of an Illinois proposal is to add reporting requirements, while a bill in Iowa eases some existing regulations.

REQUIRE PUBLIC NOTIFICATION?

According to the Coalition for Responsible Home Education, Illinois is one of two Midwestern states that does not require public notification: alerting a local school district of the intent to have a child homeschooled.

Rep. Terra Costa Howard believes a notification requirement would help prevent educational neglect, as well as make it more difficult for bad actors to conceal evidence of child abuse. (Schools have mandated reporters of abuse, but their presence and supervision are absent in the homeschool environment.)

Her bill, HB 2827, would require that documented notices be filed by homeschooling families at the beginning of each school year or shortly after a mid-year removal from school occurs. For parents who fail to submit notification, the consequence could be greater oversight of at-home curriculum or a truancy investigation.

The legislation also would bar individuals who aren't a student's parent and who have been convicted of a sexual abuse offense from becoming homeschool instructors. Additionally, instructors would need to have at least a high school equivalency degree.

"There's nothing in this bill that prohibits families from making homeschooling their education of choice," says Costa Howard, noting the notification requirement would be met by filling out a one-page form developed by the Illinois Board of Education.

During debate over HB 2827, opponents argued that increased state-level regulation would not guarantee greater academic performance or better safeguards for children, and could lead to parents facing criminal charges (based on truancy laws) for non-compliance.

The bill did not pass during Illinois' regular session.

VARYING STATE APPROACHES

Illinois currently is one of 20 states that do not collect and report data on homeschool participation. HB 2827 would change that, requiring regional offices of education to annually report to the State Board of Education on the total number of homeschooled students in their districts.

According to Angela Watson, director of the Homeschool Research Lab at Johns Hopkins University, among the states that collect and publicly report homeschool data, practices vary. For example, some collect information from families annually; others collect it one time when a child transitions to homeschool; and others don't account for when a child transitions back to public or private school.

This lack of uniform public reporting across states is one reason why it is unclear how many U.S. students are being homeschooled. Another factor is variation in defining exactly what "homeschooling" means.

"It's very complicated; everybody calls it a different thing," Watson says.

For example, in a 2023 *Washington Post* survey of homeschooled children, close to 60 percent reported taking live online classes, 20 percent were participating in homeschool cooperatives of some kind, and about 10 percent used microschools.

The Homeschool Research Lab breaks down, by state and year (when available), the number of students being homeschooled. In the Midwest, participation has been on the rise in the states that report the data (see table).

Homeschool parents cite a variety of factors behind their decision, with concerns about the environment (safety, drugs, peer pressure) or academic instruction at local schools topping the list. Other reasons include wanting to provide religious instruction and to emphasize family life together.

What options do states and local districts have for helping integrate these homeschool families and their children into the broader community?

Watson suggests that policymakers consider a variety of "carrot" approaches. Open slots on school athletic teams. Provide free annual assessments and college-entrance tests. Offer professional development courses for parents/guardians. Provide free curriculum materials and give students access to library resources.

'GRAY ZONE' OF REGULATION

As in Illinois, homeschooling in Iowa is considered a form of private education. In Iowa, a parent can choose one of two main pathways — "independent private instruction" or "competent private instruction."

The "independent private instruction" pathway is unaccredited, parent-instructed and does not require public notification.

In contrast, "competent private instruction" requires a one-time notification, and students can be taught by either a parent/guardian or a licensed teacher. For example, it is not uncommon for students in this pathway to be in dual enrollment, where they take classes for part of the day at a public school or at a community college.

Although education in this pathway is subject to annual assessments and educational portfolio reviews, adherence is optional if lessons are taught by a parent/guardian.

In addition to making various statutory changes to provide greater parity between the pathways, Iowa's HF 888 (not passed during the 2025 session) calls for removing provisions in the law on independent private instruction — namely one that prevents parent-teachers from providing instruction to more than four unrelated students and another that does not allow for the charging of tuition and fees.

"You have these cooperative programs out there — there's one nationally, a well-known one called Classical Conversations — and it's always operated in this gray zone [of state regulation]," says Rep. Bill Gustoff, the chief author of HF 888 and a former lobbyist for Homeschool Iowa.

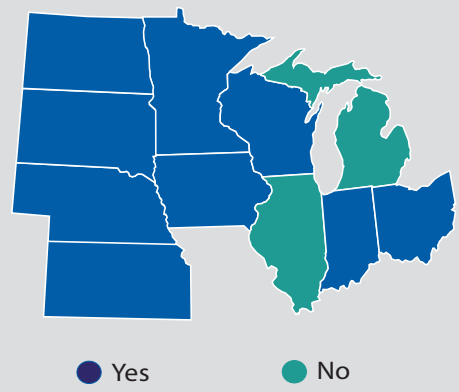
Under this Christian-based program, students meet regularly to be taught by either a licensed teacher or, more commonly, a parent-tutor. Parents often pay a stipend to help cover costs.

Gustoff says the reasoning behind this year's legislation was to create parity with "pod schools" — small, at-home education groups taught by licensed teachers that are already allowed under the "competent private instruction" pathway. He adds that removal of the cap on non-related students would allow individuals to teach the children of large families.

Derek Cantù is CSG Midwest staff liaison to the Midwestern Legislative Conference Education & Workforce Committee. Nebraska Sen. Jana Hughes and Minnesota Rep. Bernie Perryman serve as committee co-chairs. Kansas Rep. Mari-Lynn Poskin is the vice chair.

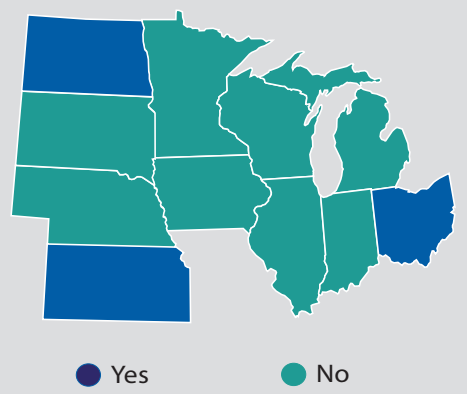
HOMESCHOOLING REQUIREMENTS IN MIDWEST

Public notification?



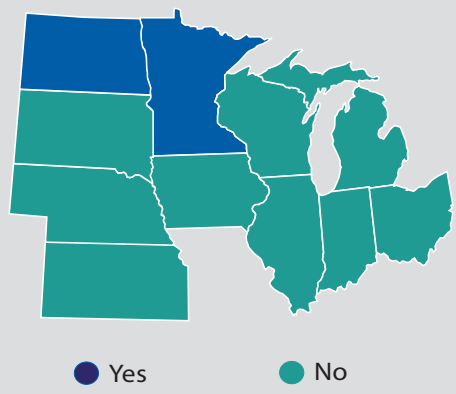
* Requirements vary: **Indiana**, if withdrawn from public high school; **Iowa**, if asked; **Kansas** and **South Dakota**, one-time requirement; **Minnesota**, **Nebraska**, **North Dakota**, **Ohio** and **Wisconsin**, annually and after mid-year withdraw.

Parent-teacher qualifications?



* **Kansas**, instructor must be "competent"; **North Dakota**, high school degree or temporary supervision by a licensed teacher; and **Ohio**, "qualified to teach the branches in which instruction is required"

Annual assessments?



Source: Coalition for Responsible Home Education

HOMESCHOOL PARTICIPATION AMONG MIDWEST STATES THAT HAVE COLLECTED, REPORTED DATA IN RECENT YEARS*

State	Numbers and trends
Kansas	3,053 students in 2022-'23 school year; 42.5% increase from 2018-'19
Minnesota	31,216 students in 2024-'25 school year; 62.3% increase from 2018-'19
Nebraska	15,375 students in 2024 -'25 school year; 70.3% increase from 2018-'19
North Dakota	5,009 students in 2024-'25 school year; 86.7% increase from 2018-'19
Ohio	53,051 students in 2023-'24 school year; 61.3% increase from 2018-'19
South Dakota	11,489 students in 2024-'25 school year; 127.7% increase from 2018-'19
Wisconsin	31,094 students in 2024-'25 school year; 44.1% increase from 2018-'19

* Data comes from the Johns Hopkins University Homeschool Research Lab, which lists Illinois, Indiana, Iowa and Michigan as among 20 U.S. states that do not collect or report data on homeschool participation.

