The State of the City
How States Impede Local Climate Change Innovation
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Introduction
- Cities are primary climate change actors.
- City level factors are important predictors of acting.
- However, cities operate both within bounds set by state government and with help from state government.
- How do these bounds (state structure) limit city action?
- How does state aid (policy environment) encourage city action?
- City action is measured as moving from "planning" a climate change policy to "implementing" a climate change policy.
- Fiscal Limits is found to be most significant.

State Context and Measures
- Fiscal Limits (Structure): State imposed constraints on city revenue and expenditures. Important because adoption and innovation of climate change policies is expensive.
- Home Rule (Structure): State-granted powers of city governments to control structural and functional affairs. Important because climate change policies intersect across government sectors. Rearrangement of structure and functionality can be required.
- Energy Policy Agenda (Policy Environment): Aggressiveness of state’s approach to energy efficiency. If state takes action, less action for cities to take.
- Energy Public Benefit Fund (Policy Environment): Whether state dedicates funds for initiatives of energy efficiency, renewable energy and/or research and development. If states provide resources, cities will be more likely to act.

Conclusion
- States can help cities tackle climate change by opening avenues that are necessary to government innovation, planning and implementation.
- Fiscal limitations are shown to be the most significant hindrance to cities in moving from "planning" to "implementing". Grants of home rule, and availability of resources may also be important for encouraging city action.
- Particularly relevant for cities of particular characteristics. Therefore cautious states can open up slowly and experimentally with particular cities.
- Other areas to continue research and exploration:
  - Creation and use of checks and balances to counter "Leviathan" or self-interested government forces.
  - Overall trends of centralization (e.g. state policy) and decentralization (e.g. local administration).
  - Improvement in the measures.

Data and Results

State Structure

Data and Results

State Policy Environment