

December 19, 2016

U.S. NEWS & WORLD REPORT

## Let the States Compete

By Matt A. Mayer

One of the unequivocal messages sent by Main Street Americans on election day was, "We've had enough of Washington and the federal government!" President-elect Donald Trump should heed this message. For too long, politicians from both parties elected by Main Street went to Washington and, instead of doing what voters wanted, grew the federal government, increased the national debt and rode roughshod over the states and the people.

With Republicans soon to be in control of the presidency, both houses of Congress, a record number of governor's offices, and at least half of all but five state legislatures, Trump, in partnership with House Speaker Paul Ryan and Senate Majority Leader Mitch McConnell, should reinvigorate America's coveted principal of competitive federalism. Let our laboratories of competition launch a new wave of reforms through innovation and experimentation.

I know Americans are yearning to get the money and power out of Washington because they've responded enthusiastically to [Opportunity Ohio's educational video series](#) launched in April and concluded in November. Over the course of eight months, we released 16 videos on social media explaining competitive federalism, highlighting where it worked in the past, and showing which issues are ripest for it to tackle today. We targeted our education series to citizens in Colorado, Florida, Nevada, Ohio, and Virginia.

In just eight months, nearly 11.3 million citizens in those states watched our videos. Based on the responses we received day-after-day, we know our message resonated, with more than 98 percent of viewers indicating positive to very positive responses. From education to transportation to welfare to energy, Americans from all walks of life want their state and local governments to determine how to get the best results on these issues at a cost taxpayers can afford.

A one-size-fits-all program is never the answer to a complex problem in an economically, geographically, socially and educationally diverse country like America. Decentralization allows our 50 laboratories of competition to find the best solutions through trial, error and reform.

Though conservatives like to push competitive federalism by giving block grants to the states, in many cases, the block grants continue to increase the national debt, as the funds come from deficit spending, and come with federal strings and mandates attached. A true embrace of competitive federalism would devolve total control over the program to the states and reduce the federal income tax by the amount of federal funding dedicated to the program in the previous fiscal year. I describe how this policy

would work in detail in the report, "[Competitive Federalism: Leveraging the Constitution to Rebuild America.](#)"

For example, Medicaid is a costly federal program with scores of mandates and regulations that, at best, provides mediocre care to recipients. States already cover a large portion of the costs and, with expanded Medicaid, will increasingly face higher costs. Why not let states have total control over Medicaid? As [with welfare reform](#), each state would be free to design a Medicaid program tailored to its population and decide how best to pay for the program.

If California and Ohio wanted a gold-plated program covering citizens at 138 percent of the federal poverty rate, then let Californians and Ohioans pay for the program without subsidies from the other 48 states. Similarly, if Wisconsin and Texas wanted a true safety net program aimed at just the elderly, single parents and children at 100% of the poverty rate, then so be it. With 50 states actively experimenting, we'll find the best way to provide health care to the needy, without putting more debt on the backs of our children and grandchildren.

The same logic applies to our transportation infrastructure (eliminate the federal gas tax and let states decide how to fund the maintenance and upgrades they deem necessary), education policy (reduce Washington's role to data collecting and analysis and leave standards and funding to states and local school boards) and energy (with the enormous natural resource diversity across our states, the federal government has no business picking energy winners and losers, as states can determine how to leverage their resources responsibly).

The incoming Trump administration has enough to fix when it comes to foreign policy, defense, trade, the national economy, immigration and taxes. On other domestic issues, free the states to compete and innovate. When the federal government enacts one-size-fits-all laws that fail, 320 million Americans are harmed. When a state policy fails, only its citizens are harmed and the success of other states forces it to reform or risk losing the best and brightest citizens and businesses.

Competition made America great. It can do it again if we just release the creative forces residing in our 50 states.

*Matt A. Mayer is President of Opportunity Ohio and Contributor to U.S. News & World Report.*