AGRICULTURE & RURAL AFFAIRS

Incent and invest: Laws show states aiming to reduce use of conventionally produced nitrogen fertilizers, expand options through local production

by Rebecca Leis *(rleis@csg.org)*

In Nebraska and Minnesota, new state incentives are encouraging farmers to reduce their use of synthetic fertilizers.

A goal of recent laws in Minnesota and North Dakota is to ramp up in-state fertilizer production.

And at the federal level, over the past three years, nearly a half-billion dollars has been invested in projects that boost U.S. manufacturing of fertilizers. In all, 31 projects across the 11-state Midwest have received money through the U.S. Fertilizer Production Expansion Program.

Various factors have led lawmakers to pursue these policies. Most significant was a spike in fertilizer costs, which more than doubled between 2021 and 2023. Although prices have eased since then, the supply-chain problems and the war in Ukraine highlighted vulnerabilities.

Other goals for state leaders include protecting local water resources and reducing greenhouse gas emissions.

FEEDING THE WORLD

"Synthetic nitrogen fertilizers produce food that feeds about half of the global population, or 3.9 billion people," says Dr. Lorenzo Rosa of Carnegie Science, whose research found that 132 million metric tons of this product were needed to meet global food demand in 2021.

The Midwest's farmers produce a large share of the world's food. To do so, they rely on synthetic nitrogen fertilizers often manufactured in other regions or countries.

For example, U.S. production is concentrated along the Gulf Coast, where natural gas is abundant. (Natural gas is both a building block for nitrogen fertilizer and an energy source to fuel its production.)

The result is a mismatch in consumption vs. production in the Midwest: This 11-state region consumes close to two-thirds of U.S. nitrogen fertilizer, while producing an estimated 20 percent of it. A considerable amount also is imported to this country. Canada, for instance, supplies U.S. growers with nearly 10 percent of their nitrogen fertilizer needs, according to The Fertilizer Institute.

Nebraska Sen. Teresa Ibach

TRADE-OFFS TO CONSIDER

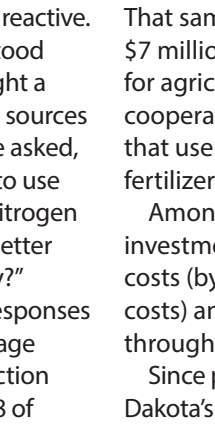
Understanding the magnitude of synthetic nitrogen fertilizers' role in the global food system starts with the basics of plant nutrition. Plants need nitrogen, phosphorus and potassium to grow, with nitrogen being the most critical of the three for increased yields.

In the late 1800s, Fritz Haber and Carl Bosch developed a method to convert abundant atmospheric nitrogen into plant-usable nitrogen by combining it with hydrogen (typically derived from natural gas) to form ammonia. The Haber-Bosch process is still used today, even though it is highly energy-intensive.

Transporting synthetic nitrogen fertilizers can easily double the cost of total production, Dr. Rosa notes, so the distance between where they are produced and applied can greatly impact costs.

And the use of this product has trade-offs.

Synthetic nitrogen fertilizers account for approximately 2 percent of global greenhouse gas emissions, can harm water quality with overuse, and are a considerable expenditure for farmers. According to the U.S. Department of Agriculture, fertilizer was the top input expense in 2024, comprising anywhere from 18.4 percent to 36.8 percent of operating costs depending on soil type and the crop being produced on the farm.



Minnesota Rep. Paul Anderson

NEW INCENTIVES IN TWO STATES

As part of a working group seeking to address a rise in the nitrate levels of private wells, Nebraska Sen. Teresa Ibach noticed that many of the policy responses to the problem were reactive.

A farmer herself, she understood nitrogen fertilizer use and sought a proactive solution: address the sources of nitrates in the first place. She asked, "How do we incent producers to use something besides synthetic nitrogen to produce equal or better yields more efficiently?"

One of the policy responses in Nebraska was passage of the Nitrogen Reduction Incentive Act (LB 1368 of 2024), which provides annual $10-per-acre payments to farmers who reduce commercial fertilizer use.

To be eligible, a producer must cut use by 40 pounds per acre or 15 percent of a baseline amount. These reductions come "by incorporating a qualifying product in the farmer's nutrient plans."

One such product is a microbial additive applied to soil or seed that promotes biological nitrogen fixation — where microbes near roots convert atmospheric nitrogen into a usable form.

This is a promising way to reduce the carbon footprint associated with nitrogen fertilizer, Rosa says. However, he adds that while biological nitrogen fixation occurs naturally between soil microbes and legumes, it remains under-researched and insufficient alone at meeting the full nitrogen requirement for cereal crops such as corn without genetic engineering.

Still, Ibach believes policy incentives promoting nitrogen fertilizer alternatives lead to reduced synthetic fertilizer use and improved soil health. In the Nebraska program's first year, 148,000 acres were enrolled, surpassing expectations. She notes that high commodity prices give farmers more flexibility to try new, potentially riskier practices, while incentives are crucial when prices are low.

Similarly, the goal of a new law in Minnesota is to assist farmers in making their operations more sustainable and efficient.

Farmers can't control market prices, Minnesota Rep. Paul Anderson notes, but they can manage costs.

Signed into law in May, HF 2446 directs the Minnesota agriculture commissioner to create a per-acre incentive payment for agriculture producers who can verify a reduction in rates of commercial nitrogen fertilizer use — the lesser of 15 percent or 30 pounds per acre.

Similar bills also were introduced this year in Illinois (HB 2745) and Iowa (HF 942).

INVESTMENTS IN PRODUCTION

In 2023, two Midwestern states launched plans to increase local fertilizer production.

North Dakota's $125 million program (part of HB 1546) was for projects that produce nitrogen fertilizer using water electrolysis. That same year, Minnesota allocated $7 million in grants (HF 2310) for agricultural and rural electric cooperatives to invest in facilities that use local renewable energy for fertilizer production.

Among the goals of these state investments were to lower fertilizer costs (by reducing transportation costs) and boost rural economies through local production.

Since passage of these laws, North Dakota's main grant recipient withdrew, citing normalized fertilizer prices and reduced federal hydrogen tax credits. In Minnesota, $4 million in grants were rescinded due to budget shortfalls.

Across the Midwest, projects to expand fertilizer production have received funding under a 2022 federal law (see table). In Iowa, for example, a "green" nitrogen plant opened in early 2025 and now produces 20 tons of ammonia every day using renewable energy, water and air. It was the recipient of a $4.9 million federal grant.

Rebecca Leis is CSG Midwest staff liaison to the Midwestern Legislative Conference Agriculture & Rural Affairs Committee. Nebraska Sen. Teresa Ibach and North Dakota Sen. Paul Thomas serve as committee co-chairs. Minnesota Sen. Robert Kupec and Illinois Rep. Brad Fritts are the co-vice chairs.

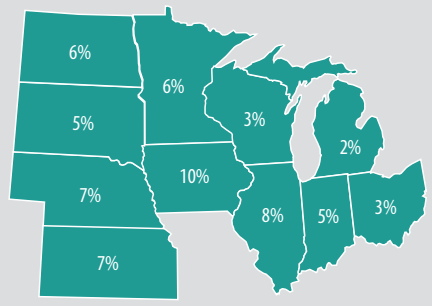
NITROGEN FERTILIZER CONSUMPTION VS. PRODUCTION IN MIDWEST

63%	***MIDWEST SHARE OF TOTAL U.S. CONSUMPTION OF NITROGEN FERTILIZER[1]***
20%	***MIDWEST SHARE OF U.S. PRODUCTION OF NITROGEN FERTILIZER[2]***

[1] Data on consumption comes from The Fertilizer Institute; see state-by-state data below.

