

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 410

To reduce the growing costs imposed on State and local governments by unfunded Federal mandates.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. STUMP introduced the following bill; which was referred jointly to the Committees on Government Operations, the Judiciary, and Rules

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## A BILL

To reduce the growing costs imposed on State and local governments by unfunded Federal mandates.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 That this Act may be cited as the “Intergovernmental  
4 Mandate Relief Act of 1993”.

5 FINDINGS AND PURPOSE

6 SEC. 2. (a) The Congress finds and declares that—

7 (1) Federal regulation of State and local gov-  
8 ernments has become increasingly extensive and in-  
9 trusive in recent years;



1           (2) “Director” means the Director of the Con-  
2           gressional Budget Office;

3           (3) “Federal agency” has the meaning given to  
4           the term “executive agency” in section 6501(3) of  
5           title 31, United States Code;

6           (4) “Federal assistance” means any assistance  
7           provided by a Federal agency to State and local gov-  
8           ernments or other recipients, in the form of grants,  
9           loans, loan guarantees, property, cooperative agree-  
10          ments, or technical assistance, except that such term  
11          does not include direct cash assistance to individ-  
12          uals, contracts for the procurement of goods or serv-  
13          ices for the United States, or insurance;

14          (5) “Intergovernmental regulation” means a  
15          regulation promulgated by a Federal agency that re-  
16          quires a State or local government to take certain  
17          actions or requires a State or local government to  
18          comply with certain specified conditions in order to  
19          receive or continue to receive Federal assistance and  
20          which requires the termination or reduction of such  
21          assistance if such government fails to comply with  
22          such conditions;

23          (6) “local government” has the same meaning  
24          as in section 6501(6) of title 31, United States  
25          Code;

1           (7) “significant law” means any Federal law  
2           which is likely, in the judgment of the Director, to  
3           result in total additional direct costs to all State and  
4           local governments of \$25,000,000 or more in any  
5           fiscal year, or is likely to have exceptional fiscal con-  
6           sequences for a geographic region or a particular  
7           level of government; and

8           (8) “State” means each of the several States,  
9           the District of Columbia, Guam, the Commonwealth  
10          of Puerto Rico, the Commonwealth of the Northern  
11          Mariana Islands, the Virgin Islands, American  
12          Samoa, and the Trust Territory of the Pacific Is-  
13          lands.

14          COMPENSATION OF STATE AND LOCAL GOVERNMENTS  
15                  FOR ADDITIONAL DIRECT COSTS

16          SEC. 4. (a) Except as provided in subsection (b), a  
17          Federal agency or a court of the United States shall not  
18          require State governments or local governments to comply,  
19          in any fiscal year, with any intergovernmental regulation  
20          which—

21                  (1) takes effect on or after the date of enact-  
22                  ment of this Act; and

23                  (2) is promulgated pursuant to a significant  
24                  law, unless provisions of law have been enacted  
25                  which provide a sufficient amount of funds for such  
26                  fiscal year to reimburse such governments for the

1 total amount of additional direct costs that will be  
2 incurred by such governments in complying with  
3 such regulation during such fiscal year.

4 (b)(1) Notwithstanding subsection (a), a Federal  
5 agency or a court of the United States may require State  
6 and local governments to comply with an intergovern-  
7 mental regulation to which subsection (a) applies and  
8 which will be in effect during a fiscal year if, with respect  
9 to such intergovernmental regulation and such fiscal year,  
10 a joint resolution described in paragraph (2) is enacted  
11 by a two-thirds vote of the Members of each House of Con-  
12 gress, duly chosen and sworn.

13 (2) A joint resolution referred to in paragraph (1)  
14 is a joint resolution which, with respect to an intergovern-  
15 mental regulation that will be in effect during a fiscal  
16 year, waives the provisions of subsection (a) that require  
17 that provisions of law be enacted to provide a sufficient  
18 amount of funds for such fiscal year to reimburse State  
19 and local governments for the total amount of additional  
20 direct costs that will be incurred by such governments in  
21 complying with such regulation during such fiscal year.

22 (c) For purposes of this section, the total amount of  
23 additional direct costs that will be incurred by State gov-  
24 ernments and local governments in complying with an  
25 intergovernmental regulation in any fiscal year shall be the

1 total amount of such costs for such regulation estimated  
2 by the Director for such fiscal year in the report required  
3 under section 5 for such fiscal year.

4 REPORT BY THE DIRECTOR

5 SEC. 5. (a) For each fiscal year in which an intergov-  
6 ernmental regulation promulgated pursuant to a signifi-  
7 cant law will be in effect, the Director shall prepare and  
8 transmit to the President and the Congress a report speci-  
9 fying, for each such intergovernmental regulation and with  
10 respect to such fiscal year and the fiscal year succeeding  
11 such fiscal year—

12 (1) an estimate of the total amount of addi-  
13 tional direct costs that will be incurred by all State  
14 governments and local governments in complying  
15 with such intergovernmental regulation in each such  
16 fiscal year; and

17 (2) an estimate, for each such intergovern-  
18 mental regulation, of—

19 (A) the total amount of additional direct  
20 costs that have been incurred or will be in-  
21 curred in each such fiscal year by the govern-  
22 ment of each State and all local governments in  
23 such State in complying with such regulation in  
24 each such fiscal year; and

25 (B) the ratio (stated as a percentage)  
26 which the total amount of additional direct

1 costs that have been incurred or will be in-  
2 curred by all local governments in a State in  
3 complying with such regulation in each such fis-  
4 cal year bears to the total amount of additional  
5 direct costs that have been incurred or will be  
6 incurred by the government of such State and  
7 all local governments in such State in comply-  
8 ing with such regulation in such fiscal year.

