for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the trade representative is all excited about her new deal with China. I must ask my colleagues, is she a masochist, or what?

Check this out. American cars will have a 25 percent tariff and all American goods will average a 17 percent tariff. Meanwhile, Chinese cars and all of their other products will average a 2 percent tariff. Unbelievable. Monty Hall could have made a better deal for us.

There must be one explanation only, Mr. Speaker. This administration must be in bed with the Chinese, because right now, our tax money is propping up a Communist dictatorship that has missiles pointed at us as I speak.

Beam me up here. I yield back the danger and stupidity of this most recent sweetheart deal for China.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

RECORD votes on postponed questions may be taken in two groups, the first occurring before debate has concluded on all motions to suspend the rules and the second after debate has concluded on remaining motions.

STATE FLEXIBILITY CLARIFICATION ACT

Mr. REYNOLDS. Mr. Speaker, I move to suspend the rules and pass the bill H.R. (3257) to amend the Congressional Budget Act of 1974 to assist the Congressional Budget Office with the scoring of State and local mandates, as amended.

The Clerk read as follows:

H.R. 3257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''State Flexibility Clarification Act''.

SEC. 2. FLEXIBILITY AND FEDERAL INTERGOVERNMENTAL MANDATES.

(a) COMMITTEE REPORTS.—Section 423(d) of the Congressional Budget Act of 1974 (2 U.S.C. 658b(d)) is amended—

(1) in paragraph (1)(C) by striking ''and'' after the semicolon;

(2) in paragraph (2) by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(3) if the bill or joint resolution would make the reduction specified in section 421(5)(B)(i)(II), a statement of how the committee specifically intends the States to implement the reduction and to what extent the legislation provides additional flexibility, if any, to offset the reduction.''.

(b) CONGRESSIONAL BUDGET OFFICE ESTIMATES.—Section 424(a) of the Congressional Budget Act of 1974 (2 U.S.C. 658c(a)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following:

''(3) ADDITIONAL FLEXIBILITY INFORMATION.—The Director shall include in the statement submitted under this subsection, in the case of legislation that makes changes as described in section 421(5)(B)(i)(II)—

''(A) if no additional flexibility is provided in the legislation, a description of whether and how the States can offset the reduction under existing law; or

''(B) if additional flexibility is provided in the legislation, whether the resulting savings would offset the reductions in that program assuming the States fully implement that additional flexibility.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. REYNOLDS) and the gentleman from Massachusetts (Mr. MOAKLEY) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. REYNOLDS).

GENERAL LEAVE

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation, and to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our State and local governments were historically burdened by unfunded Federal mandates that more often than not forced these governments to spend money they did not have on things they did not need nor could not use. That is why in 1995 Congress passed sweeping reforms with the Unfunded Mandates Reform Act which attempted to restrict the Federal Government from opposing burdensome, unnecessary, and unfunded mandates.

Unfortunately, the Congressional Budget Office had a different perspective on Federal mandates than what Congress clearly intended. CBO exempted more than two-third of the mandatory programs from coverage under the Unfunded Mandates Reform Act.

During remarks at a White House conference on small business, President Ronald Reagan noted that the Federal Government's view of the economy could be summed up in a few short phrases: ''If it moves, tax it. If it keeps moving, regulate it, and if it stops moving, subsidize it.''

Coming up through the ranks as a town councilman and a county legislator and State assemblyman of New York, I would make one addition to President Reagan's observations. If the Federal Government has an expensive and often unnecessary program, let somebody else pay for it.

As a local and State official, I have seen firsthand how unfunded mandates have busted local budgets. As a Member of Congress, we have had the opportunity and a responsibility to stop placing this burden on the backs of State and local governments.

Mr. Speaker, this bipartisan bill is a simple, technical clarification of Congress's intent under the Unfunded Mandates Reform Act of 1995.

Mr. Speaker, the State Flexibility Clarification Act corrects the CBO interpretation in three ways. First, it clarifies the goal of UMRA, which is that any cut or cap or safety net programs constitutes an intergovernmental mandate, unless State and local governments are given new or additional flexibility to implement the restriction or funding reduction.

□ 1215

Second, the bill requires committees to include in their reports an explanation of how the committee intends the States to implement the reduction in funding and what flexibility, if any, is provided in the legislation.

Third, the bill requires CBO to prepare in its mandates statement how the States could implement the reductions under existing law. If such legislation does not provide additional flexibility, then CBO must include in its report an estimate of whether the savings from an additional flexibility would offset the reduction in Federal spending.

Mr. Speaker, this Congress responded to our States and localities when they requested needed relief from unfunded mandates. This clarification will ensure that they get it.

