
BEYOND NORTH CAROLINA'S LGBT BATTLE: STATES' WAR ON CITIES

by Alan Greenblatt

North Carolina's fight over lesbian, gay, bisexual, and transgender (LGBT) protections is part of a larger recent shift in political dynamics; states are thwarting local laws any chance they get, while simultaneously complaining about federal intrusion on their own.

St. Louis cannot get a break from its own state. Last year, Missouri enacted a law preventing St. Louis and other cities from setting their own minimum-wage rates and from banning plastic grocery bags. This year, state lawmakers have spent a considerable amount of time debating whether to prohibit the City from taxing the income of its residents and workers. The state, that took control of the St. Louis police force during the Civil War, didn't give it back until 2013 when it was forced to by a voter-approved ballot measure.

If St. Louis feels ill-treated by state officials, it has lots of company around the country. North Carolina's legislature drew national headlines when it met in special session on March 23, 2016, to block cities from passing anti-discrimination protections for lesbian, gay, bisexual, and transgender people. The legislature acted in response to Charlotte's adoption of LGBT protections earlier in the year. What was sometimes lost in the media coverage was the fact North Carolina's new law also blocks cities from setting their own minimum-wage rates. Similarly, Birmingham, Alabama, passed a minimum-wage increase last year, only to see the state block it and other cities from setting their own rates this year.

There's a fundamental mismatch right now between the desires of many cities and the policy preferences of states. Out of power in Congress and in two-thirds of the nation's legislative chambers, progressives from President Barack Obama on down are increasingly turning to cities to carry out their agenda. Democrats

are in charge of the lion's share of big cities. Right now, just three of the nation's 25 largest cities (Fort Worth, Texas; Jacksonville, Fla.; and San Diego) have Republican mayors. Many of the current Democratic mayors are to the political left of those who governed in their cities a generation ago.

But, as in physics, every movement in politics prompts an opposite if not always equal reaction. As cities attempt to fulfill liberal wishes, they are increasingly stymied by the Republicans who dominate state offices. The GOP currently controls all branches of government in more than three times as many states as Democrats. There's rarely much doubt about who will win an argument between a Democratic city and a Republican state; the state nearly always has the upper hand.

"I'm not afraid of the 'don't tread on me' complaints from the municipalities," says Missouri state Rep. Dan Shaul, who sponsored last year's preemption of local minimum-wage and garbage bag laws. "We've worked with the cities of St. Louis and Kansas City and continue to try to help them anyway we can, but our response is to do what's best for the state," said Shaul.

Legislators such as Shaul remain quick to praise urban areas as the states' primary economic engines. Still, they insist that businesses shouldn't have to put up with a patchwork of regulations that vary from city to city, and that citizens shouldn't have any level of government butting unduly into their lives. "What they're doing is trying to keep cities out of social policies," says Larry Shaheen, a GOP consultant based in Charlotte. "They're trying to get city governments out of the lives of their citizens."

This is not exactly new. Cities may have been even more outmatched by states during the first half of the

20th century before the Supreme Court abolished the practice of apportioning legislative districts by county, rather than by population. The political dynamic between cities and the rest of their states has shifted more recently in ways that have put urban centers at a new disadvantage. Land mass no longer determines legislative power, but there is a lot of room left outside the main cities for Republicans to dominate. In Missouri, there is barely a Democratic legislator who hails from outside St. Louis or Kansas City. The other 113 counties are almost all overwhelmingly Republican, giving the GOP supermajority control of both legislative chambers.

Many states follow a similar pattern. Far fewer Democrats are elected to state legislative seats outside major metropolitan areas than was the case 15 or 20 years ago. Conversely, there are not a lot of Republicans elected from districts representing big cities or even many inner-suburban areas. The result is that traditional regional rivalries almost perfectly align with partisan divisions.

Cities have long chafed at restrictions placed by states on their ability to raise revenue. And outstate residents and legislators have perennially cried that the leading city, whether it is Indianapolis or Louisville or Milwaukee, uses more than its fair share of resources. In Wisconsin, "The common saying goes, 'Madison sucks up all our tax dollars and spends it on Milwaukee or itself,'" says Katherine Cramer, author of the new book *The Politics of Resentment* that looks at rural anger in her state toward big cities. "There's a perception that decisions are made in Madison and there's no respect for small towns or our way of life," says Cramer.