9 (b) The Director shall transmit each report required  
10 by subsection (a) for a fiscal year to the President and  
11 the Congress by September 1 of the fiscal year preceding  
12 such fiscal year.

13 CERTAIN LEGISLATIVE ACTION REQUIRED

14 SEC. 6. (a) For each fiscal year in which an intergov-  
15 ernmental regulation promulgated pursuant to a signifi-  
16 cant law will be in effect, the chairman of the committees  
17 of the Senate and of the House of Representatives having  
18 legislative jurisdiction over such significant law shall pro-  
19 pose, to an appropriate bill or resolution providing funds  
20 for such fiscal year, an amendment containing provisions  
21 to appropriate funds to reimburse State governments and  
22 local governments for the additional direct costs incurred  
23 in complying with such regulation. The amount of funds  
24 proposed to be appropriated by such amendment shall be  
25 equal to or in excess of the amount described in section  
26 4(a).

1 (b) Subsection (a) does not apply with respect to an  
2 intergovernmental regulation which will be in effect during  
3 a fiscal year if, with respect to such intergovernmental  
4 regulation and such fiscal year, a joint resolution has been  
5 enacted in accordance with section 4(b).

6 PAYMENT OF REIMBURSEMENTS

7 SEC. 7. (a)(1) The head of each Federal agency which  
8 administers an intergovernmental regulation promulgated  
9 pursuant to a significant law shall pay to each State gov-  
10 ernment in each fiscal year the amount determined pursu-  
11 ant to this section to reimburse the State government and  
12 local governments in the State for the additional direct  
13 costs incurred by such governments in complying with  
14 such regulation in such fiscal year.

15 (2) A State government which receives payments  
16 under this section for reimbursement for additional direct  
17 costs incurred in complying with an intergovernmental  
18 regulation in any fiscal year shall pay to each local govern-  
19 ment in the State the amount determined pursuant to this  
20 section to reimburse such local government for the addi-  
21 tional direct costs incurred by such local government in  
22 complying with such regulation in such fiscal year.

23 (b) The total amount to be paid to a State to reim-  
24 burse the government of the State and local governments  
25 in the State for additional direct costs incurred by such  
26 governments in complying with an intergovernmental reg-

1 ulation in any fiscal year shall be an amount which bears  
2 the same ratio to the total amount for reimbursement of  
3 additional direct costs for all State governments and local  
4 governments described in section 4(a) with respect to such  
5 regulation for such fiscal year as the total amount of addi-  
6 tional direct costs with respect to such regulation specified  
7 under section 5(a)(2)(A) for such State government and  
8 local governments in such State for such fiscal year in the  
9 report submitted by the Director under section 5 for such  
10 fiscal year bears to the total amount of additional direct  
11 costs with respect to such regulation which are specified  
12 under section 5(a)(1) in such report for all State govern-  
13 ments and all local governments for such fiscal year.

14 (c)(1) The total amount to be paid by a State govern-  
15 ment to local governments in such State to reimburse such  
16 governments for additional direct costs incurred by such  
17 governments in complying with an intergovernmental reg-  
18 ulation in any fiscal year shall be equal to the product  
19 of the amount paid to the State under subsection (b) for  
20 such fiscal year multiplied by the ratio specified by the  
21 Director for such State under section 5(a)(2)(B) with re-  
22 spect to such regulation for such fiscal year in the report  
23 submitted by the Director under section 5 for such fiscal  
24 year.

1           (2)(A) A State government which receives payments  
2 under this section to reimburse local governments in the  
3 State for the additional direct costs incurred by such gov-  
4 ernments in complying with an intergovernmental regula-  
5 tion in any fiscal year shall pay to each such local govern-  
6 ment an amount equal to the product of—

7           (i) the total amount determined under para-  
8 graph (1) with respect to such regulation for such  
9 fiscal year, multiplied by

10           (ii) the ratio (stated as a percentage and esti-  
11 mated by the State in accordance with subparagraph  
12 (B)) that the total amount of additional direct costs  
13 incurred by such local government in complying with  
14 such regulation in such fiscal year bears to the total  
15 amount of additional direct costs incurred by all  
16 local governments in such State in complying with  
17 such regulation in such fiscal year.

18           (B) Each State government which receives payments  
19 under this section for any fiscal year shall provide by law  
20 for the estimation of the amount of additional direct costs  
21 incurred by each local government in such State in com-  
22 plying with an intergovernmental regulation for which  
23 such payments are received. In providing for the esti-  
24 mation of such costs, the State shall establish procedures  
25 and methods for the estimation of such costs which are

1 reasonably related to the actual additional direct costs in-  
2 curred by such governments in complying with such regu-  
3 lation in such fiscal year.

4 (d) This section does not apply with respect to an  
5 intergovernmental regulation which will be in effect during  
6 a fiscal year if, with respect to such intergovernmental  
7 regulation and such fiscal year, a joint resolution has been  
8 enacted in accordance with section 4(b).

9 EFFECT OF SUBSEQUENT ENACTMENTS

10 SEC 8. No law enacted after the date of enactment  
11 of this Act shall supersede the provisions of this Act unless  
12 such law does so in specific terms, referring to this Act  
13 and declares that such law supersedes the provisions of  
14 this Act.

15 MISCELLANEOUS

16 SEC. 9. Section 403(c) of the Congressional Budget  
17 Act of 1974 is amended by striking out “\$200,000,000”  
18 and inserting in lieu thereof “\$100,000,000”.

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