

# Center for the Study of Federalism A Digest of Political Ideas and Issues for Teachers



# Why States Matter

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States matter in the U.S. federal system. Every state is a sovereign polity. Each has its own constitution and possesses the requisite authority to make laws that govern its territory. The states, be they large or small, coastal or landlocked, wealthy or poor, play essential roles in the functioning of American federalism. In some ways, states may matter more now than they did in the past. Even though states are not featured prominently in K-12 curricula, teachers of U.S. history, civics, and/or government would be wise to consider the ways in which states contribute to American governance.

### FIVE KEY REASONS WHY STATES MATTER

States enact public policies and provide services that affect nearly every aspect of their residents' lives. In fact, in <u>Fed-</u> eralist 46, James Madison wrote that "the first and most natural attachment of the people will be to the governments of their respective States."

States matter for many reasons; five are listed and discussed below.

- States provide a safeguard against an overreaching national government.
- States serve as laboratories for policy innovation.
- States offer meaningful choices for individuals, organizations, and firms wishing to relocate.
- States create the "rules of the game" for their local governments.
- States interact with one another to address local, regional, and national issues.

#### STATES AS SAFEGUARDS

Perhaps the most fundamental reason states matter is because they provide a safeguard against an overreaching national government. This was one of the arguments mobilized by supporters of the proposed federal constitution in 1787. Madison wrote in *Federalist 49* that "...ambitious

encroachments of the federal government on the authority of State governments would not excite the opposition of a single State, or of a few States only. They would be signals of general alarm. Every government would espouse the common cause."

The U.S. Constitution intentionally leaves some open questions about the distribution of power and authority across spheres of government. As a result, since 1789, the extent of state power vis-à-vis the national government has been the subject of considerable deliberation and sometimes conflict. In Federalist 51, Madison stated, ".... The different governments will control each other, at the same time that each will be controlled by itself." States have a voice in the national government and the expectation is that the national government will take state interests into consideration. If a state objects to an action of the national government, it may file a lawsuit in federal court as California did more than



100 times during President Donald Trump's administration and Texas did more than 48 times during President Barack Obama's administration. Although states cannot nullify federal laws, they can choose to ignore them such is the case in some states that ignore federal laws banning recreational marijuana use.

# STATES AS POLICY INNOVATORS

One advantage of a federal system is that states can initiate policy experimentation. In a dissent in the 1932 Supreme Court case, *New State Ice Co. v. Liebmann*, *Justice Louis Brandeis* stated: "It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory, and try novel social and economic experiments without risk to the rest of the country." Brandeis was suggesting that innovative state legislation could help identify effective solutions to contemporary challenges.

The "laboratories" argument assumes that states will seek new, viable solutions to the challenges confronting them. This process often involves trial balloons, false starts, compromises, revisions, debates, and, if sufficiently appealing to enough legislators and the governor, adoption of a new law. If the new law successfully solves the problem, other states facing similar challenges may follow suit (i.e., policy diffusion), learning from the experiences of the "single courageous state." These later adopting states can customize the policy to fit the conditions they face. If a new law is unsuccessful in solving the problem, its failure is confined to one state or a small set of states rather than affecting the entire country. Current examples are states that have legalized ranked choice voting and medical aid in dying.

#### STATES OFFER CHOICES

Even as the 50 states have a lot in common and learn from one another, they also are quite varied and sometimes compete. True, all states have a three-branch governmental structure, but the <u>institutions</u> within those structures differ. Consider <u>state legislatures</u>. Other than Nebraska's unicameral, states have bicameral legislatures, but these legislatures vary in size, term length, compensation, time spent in session, staff resources, and rules of conduct. The executive branches of state government also differ in many important ways whether it be the power of a governor to appoint heads of agencies (compared to other states in which many of those officials are elected), the number of terms a governor may serve, or the kinds of vetoes available to a governor.

As for the <u>judiciary</u>, in some states, judges are elected in either partisan or nonpartisan elections; in others, judges are appointed by the governor; and in two states, the legislature selects state judges. The structures of state court systems differ too. Some states consolidate courts into a centralized system, others operate with decentralized specialty courts, and some do a little of both. These institutional differences have consequences for the performance of state government.