[2] Data on production comes from the "2023 Fact Book" done by the company Nutrien, which counted 11 fertilizer plants with ammonia and/or urea capacity in the Midwest: one in Illinois, four in Iowa, two in Kansas, two in Nebraska, one in North Dakota, and one in Ohio.

SHARE OF TOTAL U.S. CONSUMPTION OF NITROGEN FERTILIZER



Source: The Fertilizer Institute

INVESTMENTS, BY STATE, UNDER FEDERAL FERTILIZER PRODUCTION EXPANSION PROGRAM

State	# of projects	Investment
Illinois	5	$32.6 million
Indiana	2	$9.5 million
Iowa	4	$18.4 million
Kansas	2	$4.7 million
Michigan	2	$42.3 million
Minnesota	2	$6.8 million
Nebraska	2	$7.9 million
North Dakota	1	$1.5 million
Ohio	4	$13.3 million
South Dakota	1	$3.0 million
Wisconsin	6	$29.2 million
Midwest total	*31 (41% of U.S. total)*	*$169.2 million (38% of U.S. total)*
U.S. total	*76*	*$447.3 million*

Source: U.S. Department of Agriculture

MONTHLY AVERAGE FERTILIZER PRICES: 2020-2025*

* Anhydrous ammonia is a nitrogen-rich gas that is transformed into a liquid fertilizer when compressed. Urea is nitrogen fertilizer in pellet form (easier to transport). It contains less nitrogen by weight (46%) than anhydrous ammonia (82%).

ENERGY & ENVIRONMENT

Power to the incumbent utility? Midwest states split on whether 'right of first refusal' helps with transmission build-out or stifles competition

by Jon Davis *(jdavis@csg.org)*

Rising demand for electricity will require new transmission lines, and within the regulatory framework for the nation's electric grid, states have a large say in who gets to build them.

As of 2025, a dozen states, six of which are in the Midwest, have laws giving utilities a "right of first refusal" (ROFR) to build new lines that fall within their service territory and have been approved by a regional transmission organization.

ROFR laws typically provide the incumbent utility with a specified time period to notify the state on whether it will exercise this right.

The project opens for competitive bidding only if the incumbent utility declines. (If the utility chooses to build, its own process for designing and constructing the new lines may include competitive bidding.)

QUESTIONS OF COMPETITION

The argument against ROFR laws is straightforward: competition in the bidding process results in less expensive projects for both the builder and utility ratepayers.

It was the reason cited by Illinois Gov. JB Pritzker in 2023, when he vetoed an ROFR provision in HB 3445.

"Eliminating competition will cause rates to increase in the MISO region," Pritzker's amendatory veto message said. MISO is the regional transmission organization covering most of Illinois.

When Iowa legislators introduced an ROFR bill earlier this year, they sought input from the U.S. Department of Justice's Antitrust Division.

The response: SF 585 is not in the best interest of consumers and could stifle innovation. For one, even if a project ultimately is built by an incumbent utility, the specter of competition can drive down cost and drive up quality. Second, in some cases, non-incumbent firms may be able to offer better designs and lower costs.

ROFR proponents counter that these laws can simplify an already complex process in a highly regulated marketplace.

They note that incumbent companies know their territories best — from the topography and customer base; to local and state officials and regulations; to which contractors, sub-contractors, suppliers and vendors can or can't do the job.

Moreover, they say, responsibility for the completed project's reliability lies with the incumbent company, which is incentive enough to build a good, cost-efficient project.

Six Midwestern states have ROFR laws: Indiana, Michigan, Minnesota, Nebraska, North Dakota and South Dakota. As of September, bills to create a ROFR had failed to advance in Iowa and Kansas, but remained alive in Wisconsin.

Rep. Jerry O'Connor, a sponsor of the Wisconsin legislation, says a carefully crafted ROFR law in his state would be the best way "to protect ratepayers in the world of utility monopolies."

Under his bill, AB 174, the state would grant incumbent utilities ROFR privileges, while also requiring competition within that process. For example, utilities exercising their right of first refusal would have to:

Wisconsin Rep. Jerry O'Connor

- Solicit competitive, sealed bids for the construction, design or furnishing of materials for transmission projects of $1 million or more.
- Extend bidding by 30 additional days if fewer than three bids are received.
- Submit to a state legislative audit of 15 percent of transmission facility contracts to ensure compliance with those standards.

"When you look at utility monopolies, the only way you really can control them is to have legislative rules put in place to protect the public," O'Connor says.

NEW ERA AFTER FEDERAL ORDER

The right of first refusal for incumbent operators to build new transmission lines in their territories was the national standard until July 2011, when the Federal Energy Regulatory Commission issued Order 1000. It eliminated the federal ROFR, thus opening the construction bidding process to any qualified entity.

The theory was that doing so would lead to lower construction costs, says Larry Gasteiger, executive director of WIRES, a trade association that includes transmission providers.

What's happened instead, he says, has been lengthier processes around choosing the developers of transmission lines and more litigation over those choices, stretching out the timeline to get a new line permitted and built.

"It's actually taking longer; it's gotten very contentious. I think there are real questions around whether it's really saving any money or not," says Gasteiger, who served as FERC deputy director from 2009 to 2014. "At the end of the day, you're stuck wondering, What did we get out of all of this?"

In 2024, FERC issued Order 1920, which reinstated a narrow federal ROFR for a "right-sizing" of projects — for example, replacing existing facilities when upgrades are needed to increase capacity.

That same year, the Alliance for Innovation and Infrastructure, a nonpartisan think tank, issued "Building New Critical Infrastructure: No Time to Waste." The report examines the claims from both sides of the ROFR debate and addresses time as an often-overlooked factor in the broader discussion of building new transmission lines.

Among its conclusions:

- FERC Order 1000 has increased the time between when a need for new transmission lines is identified and when they come online, which "has likely influenced ratepayer costs."
- Competitive bidding can add an additional year to the construction process — a cost factor that may negate expected project savings while creating additional costs to a regional economy due to delayed power supplies.

"Policymakers should understand the impact of time and view it as the direct and indirect cost that it imposes on projects," the report says.

To frame the debate as "competition vs. monopoly" therefore misses that broader picture, says Benjamin Dierker, executive director of the alliance.

LEGAL, POLITICAL HURDLES

State and federal courts also have been asked to weigh in on the constitutionality of ROFR laws.

In May, the Iowa Supreme Court upheld a lower court's permanent injunction of a 2020 law. That decision was based on what justices determined to be a violation of the Iowa Constitution's single-subject rule. The enacted legislation (HF 2623) was an appropriations bill that included an ROFR provision.

Subsequent efforts to pass a stand-alone ROFR bill in Iowa, including this year's SF 585, have been unsuccessful.

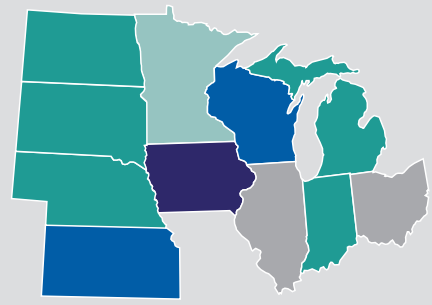
In October 2024, LS Power, a New York City-based developer of transmission lines, challenged Indiana's 2023 ROFR law (HB 1420) in federal court, alleging it violates the Commerce and Supremacy clauses of the U.S. Constitution, as well as the Indiana Constitution's Privileges and Immunities Clause.

In that case, a district court in December 2024 issued a preliminary injunction barring the Indiana Utilities Regulatory Commission from enforcing the ROFR law. But in March 2025, the 7th Circuit Court of Appeals vacated that injunction in a 2-1 decision, ruling that LS Power didn't have standing to seek relief from the commission.