Now, in states where Democrats are in the minority, cities have few allies within majority caucuses at the state level, and Republicans are left with little incentive to help them. "If



Turn-key Solutions for Energy Efficiency

Sustainable Solutions with Proven Results

- / Provide healthy, safe, and energy efficient facilities including recreational centers and natatoriums
- / Engineered solutions improve energy and operational efficiency
- / Projects designed to maximize economic and environmental impact
- / Custom approach to fit specific client needs with lowest life-cycle cost
- / Guaranteed price, savings and performance
- / Address deferred maintenance and long-term capital improvement plan

Green
by design.

CTS Group: Turnkey Engineering and Construction
Services for Sustainable Energy Solutions

636.230.0843
www.ctsgroup.com

you looked at the Texas Democratic delegation, everybody in it is from an urban area, except the [heavily Hispanic] Rio Grande Valley," says Mark P. Jones, a political scientist at Rice University in Houston. "Any legislation that benefits the urban core is going to be perceived much less favorably by the Republican majority," says Jones.

State lawmakers have not been satisfied with just squelching cities on contentious social issues such as LGBT rights, gun control, labor policies like minimum-wage increases, and paid sick leave requirements. States are stepping on urban toes at practically every turn, from limiting hotel taxes to banning requirements that builders install sprinkler systems. "From our legislators, I've heard some comments that 'we have those cities moving in retreat,'" says Ned Hill, a public policy professor at Ohio State University. "What they really mean are the policies of big-city mayors," says Hill.

States like to complain that they

are shortchanged by federal programs, receiving back less money than they send to Washington, but they feel little compunction about dealing a similar blow to their local governments. When it comes to funds for roads, schools and universities, states are becoming less likely to invest in their own major cities. A recent survey of 89 mayors in 31 states by the U.S. Conference of Mayors showed that they believe relations with their states are now actually worse than relations with the federal government. One Midwestern mayor, whose party controls the legislature, said simply, "Our state is nuts."

"In many ways, the mismatch between state political power and city market power has never been more dramatic," says Bruce Katz, a Brookings Institution scholar who consults with metropolitan regions. "A lot of the focus is on the skirmishes around progressive policies, but the bigger issue is states impeding the ability of cities to realize their full

economic potential."

In response to the pressures of living under a rural-dominated legislature, state Sen. Mike Colona, a Democrat who represents St. Louis, has taken what seems like a logical, if fanciful, step. He filed a pair of bills recently aimed at allowing St. Louis to secede from Missouri and become the 51st state.

Cities are now dominated almost completely by Democrats, not only in mayoral elections, but straight on up the ticket. In 2012, Obama carried the lowest percentage of U.S. counties of any winning presidential candidate in history, only 22 percent. But, his vote in cities was so overwhelming as to guarantee his re-election. Obama took 69 percent of the vote in cities with more than 500,000 people, according to exit polls. A similar story can be told about the disparities in congressional voting, and importantly, state legislative contests. It is no mystery why. The Obama coalition, racial and ethnic minorities, young people, gays

and lesbians, unmarried women, and highly educated young professionals, disproportionately chooses to live in cities.

Having gained and retained political power, thanks almost solely to the urban vote, Obama has turned to mayors to promote ideas that cannot get through Congress. Many mayors have worked closely with the Obama administration on early childhood education, development of green energy, community policing and the president's My Brother's Keeper initiative, meant to give a boost to young African-American and Hispanic men. "In Congress, programs like that are suffocated to death," says Pittsburgh Mayor Bill Peduto. "In Pittsburgh, we're like an urban lab where they can be sent to grow."

Obama's budget for the coming year calls for expanding aid sent directly to cities in everything from poverty programs to manufacturing innovation. His most recent proposals may go nowhere, but the administration has already had success in using

cities as venues for its ideas. "We've been quite proactive throughout the administration in taking these policies around the country," says Cecilia Muñoz, director of the White House Domestic Policy Council. "It's a terrific mechanism for implementing progress and creating momentum."

Given gridlock in Washington, the absence of national policy in many areas has allowed lower levels of government to go their own way. This has sometimes set cities and states on a collision course. While most Republican governors were calling on the administration to block Syrian refugees from entering the country late last year, more than five dozen mayors signed a letter calling on Congress to keep the door open. Long before the debate over gay rights, Charlotte officials clashed with GOP lawmakers in North Carolina over broader policy toward immigrants, mirroring arguments in many states.

Last fall, Texas Gov. Greg Abbott moved to cut off state grant funding for sheriffs' offices in localities that

failed to prosecute undocumented immigrants because they had enacted so-called sanctuary city policies. Just before taking office last year, Abbott complained that the state was becoming "California-ized" by local bans on fracking and plastic bags, as well as restrictions on property use. Abbott conceded that some might see a disconnect between his actions as state attorney general when he repeatedly sued what he considered to be an intrusive federal government, and the stance he has taken as governor, intervening to block city initiatives. Abbott insists he is still working to protect people from encroachments on their personal liberty from whatever level of government. "The governor believes cities are economic drivers that help create jobs," says spokesman John Wittman, "but they are often overregulated, generating unnecessary burdens on businesses."

