

BROOKINGS

COMMENTARY

The war over federalism

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- The traditional notion that states could follow their own ideologies has given way to attempts to impose preferences across state lines.
- Some Democratic-led states, noting they pay more in federal taxes than they get back in grants, have floated a “soft secession”—withholding tax payments to protest Trump policies they deem unlawful.
- If Trump’s expansion of executive power and national authority continues, it could fundamentally reshape federal-state relations.

Since his inauguration, President Trump has moved aggressively to enact his agenda. He has encountered few checks on presidential power; the Republican Congress has been loyal to the administration, court decisions have been a mixed bag, and the Democratic Party is some time away from being able to coalesce around a new leader.

But overlooked in this discussion is federalism and the important role that the 50 individual states play and have always played in shaping the future of the country. In recent years, sharp policy divides have emerged not only between red and blue states but also in their interactions with the federal government. States and the federal government have clashed over abortion, redistricting, voting rights, vaccines, immigration, crime, and taxes. The traditional idea that conservative states could pursue conservative policies while liberal states pursued liberal ones has increasingly

given way to efforts by states or the federal government to impose their preferences on others.

Even before the second Trump administration, the repeal of *Roe v. Wade*, ending federal protection for abortion rights, prompted a surge of state-level legislation that varied widely across red and blue states. Blue states enacted measures protecting abortion providers from prosecution, while red states adopted laws penalizing abortion providers residing in other jurisdictions as well as out-of-state distributors of abortion medication.

Another example of the war between the states is redistricting. Traditionally, redistricting occurred following the decennial census. However, at the urging of President Donald Trump, the Texas legislature adopted a new 2026 congressional map designed to secure five additional Republican seats. Similar efforts in states such as Indiana and Missouri prompted Democratic-led states like California and Maryland to advance their own partisan maps, further intensifying conflict between state governments.

Voting rights have become quite contentious as well, particularly in light of former President Trump's stated intention to ban mail ballots and voting machines. Since the adoption of the Constitution, states have held primary authority over the conduct and administration of elections, and the chief executive's announcement raises questions about whether states will be able to maintain control over their preferred methods of running elections.

With the federal government adopting a less supportive stance on vaccines, the governors of California, Washington, and Oregon formed a "health alliance" to coordinate guidance and pool resources across their jurisdictions. This initiative came in response to vaccine policy pullbacks within the Department of Health and Human Services and staff resignations at the Centers for Disease Control and Prevention. Florida, by contrast, announced plans to discontinue childhood vaccine requirements, a move that could pose risks to residents and visitors from other states.

For several years, disputes over undocumented immigrants have led some border-state governors to put migrants on buses to Northern cities such as New York,

Chicago, and Washington, D.C., often without even notifying local officials. In some cases, refugees have arrived with no accommodations or support to help them navigate unfamiliar surroundings. Additionally, citing Boston's status as a "sanctuary city," the U.S. Department of Justice recently filed a lawsuit against city officials ⁷ for failing to assist with federal immigration crackdowns.

The most recent intergovernmental confrontation involves the deployment of National Guard troops and the militarization of local police, with Republican-led states sending forces to Democratic-led cities. In Washington, D.C., the presence of troops from Alabama, Texas, South Carolina, and other states ⁷ prompted strong local opposition: A Washington Post/George Mason University survey ⁷ found that 79% of residents opposed the policy, and 61% reported feeling less safe with the troops on the streets. Los Angeles faced similar intrusions but prevailed in court when a federal judge ruled that sending military forces ⁷ for law enforcement purposes without local or state consent was unlawful.

Despite that legal setback, President Trump has threatened to deploy federal law enforcement personnel and/or National Guard troops to cities such as Chicago ⁷, New York, Baltimore, and elsewhere. If the D.C. experience ⁷ is any indication, many residents in these cities could react strongly to the sight of delivery workers, domestic staff, construction workers, and firefighters being removed from public spaces by masked agents and transported in unmarked vehicles to undisclosed locations.

These issues—and likely others to follow—pit Republican-led states against Democratic-led cities and states. They have disrupted the traditional function of federalism, which allows for differing approaches across jurisdictions while providing a mechanism to challenge the national government. Such interventions are generating widespread concern and anxiety about legal rights and the prerogatives of state and local authorities. Escalations and political brinkmanship that would have been unlikely in previous years have now become increasingly common.

Acknowledging that many large Democratic-led states contribute more in federal taxes than they receive in federal grants, some state leaders have proposed what they term "soft secession ⁷"—withholding federal tax payments as a form of protest against Trump administration policies they consider unlawful.

As shown in Tables 1 and 2, states such as New York (\$89 billion), California (\$78 billion), New Jersey (\$70 billion), and Texas (\$67 billion) contribute far more in federal taxes than they receive in federal grants. In contrast, states such as Alabama (\$41 billion), Arizona (\$40 billion), and South Carolina (\$37 billion) receive more from the federal government than they contribute. These budgetary imbalances ⁷ give “donor” states potential leverage over federal policy, as some leaders have suggested using this fiscal influence to counter what they perceive as punitive actions by the Trump administration toward their states, as well as preferential treatment of conservative “recipient” states. Note that with the exception of Texas, the donor states are all blue states, and with the exception of Maryland and New Mexico, the recipient states are all red states.

TABLE 1

Donor states giving federal government more tax money than they received in grants, 2023

State	Amount in taxes
New York	\$89B
California	\$78B
New Jersey	\$70B
Texas	\$67B
Washington	\$55B
Massachusetts	\$46B

Source: USA Facts, “Which States Contribute the Most and Least to Federal Revenue?”, April 22, 2025.

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Recipient states giving federal government less tax money than they received in grants, 2023

State	Amount in taxes
Alabama	\$-41B
Arizona	\$-40B
South Carolina	\$-37B
Maryland	\$-35B
Mississippi	\$-30B
New Mexico	\$-29B

Source: USA Facts, "Which States Contribute the Most and Least to Federal Revenue?", April 22, 2025.

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This is the second time that President Trump's governing style has prompted a renaissance in state actions; the president's uneven response to COVID-19 frequently led states to take matters into their own hands and develop their own pandemic responses. In the current period, the unprecedented attacks on states' rights jeopardize American federalism and the separation of powers across political jurisdictions. Given the GOP's historic emphasis on states' rights, it is notable how expansive the party's stance is on national prerogatives. If Trump's expansion of executive power and national authority continues, it could fundamentally reshape federal-state relations. Taken to an extreme, conflict over these issues could escalate into a financial or law enforcement equivalent of a contemporary Civil War (<https://www.brookings.edu/articles/is-the-us-headed-for-another-civil-war/>). It is a dangerous usurpation of state and local rights that may lead to a contentious confrontation.