The case was remanded back to the district court.

Jon Davis is CSG Midwest staff liaison to the Midwestern Legislative Conference Energy & Environment Committee. Illinois Sen. Laura Ellman and Michigan Rep. Pauline Wendzel serve as committee co-chairs. North Dakota Rep. Anna Novak and Saskatchewan MLA Erika Ritchie are the co-vice chairs.

STATUS OF 'RIGHT OF FIRST REFUSAL' (ROFR) LAWS AND LEGISLATIVE PROPOSALS IN MIDWEST (2025)



- ROFR law enacted
- ROFR law enacted; repeal bills have been introduced but not passed
- ROFR law enacted but not in effect due to court rulings; new ROFR bill filed in 2025 but did not pass
- No ROFR law; ROFR bills filed this year but did not pass prior to adjournment or had not passed as of September
- No ROFR law; no bills filed this year

Sources: Alliance for Innovation and Infrastructure and Midcontinent Independent System Operator

SNAPSHOT OF RIGHT OF FIRST REFUSAL (ROFR) LAWS

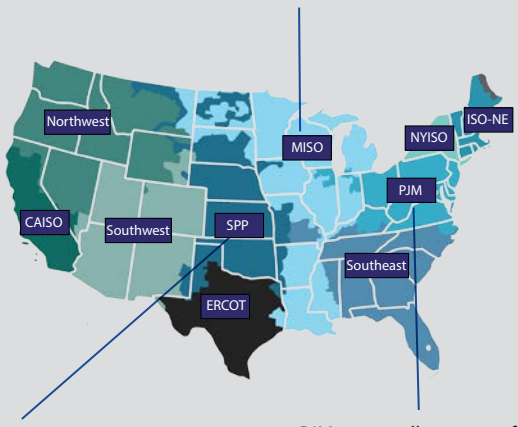
- ROFR law typically applies to projects included in the transmission plans of regional transmission authorities/grid operators
- Incumbent utility gets first chance to build transmission projects in territory it has traditionally served; competitive bidding only commences if incumbent utility declines to build
- Incumbent utility given deadline for exercising right to build — for example, 90 days following construction approval in ***Indiana***, ***Michigan*** and ***South Dakota*** and 60 days in ***Minnesota***
- All state-level ROFR laws have been enacted since removal of a federal-level ROFR in 2011

Source: Midcontinent Independent System Operator

MORE TRANSMISSION LINES COMING: MIDWEST'S 3 GRID OPERATORS AND THEIR EXPANSION PLANS

- Midcontinent Independent System Operator (MISO) covers all or parts of 15 states and Manitoba
- Manages approximately 77,000 miles of transmission line
- Plans include new transmission project covering 3,631 miles of line across nine Midwestern states (Missouri included) and overall addition of 2,440 miles of new line on new corridors by 2031

Source: MISO Transmission Expansion Plan, 2024



- Southwest Power Pool (SPP) covers all or parts of 14 states
- Manages more than 72,000 miles of transmission line
- Plans include adding 2,333 miles of new line

Source: SPP 2024 Integrated Transmission Plan

- PJM covers all or parts of 14 states
- Manages more than 88,000 miles of transmission line
- Plans include adding 417 miles of new line (in three Eastern states) to improve west-east regional power transfers

Sources: PJM and Utility Dive

AROUND THE REGION: FISCAL DATA SNAPSHOT

The Council of State Governments' Midwestern Legislative Conference Fiscal Affairs Forum provides resources and interstate learning opportunities for legislators and legislative staff on issues related to state budgets. Leading this group are Kansas Rep. Troy Waymaster and Minnesota Rep. Fue Lee, co-chairs, and Illinois Sen. Laura Murphy, vice chair. This snapshot was developed as part of CSG Midwest's ongoing staff support of the Fiscal Affairs Forum. *Please contact CSG Midwest policy analyst Joe Dell'Olio at jdellolio@csg.org if you have questions about state budgets or fiscal policy.*

WHERE DO STATES GET THEIR MONEY?

breakdown of state tax collections by source, 2024

The property tax is generally levied by local, not state, governments. However, Kansas and Michigan have long had state property taxes to finance K-12 schools and provide greater funding equity across districts. Minnesota has a statewide property tax on business and on residential resorts and recreational cabins that goes to the state general fund.

State sales tax rates in the Midwest range from a high of 7.0% in Indiana to a low of 4.2% in South Dakota, a state in this region that relies most heavily on the sales tax as a revenue source. South Dakota has a broad-based sales tax structure that captures many services (business-to-business and otherwise). According to a 2017 survey from the Federation of Tax Administrators, South Dakota was applying the sales tax to 152 different services. In the Midwest, the next-highest amount at that time was 89, in Iowa.

STATE	PROPERTY TAX	GENERAL SALES TAX	SELECTIVE SALES TAX	LICENSE TAXES	INDIVIDUAL INCOME TAX	CORPORATE INCOME TAX	OTHER TAXES
ILLINOIS	0.11%	24.0%	17.4%	5.9%	33.8%	17.8%	1.1%
INDIANA	0.06%	42.0%	19.9%	3.4%	31.0%	3.7%	0.0%
IOWA	0.01%	36.4%	12.6%	8.8%	29.5%	12.0%	0.69%
KANSAS	7.3%	33.2%	10.1%	3.5%	34.5%	11.2%	0.27%
MICHIGAN	6.9%	33.8%	14.3%	6.1%	30.2%	7.5%	1.1%
MINNESOTA	2.1%	23.8%	14.3%	4.5%	37.2%	16.5%	1.6%
NEBRASKA	0.0%	36.7%	8.5%	2.6%	30.6%	21.3%	0.3%
NORTH DAKOTA	0.1%	22.6%	9.6%	4.3%	6.1%	4.4%	52.9%
OHIO	0.0%	43.6%	23.9%	5.6%	26.7%	0.0%	0.16%
SOUTH DAKOTA	0.0%	62.6%	21.7%	13.0%	0.0%	2.3%	0.45%
WISCONSIN	0.41%	30.4%	11.4%	5.5%	38.7%	13.2%	0.43%
ALL U.S. STATES	1.8%	31.6%	14.2%	4.8%	32.6%	11.3%	3.7%

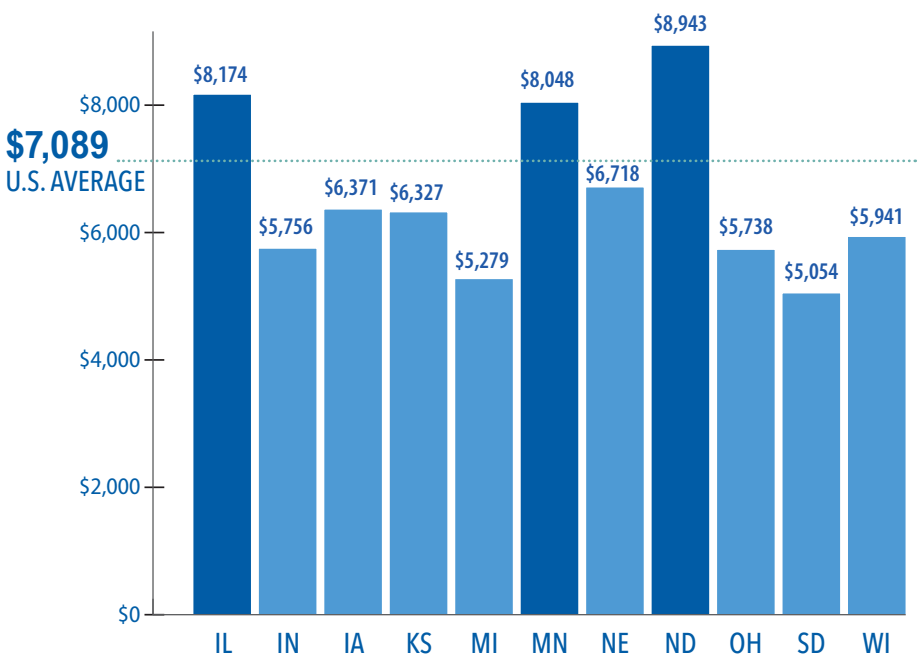
Source: CSG Midwest calculations of data from "U.S. Census Bureau, 2024 Annual Survey of State Government Tax Collections"

South Dakota has no income tax, and five Midwestern states have or will have flat income tax rates: Illinois (4.95%), Indiana (3.0%), Iowa (3.8%), Michigan (4.25%) and Ohio (2.75%, starting in 2026). A graduated income tax rate is in place in Kansas, Minnesota, Nebraska, North Dakota and Wisconsin. Minnesota has the region's highest rate in its highest income bracket: 9.85% on incomes of $330,411 or more for married couples filing jointly.