If a state official doesn't like a city's policy, there is little penalty involved in trying to block it. A tax on earnings may be an essential source of revenue for St. Louis, but voting to



Outdoor Warning Consulting

Jefferson City, MO

"Serving Missouri Communities for Over 25 Years"

WHELEN
ENGINEERING COMPANY, INC.

573-635-0966

WHELEN
ENGINEERING COMPANY, INC.

www.outdoorwarningconsulting.com

Do you know the difference between a World War II siren and a 21st-century warning system?

If not, contact Outdoor Warning Consulting!

kill it allows a legislator from outstate to take an anti-tax stand essentially for free. It would not in any way affect revenues or programs back home.

The same pattern of state legislative indifference to urban desires holds true for spending decisions. Consider infrastructure. The percentage of urban roads that have "poor pavement quality" has increased more than 50 percent over the past decade, according to the Congressional Budget office. When it comes to public transit, and light rail in particular, state officials have been abandoning projects pretty decisively in recent months. Last year, Maryland Gov. Larry Hogan canceled a \$2.9 billion light rail project in Baltimore that he described as a boondoggle. He subsequently proposed a \$135 million aid package for the public transit system. Last fall, the North Carolina General Assembly canceled all but \$500,000 of the state's \$138 million commitment to light rail. "If the cities want to do it, fine," said a senior GOP lawmaker, "but the state shouldn't chip in on it."

It is a time-honored tradition in politics: Areas with clout get more goodies. The distribution of funds is always a selfish vote -- "What's going to help my district?" Republicans who represent less populous parts of any state may be especially reluctant to send money to larger cities right now because the rural areas are having a hard time economically. It is a spiky economy, with an outsized share of growth occurring in a relatively limited number of metropolitan areas. It is hard for some legislators to explain why they would want to send more money to parts of the state that are already performing well in terms of income levels and jobs.

In many states, the type of contempt generally felt for Wall Street is channeled toward the major urban areas. Mayors are left to complain that the easiest way for rural legislators to score points at home seems to be taking a shot at their cities. It is possible that, if it were not for the city of Portland, Maine would be the poorest state in the country. That does not mean rural and small-town residents want to see Portland get more money. "Local economies in small places are so endangered, and there is very little sense that anything is going to bring them back," says Cramer, the author who also runs a public service center at the University of Wisconsin. "The

HORNER SHIFRIN
www.hornershifrin.com

The Right Choice Since 1933

Water
Wastewater
Stormwater
Highways
Streets
Bridges
Structural
Health Care
Mechanical
Electrical
Plumbing
Fire Protection
GIS/Mapping
Surveying
Construction
Engineering

resentment toward the city is based on what they see as forces that are ending their way of life as they know it and want it to be."

If states were smart, they would invest heavily in their successful urban areas, suggests Katz, the founding director of the Metropolitan Policy Program at Brookings. They could do more to encourage economic development in dense areas that are most likely to be fertile for growth, spending money on things like higher education and medical centers right in the heart of cities. "If states were rational actors, what they would be doing is augmenting, not subtracting," Katz says. "Instead, it's almost like states are embarrassed by the success of their cities."

Maybe it is not embarrassment so much as a fundamental and growing mismatch. Big cities now tend to vote differently from the rest of their states. They hold different values when it comes to diversity. Their economies may be robust, but that has not translated to improving fortunes for other areas. Governors and legislatures are not always at odds with cities, but when they are, they have little reason to give cities a break.

North Carolina Gov. Pat McCrory may be a former Charlotte mayor, but nearly all the top legislative leaders in his state come from much less

populous, more rural areas. In addition to quashing Charlotte on gay rights, immigration and light rail, last year the legislature shifted a share of sales tax revenues from cities to more sparsely populated counties. "Before, cities were getting everything they asked for, but now the deck is stacked against them from a philosophical perspective," says Shaheen, the GOP consultant. "As a Republican, that makes me so giddy, I can barely contain it." □

Alan Greenblatt, a resident of Webster Groves, Missouri, has been writing about government at all levels for 20 years. He is a staff writer at *Governing*.

This article is reprinted with permission from Governing Magazine. Find the article online at <http://www.governing.com/topics/politics/gov-states-cities-preemption-laws.html>.