



» Fiscal Uncertainty

State and local governments rely heavily on federal appropriations and authorization processes to pursue grant programs and fulfill key policy objectives. Almost 30 percent of all estimated state expenditures came from federal funds in fiscal year 2013. Uncertainty, inaction or delays associated with appropriations in Congress continue to cause uncertainty and make it more difficult for state and local governments to manage fiscal resources and to plan strategically. Congress has not approved all 12 appropriations bills on time since 1996, and it has relied on the use of stopgap continuing resolutions, also known as CRs, and omnibus bills to provide federal appropriations. The pattern of patchwork funding and the recurring threat of government shutdowns have made it difficult to predict the flow of funds to state and local governments.

» Federal Regulations and Intergovernmental Coordination

The federal government regularly issues a variety of rules and regulations that have a direct economic impact on states. Many of these regulations were processed with limited consultation with state and local officials. Absent the Advisory Commission on Intergovernmental Relations, which was closed in 1996 and was the framework for the state and federal relationship in the rule-making process, both federal and state leaders must identify opportunities to increase their coordination and improve the intergovernmental relationship.

» Election Year Politics and Presidential Transitions

Heading into a presidential election year, many policy experts do not expect Congress to take on major legislation or policy initiatives. The inaction or delay of certain policies could cause strain among some state and local governments and their stakeholders. Moreover, thousands of political appointees will transition away from their respective federal agencies and offices, which could result in a delay of certain programs or a complete change of course.

» Minimizing Unfunded Mandates

An assortment of new rules and regulations issued at the federal level can have a direct economic impact—including major rules that cost more than \$100 million. The federal government frequently issues these regulations—or mandates—without quantifying and evaluating the potential costs. Moreover, the federal government often does not provide additional funding to cover new regulations. According to the White House Office of Management and Budget, these “unfunded mandates” cost states, cities and the general public between \$44 billion and \$62 billion each year.

» The International Trade Agenda and the Trans-Pacific Partnership Agreement

The passage of Trade Promotion Authority provided President Obama with the ability to conclude the negotiations on one of his major trade initiatives—the Trans-Pacific Partnership agreement, or the TPP. The TPP is a multilateral trade agreement that was negotiated with 11 other nations, with the goal of increasing trade and investment between partner nations. Under the Trade Promotion Authority, Congress can approve or reject the trade agreement in an up- or down-vote, which will tentatively occur later in 2016. Exports of U.S. goods to TPP nations totaled \$698 billion in 2013, or about 45 percent of total U.S. exports. A 2012 analysis by the Peterson Institute for International Economics estimated that a TPP agreement could generate nearly \$124 billion in new U.S. exports to those nations.

For more information on these topics and for additional resources on federal policy, see » www.csg.org/top5in2016.



Andy Karellas is the director of federal affairs at The Council of State Governments in the Washington, D.C., office. He directs CSG's federal policy initiatives and serves as the primary liaison advocating for the interests of states to federal agencies, Congress, trade associations and other stakeholders. He closely monitors federal and international activities, including legislation, regulations and Supreme Court decisions to communicate the impact or changes to states. Karellas oversees the CSG Intergovernmental Affairs Committee and Legal Task Force. Prior to joining CSG, Karellas held senior-level positions on Congressional staffs, the U.S. Department of Commerce and the private sector. He received a bachelor's degree in international business from Webster University and a master's degree in international commerce and policy from George Mason University.

Get Involved

CSG provides state leaders a variety of regional and national opportunities to actively engage on issues of importance to their jurisdictions and constituents. CSG regional and national committees and task forces are designed to encourage multi-state problem solving, the sharing of best practices, and networking among state officials and between public and private sectors.

The CSG Intergovernmental Affairs Committee reviews and recommends policy resolutions and statements to the CSG Executive Committee that reflect the overall mission and objectives of state leaders. The adopted policy positions are active for three years and must be reviewed periodically by the committee. The committee will hold its next meeting at the 2016 CSG National Conference, Dec. 8-11, in Colonial Williamsburg, Va.

The CSG Legal Task Force monitors and reviews the activities of the Supreme Court that may impact states and determines whether to submit a position statement through amicus curiae briefs.

CSG RESOURCES»



HEALTH

Debra Miller (859) 244-8241 | dmiller@csg.org
www.csg.org/health



KNOWLEDGE CENTER

Jennifer Horne (859) 244-8198 | jhorne@csg.org
www.csg.org/knowledgecenter



FISCAL & ECONOMIC DEVELOPMENT

Jennifer Burnett (859) 244-8114 | jburnett@csg.org
www.csg.org/fiscal | www.statesperform.org



ENERGY & ENVIRONMENT

Liz Edmondson (859) 244-8087 | ledmondson@csg.org
www.csg.org/energy | www.csg.org/environment



EDUCATION & WORKFORCE DEVELOPMENT

Elizabeth Whitehouse (859) 244-8142 | ewhitehouse@csg.org
www.csg.org/education | www.csg.org/statepathwaystoprosperity



FEDERAL AND INTERNATIONAL AFFAIRS

Andy Karellas (202) 624-5460 | akarellas@csg.org
www.csgdc.org | www.csg.org/internationalaffairs



INTERSTATE COMPACTS

Colmon Elridge (859) 244-8068 | celridge@csg.org
www.csg.org/ncic



TRANSPORTATION

Sean Slone (859) 244-8234 | sslone@csg.org
www.csg.org/transportation

REGIONAL CONTACTS »

CSG East» Wendell Hannaford, Director | (212) 482-2320 | whannaford@csg.org
CSG South» Colleen Cousineau, Director | (404) 633-1866 | ccousineau@csg.org

CSG Midwest» Mike McCabe, Director | (630) 925-1922 | mmccabe@csg.org
CSG West» Edgar Ruiz, Director | (916) 553-4423 | eruib@csg.org