North Dakota collects more than half of its revenue from taxes on oil and gas production in the state.

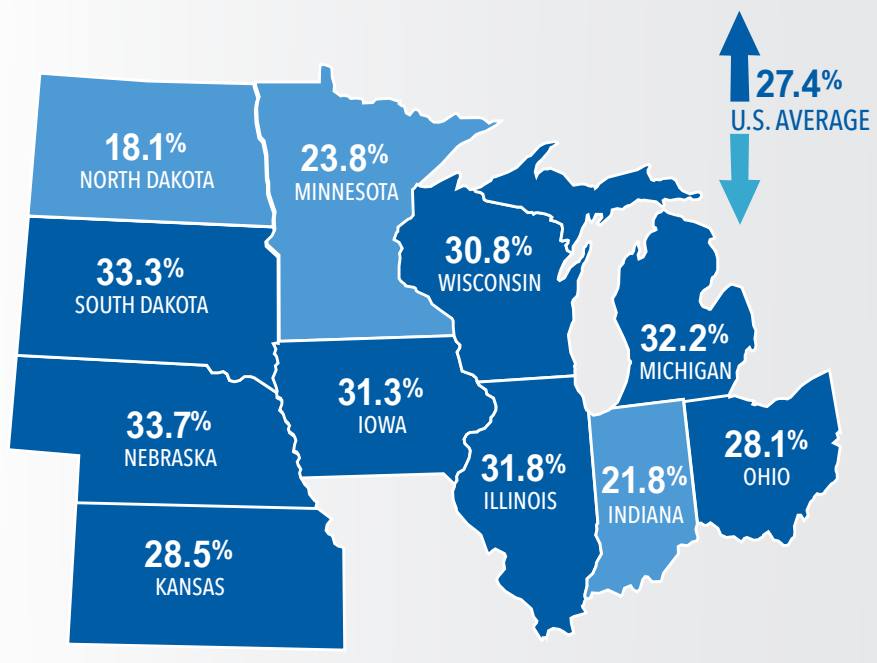
South Dakota does not levy a general corporate income tax but does collect revenue from a tax on financial institutions. Ohio does not have a corporate income tax and instead imposes a gross receipts tax, an alternative that six other U.S. states also were using as of 2024, according to the Tax Foundation. Ohio's Commercial Activity Tax is 0.26 percent for taxable gross receipts above $6 million.

STATE AND LOCAL TAX COLLECTIONS PER CAPITA, *FY 2022*



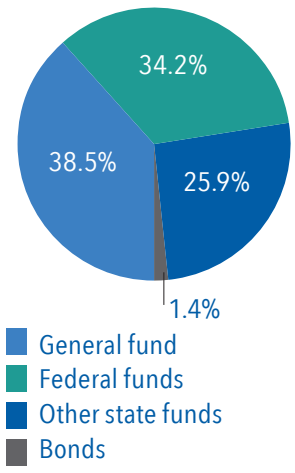
Source: CSG Midwest calculations of U.S. Census Bureau data

PROPERTY TAX *as percentage of total state and local tax collections, FY 2024*

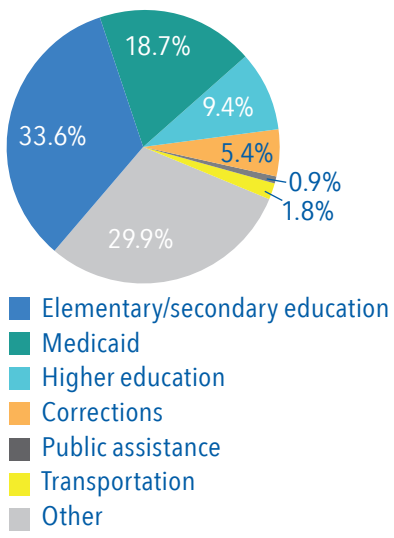


Source: CSG Midwest calculations of U.S. Census Bureau data

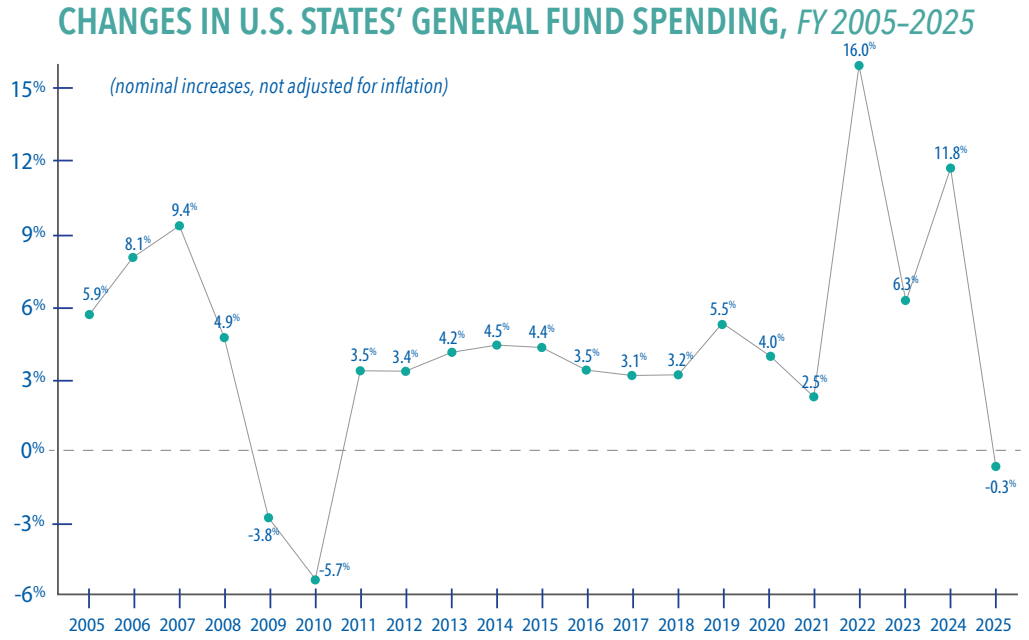
STATE EXPENDITURES BY SOURCE, *FY 2024*



COMPONENTS OF GENERAL FUND SPENDING, *FY 2024*



CHANGES IN U.S. STATES' GENERAL FUND SPENDING, *FY 2005–2025*



FY 2024 figure of +11.8% based on FY 2023 actual figures and FY 2024 preliminary actuals.
FY 2025 figure of –0.3% based on FY 2024 preliminary figures and FY 2025 enacted budgets.

Source: National Association of State Budget Officers for both pie charts and line graph

PROFILE: SOUTH DAKOTA SENATE PRESIDENT PRO TEMPORE CHRIS KARR

Protecting the people by protecting the institution: Five-term lawmaker shares his views on leadership, integrity and building an 'independent-minded Legislature'

by Derek Cantù *(dcantu@csg.org)*

Respect. Professionalism. Civility. Inside and outside the Capitol, Chris Karr has spoken about how adhering to those three principles should be the foundation of the legislative process — "more important than any bill we bring."

