

Interstate Compacts: Background and History

About Interstate Compacts

Interstate compacts are contracts between two or more states creating an agreement on a variety of issues, such as specific policy challenges, regulatory matters and boundary settlements. States have used interstate compacts to address a variety of issues, including:

- Establishing a legal relationship to resolve a specific dispute, i.e. rights for use of water resources;
- Creating independent, multistate agencies that can more effectively address specific policy problems, i.e. the Port Authority of New York and New Jersey; and
- Establishing uniform guidelines and standards for member states to follow.

In addition, compacts allow states to maintain their sovereignty by allowing them to act collectively outside the confines of federal legislation or regulation. When used effectively, compacts provide regional or national policy solutions without interference from the federal government. Compacts also let states develop a dynamic, self-regulatory system that remains flexible enough to address changing needs.

History of Compacts

Interstate compacts are not new. They date back to the country's founding as a way to resolve disputes between colonies. Since 1789, compacts have grown beyond bi-state agreements into national and regional creations with both advisory and regulatory responsibilities. What has changed in the past century is the increased sophistication and use of interstate compacts to create administrative agencies to solve ongoing state problems.

Primary Purposes of Compacts

Interstate compacts can:

- Resolve boundary disputes;
- Manage the interstate allocation of natural resources; and
- Create interstate administrative agencies, including compacts, in the following policy areas:
 - Interstate transportation
 - Taxation
 - Environmental matters
 - Regulation
 - Education
 - Corrections
 - Public safety

Notable Interstate Compacts Affiliated with CSG

- Interstate Compact for Adult Offender Supervisionô This compact exists to ensure public safety by creating standard rules for transferring adult offenders from one state to another state.
- Interstate Compact for Juvenilesô This compact aims to enhance public safety by improving interstate supervision of juvenile offenders and delinquents.
- Interstate Compact on Educational Opportunity for Military Childrenô This compact, which was developed jointly by CSG and the Department of Defense, replaces the widely varying policies affecting transitioning military students by addressing key educational issues encountered by military families.
- Midwest Interstate Passenger Rail Compactô Administered from CSG's Midwest Office, this compact brings together state leaders from across the region to advocate for passenger rail improvements. Formed by compact agreement in 2000, the compact's current members are Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio and Wisconsin.
- Emergency Management Assistance Compactô Administered by CSG's affiliate organization, the National Emergency Management Association, EMAC is a mutual aid agreement and partnership among states that exists because, from hurricanes to earthquakes and from wildfires to toxic waste spills, all states share a common enemy: the constant threat of disaster.
- Great LakesóSt. Lawrence River Water Resources Compactô Since 2001, the Council of Great Lakes Governors has worked to develop a framework of binding agreements among the Great Lakes states and Canadian provinces for managing the Great Lakes resource. The culmination of this effort is the new Great LakesóSt. Lawrence River Basin Water Resources Compact. The agreement details how states and provinces will manage and protect the Great Lakes and St. Lawrence River Basin.

Advantages and Disadvantages of Interstate Compacts

Advantages	Disadvantages
Flexible and enforceable	Lengthy and challenging process
Interstate uniformity without federal intervention	Lack of familiarity with the mechanism among state government officials and the public
States maintaining collective sovereignty	Perceived loss of individual state sovereignty
Alternative to federal pre-emption	Delegation of state regulatory authority to an interstate agency

About NCIC

The National Center for Interstate Compacts combines policy research with best practices, and functions as a membership association, serving the unique needs of compact administrators, compact commissions and the state agencies in which interstate compacts are located. The center promotes the use of interstate compacts as an ideal tool to meet the demand for cooperative state action, to develop and enforce stringent standards, and to provide an adaptive structure for states that can evolve to meet new and changing demands over time.

NCIC's mission is to serve as an information clearinghouse, a provider of training and technical assistance, and a primary facilitator in assisting states in the review, revision and creation of new interstate compacts as solutions to multi-state problems or alternatives to federal preemption.

More Information

For more information on interstate compacts, including news on recent state and federal legislation, a searchable database of compacts, links to relevant state statutes, and legal and historical information, visit the National Center for Interstate Compacts at www.csg.org (keyword: interstate compacts) or contact Crady deGolian at cdegolian@csg.org.