

CHAPTER XVI

Interstate Commissions

Special Agencies Created by the States for a Joint Attack Upon Their Mutual Problems

THE year 1933 found the United States in the depths of its greatest depression. Blame for the country's plight was variously fixed upon the Republicans, the Democrats, the economic system, the social system, the machine age, and the jazz age, but opinion was unanimous that one step toward recovery lay in a consideration of the problem of conflicting taxation. An overburdened citizenry was harassed by taxes levied by forty-nine separate jurisdictions—the states and the federal government. Frequently the tax source was the same. Clearly, there should be a more equitable division of taxable assets among the levels of government.

Conflicting Taxation Considered

Accordingly, the First General Assembly of the Council of State Governments, which met in Washington, D. C., February 3 and 4, 1933, concentrated its attention upon the subject of conflicting taxation. The call to the conference, sent to the governor, the senate and the house of representatives of each of the forty-eight states, expressed the question thus:

"It has long been apparent that substantial benefits would result to the citizens of all states from a closer contact between the various legislatures, and that many governmental difficulties are aggravated by the absence of adequate facilities for conference between these lawmaking bodies.

"In connection with problems of taxation the evils resulting from this lack of contact had become especially acute even before the present economic depression. The further factor of the inability of the states to deal with the federal government in an orderly and coöperative manner has involved heavy burdens upon the taxpayer, upon the federal government, and upon each state.

"This is a legislative problem. The

present economic emergency creates an imperative necessity for joint counsel and concerted action. It is time for the states to make common cause."

The idea of consideration of interstate problems by means of interstate commissions commended itself to the delegates to the First General Assembly. It seemed wise that a permanent, continuing body should be set up. Thus, those ideas engendered at the conference of states might be carried to fruition; the work begun at the round table might be continued by careful study and consideration. From these deliberations of the First General Assembly, the Interstate Commission on Conflicting Taxation was born.

Five Classifications

The Interstate Commission on Conflicting Taxation had been in operation for two years when a second commission was established to deal with another nation-wide problem—crime. Having been proved successful in dealing with this second problem, the Commission method of attack seemed applicable to the whole field of legislative and administrative problems, and in line with the policy of the Council of State Governments to facilitate interstate coöperation five classifications of intergovernmental commissions have been evolved.

1. There are questions of government which are recognized to be nation-wide. Crime, for instance, is a problem which, while it has many aspects of purely local interest, yet has ramifications which concern the entire country. In this category, also, are conflicting taxation, social security, highway safety. Nation-wide commissions have already been established to function in the first three of these fields. The New York Joint Committee on Interstate Coöperation has sponsored two conferences on

highway safety. The interest shown in this topic has encouraged Hon. Harold C. Oster-tag, Chairman of the New York Joint Committee, to urge the establishment of an Interstate Commission on Highway Safety this year.

2. At the same time, the Council considers interests common to several states, which are geographically scattered. In this classification are problems of labor, oil, and tobacco. Tobacco, for example, is grown in widely scattered portions of the country. Connecticut, Kentucky, and Wisconsin, in no way contiguous, are bound by this common interest. California, Louisiana, Pennsylvania, and Montana are drawn together by a mutual interest in oil; and the Pacific Coast makes a common cause with the Atlantic Seaboard in problems of labor. No commissions on these subjects have been established as yet, but this is the type of problem suitable to solution by the work of such a commission.

3. These are interstate problems dealing with matters of interest to several geographically grouped states. In this division are such problems as grazing and drought. Milk production and distribution may also be susceptible to adjustment by interstate commissions representing states in each important milkshed.

4. Some commissions deal with several different but related interests within one region, such as the Interstate Commission on the Delaware River Basin, which seeks a solution to the problems of Delaware, New Jersey, New York, and Pennsylvania, which center about the Delaware Basin. The Delaware River, source of water supply for Trenton, Philadelphia, and Wilmington, arises in New York and flows through the most densely populated and highly industrialized sections of the states of Delaware, New Jersey, and Pennsylvania. Its chief problem is pollution, but the Commission considers water and land use, flood control, and all other questions which develop around a river which is a vital factor in the lives of more than ten million people.

5. Recently the importance of coöperation, not only between the several states, but between the various levels of government, has been recognized. There must be integration of effort toward a common end. As a step in this direction, the Tax Re-

vision Council, a fifth type of commission, was established in June, 1935. Twenty-four representatives of the three levels of government—federal, state, and local—comprise this interlevel commission. Their joint efforts are directed toward the development of a comprehensive system of taxation for the entire country, and the elimination of conflict in taxes between each level. Eventually, the interlevel pattern may be adapted to such subjects as crime, health, social security, highway safety, and liquor control.

Composition

Although all of the Interstate Commissions aim toward coöperation, their composition varies in detail, if not in design.

Originally, the Interstate Commission on Crime was composed of one member from each state, appointed by the state's Commission on Interstate Coöperation, and one federal representative. In states where Commissions on Interstate Coöperation did not as yet exist, appointments were made by the governors. Recently the Crime Commission voted to increase the membership to three members from each state, chosen in the same way. At the same time, provision was made for an advisory membership to the commission, to be composed of representatives of nation-wide organizations, such as the National Probation Association, the American Prison Association, the International Association of Chiefs of Police, and others working in the crime field.

The Interstate Commission on Social Security is composed of one member from each state which has a Commission on Interstate Coöperation. The appointments are made by the chairman of the Coöperation Commission in each state, although the appointee need not be a member of the Commission. Appointments to the Interstate Commission on Conflicting Taxation are made in the same way.

The Interstate Commission on the Delaware River Basin is composed of four members from each of the states of Delaware, New Jersey, New York, and Pennsylvania. The appointments are made by the Commission on Interstate Coöperation in each state; three of the appointees must be members of the Commission, one from the senate, one from the house, and one an ad-

ministrative official of the state. The fourth appointee must be an executive or member of the state planning board. The District Representative of the Council of State Governments for District 2 is, ex-officio, secretary-treasurer of the Commission and chief of staff. The chairman of each state's Commission on Interstate Cooperation is an honorary member. In Delaware, which has no Commission on Interstate Cooperation, appointments are made by the governor.

A similar structure exists in regard to the Interstate Commission on the Ohio Basin. There are, however, only three representatives from each of the nine states which make up the commission. They must all be members of the Commissions on Interstate Cooperation in the various states. One is from the senate, one from the house, and one an administrative official. The administrative official must be a member of the state planning board, where such a board exists.

Specific Subjects Considered for Commissions

In addition to the problems outlined above, it is hoped that commissions will be established to consider marketing, health, care of delinquents and dependents, highway safety—any one of the multitude of seeming enigmatical problems which today harass administrators and lawmakers throughout the nation. The reports of the several interstate commissions, and of the interlevel commission on taxation, serve to indicate the sound logic behind the solving of common problems in common council—the efficacy of the interstate commission method of facing questions which no one state alone can solve, and concerning which the federal government has no jurisdiction.

The biennial reports of the six commissions already established appear in the following chapters.