"In leadership, you can protect the integrity of that process or you can try to put your thumb on the scale," Karr says.

The latter approach may be tempting during the hectic days and weeks of session, especially in a state such as South Dakota where lawmakers must get so much done in only 40 session days.

But using that "thumb" has consequences for the institution: less transparency and less room for input from individual members, he says, and the potential of rushing bills through the Legislature. Respect, professionalism and civility all get undermined as a result.

You follow those three principles, Karr believes, by instead allowing for open dialogue to debate and vet legislative proposals, even if that can make it more difficult at times to pass certain measures.

"It should be hard," Karr says, "and I think that helps protect the people of South Dakota from ideas that aren't quite ready."

Nearing a decade of legislative service, Karr was elected to the Senate for the first time in 2024 after four terms in the House. He immediately took on the position of president pro tempore.

Karr's first Senate session was an eventful one, and he points to successes in two of his long-term priority areas: strengthening the legislative institution and government accountability. For example, new laws will require legislative approval of certain capital projects and strengthen the investigative powers of the bicameral Government Operations and Audit Committee. ("DOGE before DOGE existed," Karr says.)

The Legislature also revisited perhaps the most contentious policy issue in South Dakota in recent years — the rights of property owners amid interest in the construction of carbon pipelines across the state.

Here are excerpts from a recent interview between Sen. Karr and CSG Midwest, with questions and answers lightly edited for clarity and brevity.

BIO-SKETCH: SOUTH DAKOTA SEN. CHRIS KARR

✓ elected by colleagues in early 2025 as Senate president pro tempore

✓ first elected to the Senate in 2024; previously served four terms in House with stints as majority whip and chair of the Appropriations Committee

✓ is a self-employed business owner, accredited valuation analyst and financial consultant

✓ is an avid fisherman and hunter

✓ has a bachelor's degree in business economics from South Dakota State University and an MBA from the University of South Dakota

> "The important thing is to have that professionalism, to be able to disagree and for it not to color the rest of session."

Q What was your transition like this year in switching chambers and also immediately taking on a top leadership post?

A In South Dakota, we have term limits, and every two years, we have about a 30 percent turnover. So when I came into the Senate, I had honestly some of the most experience left of the senators — not only just in years but in experience.

I was majority whip leader in the House; I was chair of Appropriations for four years. So I had been a part of the negotiations in the Legislature with the executive branch to problem-solve and put budget packages together.

Q That high level of turnover means you have a lot of new members. How do you help them through their first session?

A I have a three-hour window driving from Sioux Falls to [Pierre]. I'm on the phone the whole time, touching base with the new members, "Hey, think about this" or "Do you have questions?"

They have so many questions, and typically they're already messaging me saying, "Hey, give me a shout when you can; I'm still trying to understand this process" or "Who do I talk to?" …

I also like to get out and walk the floor in both chambers. … You want to provide new members with mentorship and guidance because a lot of them don't know where to even start with a bill or a strategy. Even if you don't necessarily agree with the bill, you want the process to work as smoothly as possible.

Q This year, your state's new governor, Larry Rhoden, was sworn in during the middle of session. How did you go about building that relationship?

A Fortunately for me, when I came into the Legislature nine years ago, I served with at-that-time Rep. Larry Rhoden and got to know Larry over the years. As lieutenant governor, he was always somebody I could go talk to. He'd just be real open and honest, and we'd have good discussions about the Legislature and the executive branch. …

And the important thing is to have that professionalism, to be able to disagree and for it to not color the rest of session. Even when things didn't work — and some very large things didn't work this year, like [appropriating the construction of] a new prison — our governor was able to instantly recognize the challenges in the Legislature and say, "Okay, we're going to do a reset."

Q How do you balance the need to work with a governor with the idea of the legislative branch forging its own identity and independence?

A I think that independence has grown — a very respectful and professional independence.

A lot of my bills, even from my first year, have been inward looking about strengthening the Legislature, about creating greater checks and balances, about that accountability and transparency. And I think that's probably one reason why I've moved up in leadership and gained the confidence of my colleagues. …

Everybody needs to be able to have their moment to share their thoughts, and so when you put all that together, it allows for this kind of independent-minded Legislature that's able to say, "Thanks, but no thanks, governor."

But that wasn't easy. As a young legislator, I remember a lot of individuals who thought it was a much easier road to just fall in line and kind of take orders. That's not necessarily where we're at now.

Q One big debate in South Dakota, as well as other Midwestern states, has involved the construction of carbon pipelines. HB 1052 passed this year. What does it do?

A HB 1052 says that a carbon or CO_2 pipeline does not have the ability to use eminent domain. It's not saying the pipeline can't exist. The pipeline operators would have to find willing private landowners to allow them access to their land. It was a really short, sweet bill — all of a couple of sentences.

What I would say after being in this [debate] for a few years, and giving this a great deal of thought, is that a lot of [the support for eminent domain use] has come from the carbon credits. Nobody I talked to in the industry — whether it be ethanol producers, corn producers, jet fuel producers — nobody really thought that CO_2 sequestration was beneficial or a great idea. Nobody was really concerned about the CO_2 in the air and taking it out of the air. All they wanted was those federal credits, which were going to expire. …

For other states, I would just say stick to the facts. I think that property rights are a fundamental right in our country.

What worked here in South Dakota was activating a lot of grassroots activity among our landowners. I've never seen anything like it. It took a while to get those individuals fired up, tuned in, educated, and then willing to speak out. But I think that's what made the difference, that grassroots effort.

PROFILE: WISCONSIN ASSEMBLY MINORITY LEADER GRETA NEUBAUER

'It's about what we do together': State's youngest caucus leader since World War II shares ideas on maximizing the power of the minority and the skills of its members

by Jon Davis *(jdavis@csg.org)*

To suggest that Greta Neubauer was born for the Legislature isn't (too much) hyperbole.

Her father, Jeffrey, sat in the Wisconsin Assembly from 1985 to 1989 and is a former state party chair.

Her mother, Lisa, is a Wisconsin appellate judge (chief Appellate Court judge from 2015 to 2021) and made an unsuccessful run for the state Supreme Court in 2019, losing by just 0.5 percent to current Justice Brian Hagedorn.

"My parents did meet in the state Capitol in Wisconsin, where I now go to work, so there, of course, is a deep family connection to Wisconsin politics," Neubauer says.

"I grew up talking about politics around the dinner table and knocking on doors as a very young person for local candidates with my parents, my dad in particular."

Campaigning stuck with her.

As a high school student, Neubauer joined Barack Obama's 2008 presidential effort.

"I went to Iowa, almost lost my fingers and toes in the caucuses being outside, waving signs around," she recalls.

As a college student, motivated by what she saw as a lack of action to address climate change, she became active in a student movement pushing schools to address the issue.

Neubauer had left home for college and, for several years, Wisconsin politics. That changed after the 2016 elections.

"I realized just how critical Wisconsin is in national political contests and in the direction of our democracy at large," she says.

Neubauer began work as a legislative aide for then-Rep. Cory Mason, who soon left the Assembly to become mayor of Racine (also her hometown). She ran for that open Assembly seat and won a special election in January 2018, joining the Legislature at age 27.

In December 2021, when then-Minority Leader Gordon Hintz announced he was stepping down, Neubauer pursued the position.

She was unopposed and, at age 30, became the youngest leader of a Wisconsin caucus since 1943. In an interview with CSG Midwest, Neubauer shared her perspective on legislating and leadership. Here are excerpts.

Q You had exposure to the Legislature before becoming a member of it, but was there anything about the position that surprised you?

A I understood a lot about the mechanics of it, but I was and continue to be moved by my interactions with people in my district and around the state.

It became very clear to me quickly that a huge part of my role was showing people that it mattered for them to engage in the political process. Even when it felt like their calls or their letters were going into a black hole, it matters. ... So a lot of my work is helping people and advocating effectively on the issues that they care about.

Q How do you view your role now as a caucus leader?

