



The Port Authority of New York and New Jersey oversees New York harbor, airports and bridges between the two states. Photo courtesy of The Port Authority of NY and NJ.

Compacts Are Contracts

States have used interstate compacts for more than 200 years to help settle disputes and face challenges together

By Jack Penchoff

Interstate compacts have played a role in state government since 1783 when the British signed the Treaty of Paris, officially recognizing the United States as a sovereign nation.

Many of those early compacts were extensions of agreements the Colonies made under British rule. And most were designed to settle boundary disputes.

More than 200 years later, compacts still play an important role as a tool of cooperation between states. That is why Delaware Gov. Ruth Ann Minner, CSG president, views the National Center for Interstate Compacts (NCIC), established by CSG in 2004, as part of her vision to promote multistate cooperation and problem solving.

“There are a lot of state compacts that citizens don’t know about,” she said. “In fact, some governors and legislators don’t know about them.”

Minner believes compacts are the principal mechanism for helping states address issues on the regional and national level.

“There is a growing need for our states to act together to address policy issues that may transcend our boundaries, or that are threatened by federal pre-emption,” she said.

200 Interstate Compacts

Some 200 compacts have been enacted nationwide to help states address multistate issues such as pollution, water rights, emergency management and child welfare.

Compacts, essentially contracts between states, can be comprised of as few as two states, such as the Delaware River and Bay Authority Compact between New Jersey and Delaware, or as many as 50 states, such as the Interstate Compact on Juveniles.

Some compacts are steeped in the history of the United States. In 1785, for example, Maryland and Virginia hammered out an agreement about waterway rights on the Potomac River. The compact was negotiated at George Washington’s Mount Vernon estate at what historians call the Mount Vernon Conference. The Maryland-Virginia Compact established regulatory authority between two states. This was the first compact that wasn’t about a boundary dispute.

One of the most famous compacts was signed in 1921 and established the Port Authority of New York and New Jersey. The compact ended nearly two centuries of bickering between



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the two states over navigation rights in their shared harbor. The dispute was so heated in the 19th century that police from the two states once exchanged gunfire in the middle of the Hudson River.

Compacts Evolve

The purposes of compacts have evolved since 1783 as the governing of states has grown more complex. Between 1783 and 1920, only 36 compacts were enacted, and most of those settled boundary disputes. Over the past 85 years, however, states have enacted more than 160 compacts.

Not only are new compacts being established, but also old ones are being updated. For example, Gov. Minner supports current efforts to revise the Interstate Compact on the Placement of Children.

Drafted in the late 1950s and first enacted in 1960, the compact “addresses the special needs of children in interstate situations, specifically when placed across state lines for adoptive or foster care,” according to Minner.

All 50 states, the District of Columbia and the Virgin Islands are party to the compact, which is expected to be revised this year.

The National Center for Interstate Compacts is working with the American Public Human Services Association, which administers the compact, to strengthen it with provisions such as sharing data among states.

Such revisions should help states provide for more efficient adoptions and foster care placements.

“Say in a family with three children, both parents are killed and the closest living relative lives in another state,” Minner said. “With this compact, it will be easier for states to work together in placing those children with out-of-state relatives.”

A new compact currently winding its way through state capitols is the Interstate Compact for Juveniles. As of mid-July, 27

states had enacted this new compact and seven others were considering it. The new compact is an updated version of a 50-year-old national agreement that allows adjudicated youth to transfer their supervision between states.

“This new compact contains much needed enforcement mechanisms and ensures accountability among the states,” Minner said. “Approximately 50,000 youth are subject to this agreement.”

Looking Ahead

The NCIC is also looking ahead at how new compacts may help states in other areas.

Working with the National Association of State Treasurers and the National Association of Unclaimed Property Administrators, CSG affiliates, NCIC is looking at potential plans that would return more than \$12 billion worth of U.S. Savings Bonds that remain unclaimed in the U.S. Treasury.

Another problem confronting states, said Minner, is society’s mobility. Between 1995 and 2000, for example, 11 million Americans moved across state lines, creating a problem with state election registration databases.



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CSG and its affiliates, the National Association of State Election Directors along with the National Association of Secretaries of State, are examining the issue and the potential for a compact addressing the interstate sharing of voter registration information. “It would ensure that citizens are registered and vote in the appropriate jurisdiction and eliminate intentional voter fraud,” said Minner.

Compact Education

Minner has been familiar with Interstate Compacts for more than 30 years. “My involvement with compacts began in the mid ‘70s when I was in the legislature,” said Minner. During her years in the legislature, she served on a transportation committee that worked with a compact among motor vehicle administrators. “Because of that, I

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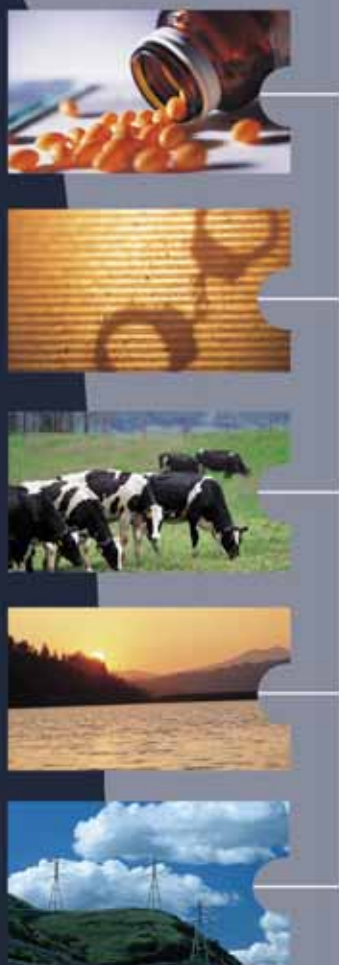
became interested and started looking at compacts.”

However, she notes that many state officials are not aware of compacts and the roles they play in state governments in responding to shared problems.

The initial goal of NCIC is to raise awareness among state officials about interstate compacts.

“Our first task is education,” said Minner. “Compacts are contracts between states. We are responsible to each other and we should do what we can to help each other.”

—Jack Penchoff is associate director of communications at The Council of State Governments and senior editor of *State News* magazine.



National Center for
Interstate Compacts

A membership association serving the unique needs of compact administrators, compact commissions and the state agencies in which interstate compacts reside

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