But as important as these institutional differences are, it is the policy choices made by these institutions that make states distinctive. For example, each state's revenue system is constructed to fit its traditions and circumstances. The bundle of taxes (income, sales, property, "sin") and user fees (toll roads, public college tuition, auto license fees, and so on.) differs from one state to another. A state's policy portfolio and its delivery of services make each state distinctive. Much of the policy/service mix depends on the ideological and partisan composition of policymakers, the political culture that prevails in the state, and public opinion. For instance, laws in some states allow recreational use of marijuana while other states restrict its consumption to medical use. Some states have decriminalized possession of small amounts of marijuana; some states encourage its cultivation and tax its sale. To the extent that people have choices about the state in which they live, their choice affects their daily lives.

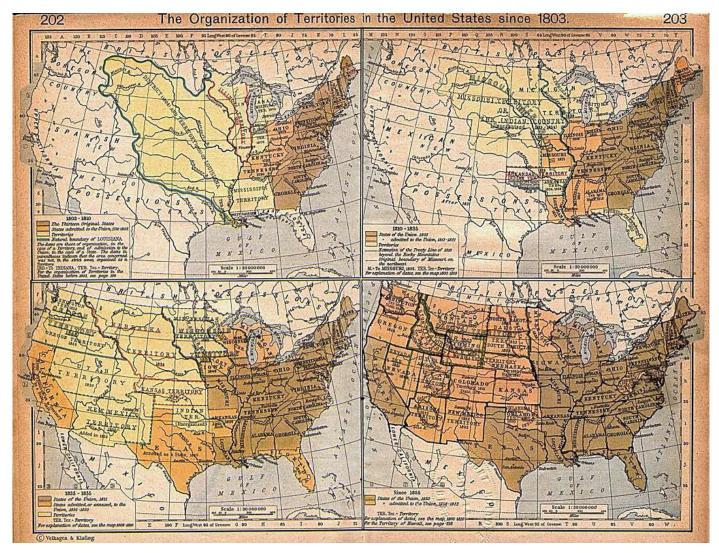
# STATES AND THEIR LOCAL GOVERNMENTS

States create the rules of the game for their <u>local governments</u>. States determine the amount of power and authority localities have for making policy, the range of their functional responsibilities, the revenue sources they can tap, and so on. Typically, local governments chafe at the limits imposed on them by the state and seek greater flexibility and discretion. But that is the state's decision. When localities perform poorly, states may step in and take control of a local jurisdiction. This happened in Detroit in 2013 when the state of Michigan assumed financial control of the city's government and in 2023 when management of the Houston Independent School District was taken over by the Texas Education Agency.

Most often, the relationship between a state and its local governments remains fairly harmonious. Recently however, many states have tightened their reins on localities through preemptions, which establish a state standard that a locality must adhere to. With a preemptive state law, a local government loses its ability to craft its own ordinances on an issue. Lately, issues that have been preempted by some states include minimum wage levels, gun control, sanctuary cities, and transgender rights. This has created conflicts with city governments that contend that local ordinances better reflect the sentiments of their community more than a uniform statewide standard.

#### STATES INTERACT

In the course of governing, each state pursues its self-interest and also interacts with other states committed to their self-interests. States are allies in some instances and rivals



in others. The <u>U.S. Constitution</u> establishes some basic rules for state-to-state conduct in an effort to produce a smoothly functioning federal system, one in which interstate issues can be accommodated and conflict can be minimized. Ultimately, states work together to address shared problems, but they also compete with one another in areas such as economic development.

One mechanism for interstate cooperation is the <u>interstate compact</u>. States join together to address a common problem or manage a shared resource such as the <u>seven-state compact to apportion water from the Colorado River</u>. These state-driven compacts offer opportunities to develop collaborative solutions to regional multi-state issues and, in doing so, they strengthen the federal system.

#### Conclusion

States are significant partners in the U.S. federal system and deserve attention in the education of citizens. Still, two cautions should be noted. The first is the public's limited knowledge of state government; the second is the undue influence of some external groups in state policy innovation.

Public opinion polls regularly report that the public is rea-

sonably happy with the performance of their state government, especially when compared to the national government. However, when the focus shifts to the public's knowledge of state government, the results are not as rosy. Residents are not informed about many aspects of their state government. American citizens and their governance would benefit from deeper understanding of the states.

Also, as the importance of states as policymakers has grown, some <u>research</u> argues that highly-coordinated national networks of political organizations, often partisan in nature, are playing an outsized role in state policymaking. The fear is that this could weaken democracy in the states.

#### ABOUT THE AUTHOR



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