A We have a caucus of 44 people who are elected and accountable to their own districts. Their districts are different, as are the needs of their constituents. I am not their boss, but I am their leader. Their bosses are their constituents, and so I really see this role as an opportunity to get to know and understand my colleagues and to align around their goals and to build a plan.

Q How do you try to make the most of all 44 members?

A People bring different professional and personal backgrounds and different skills, and so I try to understand what each person has to offer to the group.

Who's a great communicator? Who's really interested in the details of policy work? Who can go out and work with stakeholders and bring them in for advocacy? Who does a fantastic job of connecting with their constituents and can share how to best do that with their colleagues?

People bring incredible skills. My background is as an organizer. I think that helps me. I see my job as organizing the caucus toward our shared goals.

Q How would you describe your approach to leading a party in the minority?

A I very much understood [after becoming leader] that the strength of our caucus was in our unity and our ability to act as a collective, and that continues to be true. ...

We are able to, of course, have individual legislators work across the aisle on policies that are important to them, but we make sure that they're aligned with the interests of the caucus as well. And I think if the majority party knows that they're going to need to contend with us as a group, that gives us power.

Q Your caucus has grown in numbers and has quite a few new members. Has that required an adjustment?

A We have 23 new members this year. That's the majority of our caucus and includes many new seats — we picked up 10, the most in several decades — so that changes the culture of the group and the dynamics.

Those folks ran for office with new [legislative] maps in place. And in the desire to govern, they want to be in the majority and they want to get things done for their constituents.

In past sessions, we have been more on defense, and now we're on offense. We are using our numbers and the closer margins in the Assembly as an incentive to try to get things done.

Q Who were or are your leadership models?

A I studied social movements in college, and that really helped me understand that governance is not just about one person getting elected and being in power. It's about a collective.

I draw a lot of inspiration from seeing the people in Wisconsin who have stayed in the fight over many years, who have no title or pay, but have done the work of trying to bring people together to advocate for bettering their communities. And that's really how I try to think about my role. We are all in these roles for just a certain amount of time. It's not about us. It's about what we do together.

Q Is there a policy area that is top of mind for you right now as a priority?

A Education is really important for my district. Our public schools have struggled. When my dad was growing up, people moved to Racine for the public schools. And we, as a community, have struggled in many ways — loss of jobs and rising inequality in our community in the last several decades have had a huge impact.

I've worked to build support in the Capitol for investments in public education ... and I also just helped run a school district referendum campaign in Racine because we were facing an existential cut. We were successful in April, and it really was amazing to see the community rally around our goal, even in a time of economic uncertainty with many people having a difficult time making ends meet.

So I was really proud to be able to leverage my leadership position in this community to help win these critical investments for our kids.

BIO-SKETCH: WISCONSIN REP. GRETA NEUBAUER

- ✓ first elected to the Wisconsin Assembly in a January 2018 special election; elected to full terms since November 2018
- ✓ elected minority leader in 2021 at age 30
- ✓ is a graduate of Middlebury College and a Harvard Kennedy School Fellow
- ✓ lives in Racine, where her family has resided for five generations

"I draw a lot of inspiration from seeing the people in Wisconsin who have stayed in the fight over many years, who have no title or pay, but have done the work of trying to bring people together to advocate for bettering their communities."

SECOND TO NONE: CHICAGO IS HOSTING STATE LEADERS IN DECEMBER FOR THE CSG NATIONAL CONFERENCE

This year's CSG National Conference is coming to the Midwest.

Illinois Sen. Elgie Sims, national chair of The Council of State Governments and a longtime leader of CSG's Midwestern Legislative Conference, looks forward to welcoming his many legislative friends and colleagues from the region to his hometown of Chicago.

The meeting is being held Dec. 9-13. Visit *csg.org* to register or find information about planned sessions and activities.

One unique feature of the CSG National Conference: It brings together state leaders from all three branches of government. At the meeting, they share ideas and explore solutions to pressing issues facing state governments, and are joined in these discussions by top policy experts, community partners and private sector leaders.

Sen. Sims' yearlong CSG Chair's Initiative has centered on civility, a topic that will be featured at sessions in Chicago. CSG's Midwestern Legislative Conference Executive Committee also will meet in conjunction with the National Conference.

CHICAGO
2025 CSG NATIONAL CONFERENCE · DEC. 9-13

LEADERS FROM ALL THREE BRANCHES OF GOVERNMENT PART OF 2025 TOLL CLASS

Five Midwestern legislators are part of the new class of CSG Toll Fellows, the nation's top leadership development program for state government officials. Completing the immersive, five-day leadership program in August were:

- Ohio Rep. Sean Patrick Brennan,
- Nebraska Sen. Wendy DeBoer,
- South Dakota Rep. Mellissa Heermann,
- South Dakota Senate Minority Leader Liz Larson, and
- Wisconsin Rep. Sequanna Taylor.

Toll Fellows are selected through a competitive process led by program alumni. The program complements The Council of State Governments' regional leadership development efforts, including CSG Midwest's Bowhay Institute for Legislative Leadership Development. Brennan, DeBoer, Heerman and Larson also are BILLD alumni.

Close to 50 leaders from 34 states and U.S. territories took part in this year's Toll program. The Midwest class also includes Indiana Court of Appeals Judge Dana Kenworthy, Iowa deputy chief information officer Michelle O'Hollearn, Michigan Licensing and Regulatory Affairs chief operating officer Courtney Pendleton, Minnesota Management and Budget assistant commissioner Priscilla Stallings, and Kansas assistant revisor of statutes Jessie Pringle (not pictured below).

ACROSS STATE AND PARTY LINES, LEGISLATORS CONNECT AT RECENT CSG MIDWEST-LED EVENTS

MLC ANNUAL MEETING

The Midwestern Legislative Conference met in late July in Saskatchewan for four days of policy sessions, interstate and binational dialogue, and learning site tours. Several sessions and events focused on the role of states and provinces in advancing a secure North American energy future, which is the focus of the 2025 MLC Chair's Initiative of Saskatchewan Minister Lori Carr.

All six MLC policy committees also met and led sessions. Pictured here are the four officers of the MLC Agriculture & Rural Affairs Committee (from left to right): Illinois Rep. Brad Fritts, North Dakota Sen. Paul Thomas, Nebraska Sen. Teresa Ibach and Minnesota Sen. Rob Kupec.

GATHERING OF GREAT LAKES LEGISLATORS

Attendees of this year's Great Lakes-St. Lawrence Legislative Caucus Annual Meeting are pictured here taking part in a policy site tour. They learned how the Indiana city of South Bend is protecting the St. Joseph River (part of the Lake Michigan basin) from combined sewer overflows — through a mix of cost-saving advanced technologies and upgrades at plant facilities.

Legislators from across the Great Lakes basin took part in the September meeting. They explored issues such as the impact of data centers on water resources, progress being made on the Great Lakes Waterfront Trail, the future of federal Great Lakes protections in the United States and Canada, and plans to protect the lakes from invasive species. Caucus members also continued work on a regionwide plan and recommendations for addressing concerns about PFAS and plastic in water.

STUDY TRIP ON FLOOD MITIGATION

A bipartisan delegation of legislators from 10 Midwestern states took part in a September study trip to the Netherlands. While there, legislators learned about that country's global-leading approach to flood mitigation and protection, taking home policy ideas to protect their own communities and states while also sharing their own experiences with flooding impacts. Through a mix of tours at sites such as the Maeslantkering storm barrier (pictured here) and briefings with Dutch political leaders and scientists, the group gained insights into water management and flood mitigation, in areas such as research and innovation, resiliency, costs and funding sources. The trip was organized by CSG Midwest, through a partnership with the American Flood Coalition.

POLICY WORKSHOP ON AI

Twenty-five legislators from nine Midwestern states and the province of Saskatchewan took a deep dive into the future of artificial intelligence at a two-day workshop that focused on the policy implications, challenges and opportunities associated with the rise in artificial intelligence. The event was held in May in Chicago.

MEETING OF REGION'S PASSENGER RAIL LEADERS

Formed by compact agreement, the Midwest Interstate Passenger Rail Commission facilitates improvements to the region's intercity network of passenger rail, through a mix of advocacy and interstate planning. The group met in September in Kansas City, with more than 50 commissioners, state department of transportation officials and others taking part. The commission includes legislators, governors and gubernatorial designees from the compact states.

Commissioners met with Amtrak and federal transportation leaders, established principles to guide advocacy work on federal policy and funding, and set priorities for the commission's assistance for states. This year's meeting also included a tour of the restored Kansas City Union Station and a ride on the Missouri River Runner *to Lee's Summit, where attendees saw firsthand how state-supported passenger rail is driving downtown revitalization.*

Visit *csgmidwest.org* to learn how you and your state and province can make the most of your membership in The Council of State Governments and the CSG Midwestern Legislative Conference. Or contact us at 630.925.1922 and *csgm@csg.org*.

The Council of State Governments was founded in 1933 as a national, nonpartisan organization to assist and advance state government. The headquarters office, in Lexington, Ky., is responsible for a variety of national programs and services, including research, reference publications, innovations transfer, suggested state legislation and interstate consulting services. The Midwestern Office supports several groups of state officials, including the Midwestern Legislative Conference, an association of all legislators representing 11 states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin) and the Canadian province of Saskatchewan. The provinces of Alberta, Manitoba and Ontario are MLC affiliate members.

FIVE DAYS OF TRAINING HELD IN AUGUST; GRADUATES TAKE HOME NEW SKILLS, IDEAS AND INSPIRATION

The demands and stressors on state legislators have never been greater than today, due to factors such as intense partisanship, a changing media environment and high legislative turnover.

Helping newer lawmakers meet those challenges and thrive as public servants is the goal of the Bowhay Institute for Legislative Leadership Development (BILLD), a signature program of The Council of State Governments' Midwestern Legislative Conference.

This year's BILLD program was held in August in Madison, Wis., with a bipartisan group of legislators from 11 Midwestern states and four Canadian provinces taking part in five days of intensive training.

Along the way to becoming BILLD's 30th graduating class, participants gained practical legislative tools and strategies, as well as inspiration about public service and a valuable new regionwide network of legislative colleagues. (Mailings of this edition of *Stateline Midwest* include a special insert highlighting the 2025 graduates.)

How can lawmakers protect legislative institutions, provide effective oversight, and write laws that withstand judicial scrutiny? How can individuals contribute to a culture of civility, excellence and ethics in their legislatures? What is your leadership style and how can you positively affect others?

This year's Fellows explored these questions through a series of interactive workshops. Other sessions focused on collaboration, conflict resolution and communication, as well as on policies such as state budgeting, criminal justice and U.S.-Canada relations.

Applications for the 2026 BILLD program will be available later this year at *csgmidwest.org*.

BILLD: A PATHWAY TO LEADERSHIP

# of BILLD graduates holding a top caucus leadership post or top legislative officer position in 2025	21
# of BILLD graduates who are current or former members of U.S. Congress	15
# of current and former legislators that are BILLD graduates	1,054

CSG BILLD

THE 2025 BILLD CLASS OF LEGISLATORS

Row 1: Iowa Rep. Cindy Golding, North Dakota Rep. Eric Murphy, Iowa Rep. Elizabeth Wilson, Minnesota Rep. Liz Lee, Ohio Rep. Christine Cockley, and Illinois Rep. Mary Beth Canty

Row 2: Ohio Rep. Angie King, Minnesota Rep. Bernie Perryman, Michigan Rep. Kristian Grant, Illinois Sen. Graciela Guzmán, and Wisconsin Rep. Russell Goodwin

Row 3: South Dakota Rep. Josephine Garcia, Saskatchewan MLA Megan Patterson, Illinois Rep. Michael Crawford, North Dakota Sen. Jose Castaneda, Ohio Rep. Elgin Rogers Jr., Indiana Rep. Wendy Dant Chesser, Indiana Sen. Brett Clark, and Indiana Sen. Cyndi Carrasco

Row 4: Manitoba MLA Kathleen Cook, Michigan Rep. Jason Hoskins, Minnesota Rep. Bobbie Harder, North Dakota Rep. Austin Foss, South Dakota Rep. Nicole Uhre-Balk, Alberta Minister Myles McDougall, Kansas Rep. Robyn Essex, Saskatchewan MLA Kim Gartner, Ontario MPP Billy Denault, and Wisconsin Rep. William Penterman

Row 5: Wisconsin Sen. Melissa Ratcliff, Saskatchewan MLA Nathaniel Teed, South Dakota Rep. Erik Muckey, Nebraska Sen. Jason Prokop, Kansas Rep. Kirk Haskins, Kansas Sen. Michael Argabright, Nebraska Sen. Tanya Storer, and Nebraska Sen. Victor Rountree

Not Pictured: Michigan Rep. John Fitzgerald

Rep. Jarrod Ousley
Kansas, Co-Chair
BIILD Class of 2018

Sen. Amy Sinclair
Iowa, Co-Chair
BIILD Class of 2016

Sen. Wendy DeBoer
Nebraska, Vice Chair
BIILD Class of 2019

Sen. Susan Manchester
Ohio, Vice Chair
BIILD Class of 2022

BILLD GRADUATES HELP GUIDE THE PROGRAM

A new four-officer team is in place to guide the premier leadership program for Midwestern state and provincial legislators. Kansas Rep. Jarrod Ousley and Iowa Sen. Amy Sinclair are co-chairs of the Bowhay Institute for Legislative Leadership Development Steering Committee. The vice chairs are Nebraska Sen. Wendy DeBoer and Ohio Sen. Susan Manchester.

They are joined by 44 other legislators from across the region serving on the bipartisan BILLD Steering Committee, which oversees all aspects of the leadership program – from the application process and selection of Fellows, to the development of programming, to fundraising. CSG Midwest provides staff support for this committee through its work on behalf of the Midwestern Legislative Conference. A full committee roster is available at *csgmidwest.org*.

LEGISLATOR-LED PANEL ON LEADERSHIP

Many BILLD graduates have ascended to leadership posts in their states, as committee chairs and caucus leaders. Five of those alumni came to Madison in August for a session at this year's institute. Members of the panel shared their perspectives and personal experiences on topics such as effective negotiating and relationship building, both within party caucuses and across party lines.

Pictured, from left to right, are Minnesota Rep. Spencer Igo, BILLD Class of 2023; Wisconsin Sen. Patrick Testin, BILLD Class of 2018; Indiana Rep. Carolyn Jackson, BILLD Class of 2022; and Illinois Sen. Elgie Sims, BILLD Class of 2014. Also pictured is Illinois Rep. Anna Moeller, Class of 2017. She moderated the panel discussion.

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CSG EVENTS

CSG Midwestern Legislative Conference Fall Webinar Series

Visit *csgmidwest.org* to find dates for this webinar series led by MLC committees on Agriculture & Rural Affairs, Economic Development & Infrastructure, Education & Workforce, Energy & Environment, Health & Human Services, and Midwest-Canada Relations.

CSG National Conference

December 9-13, 2025 | Chicago, Illinois

Contact: *registration@csg.org*
859.244.8000 | *events.csg.org*

Bowhay Institute for Legislative Leadership Development

July 17-21, 2026 | Madison, Wisconsin
Applications will be available in late 2025; application deadline TBD

Contact: Adam Diersing ~ *adiersing@csg.org*
630.925.1922 | *csgmidwest.org*

Midwestern Legislative Conference Annual Meeting

August 30-September 2, 2026 | Saint Paul, Minnesota

Contact: Jenny Chidlow ~ *jchidlow@csg.org*
630.925.1922 | *csgmidwest.org*

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MIDWEST

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