Mr. Speaker, I would like to thank the gentleman from Massachusetts (Mr. MOAKLEY) for all of his efforts on this measure. I urge my colleagues to restore fairness to the Federal budget and pass H.R. 3257.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today's suspension deals with the confusing issue of unfunded mandates, which have become a very bad word here in the halls of Congress. Mr. Speaker, contrary to popular belief, unfunded mandates are not always bad. Unfunded mandates keep our food safe, keep our air clean, keep our civil rights strong. But they can also impose enormous costs. I believe that the Members should know these costs before they are asked to vote on any bill.

Today we are considering under suspension of House rules a clarification to the unfunded mandates point of order. The substance of this bill, Mr. Speaker, is relatively noncontroversial. Today's bill clarifies the definition of a Federal mandate. It says,

A bill must be scored by the Congressional Budget Office if it increases costs for State or local governments by expanding an existing program, but fails either to pay for the increased costs or to provide for the flexibility to absorb those costs.

This bill will expand the Congressional Budget Office requirements as Congress had originally intended.

I really want to take this time to thank my chairman, the gentleman from California (Mr. DREIER), and his entire staff, the gentleman from New York (Mr. REYNOLDS), and all the other Members of the Committee on Rules for addressing the problems that we had with them.

We informed them of our concerns and they amended the bill accordingly. Thanks to their very gracious acceptance of our suggestions, I have no major concerns with this bill, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the gentleman from Massachusetts (Mr. MOAKLEY) will be very happy that I have taken the well to speak, because along with complimenting the gentleman from New York (Mr. REYNOLDS), I want to thank him for his hard work and that of his staff, who worked with the gentleman from New York (Mr. REYNOLDS) and his staff in putting together what I think is a very important measure.

As has been pointed out, this has twice passed the House before through the Unfunded Mandates Reform Act, and we have had difficulty getting that legislation through. So I believe that the gentleman from New York (Mr. REYNOLDS) was absolutely right on target in stepping up to the plate and saying that we needed to move this State flexibility clarification measure.

In 1996, the CBO estimate exempted committee-reported bills that limit resources available to State and local governments from budget scoring as defined by the 1995 Unfunded Mandates Reform Act, legislation which sought to lift that burden of unfunded Federal mandates.

As both the gentleman from Massachusetts (Mr. MOAKLEY) and the gentleman from New York (Mr. REYNOLDS) have pointed out, this is a technical point but it is a very important one, because without such scoring, committees would be unable to consider the ramifications of proposed legislation on State and local governments.

This bill that the gentleman from New York (Mr. REYNOLDS) has carefully crafted will stipulate that any new changes to entitlement programs that do not provide new flexibility would be construed by the Congressional Budget Office as an intergovernmental mandate as defined by the Unfunded Mandates Reform Act.

This bill has been endorsed by a wide range of groups, including the National Governors Association, the National Conference of State Legislators, and other major State and local organizations.

I would like to simply say that I believe it is a very important measure that we move through. I am glad that it enjoys strong bipartisan support. As we have delved into the annals of history in the Committee on Rules, it appears that this may be if not the first time, the first time in a heck of a long time that the Committee on Rules has moved legislation which is being considered under suspension of the rules.

Mr. Speaker, it is with this bipartisan spirit that I would like to congratulate the gentleman from New York (Mr. REYNOLDS) for his hard work on this, and urge my colleagues to support this measure.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LINDER), chairman of the Subcommittee on Rules and Organization of the House of the Committee on Rules.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the State Flexibility Clarification Act, and I commend the hard work in the gentleman from New York in ensuring its passage.

Mr. Speaker, as the chairman of the Committee on Rules subcommittee with jurisdiction over the mandates legislation, I held a hearing earlier this year on the effectiveness of the 1995 Unfunded Mandates Reform Act and proposals to expand that Act.

We have now had 3 full years to observe how the law has worked. It has worked well. The bill has simply forced Members to review reliable information from the CBO in an effort to increase not only Member consciousness of the cost of legislation, but also public awareness.

The bill under consideration today is similar to language in the Mandates Information Act that we considered in February of this year. I am pleased that the State Flexibility Clarification Act will now pass as a stand-alone bill today.

The reason this bill is necessary is because in 1996 the Congressional Budget Office decided that Federal entitlement programs such as Medicaid, child nutrition, and foster care are considered exempt from the unfunded intergovernmental mandates requirements if Congress imposes new conditions, places caps on funding, or cuts funding without giving the States the authority to adjust to those changes.

The CBO interpretation exempted more than two-thirds of mandatory entitlement programs from coverage under the 1995 mandates bill. As a result, the point of order against unfunded requirements on State and local governments would not apply in these circumstances.

Therefore, the bill on the floor today will help clarify that any cut or cap of entitlement programs constitutes a Federal intergovernmental mandate, and would require committees and the CBO to report on new or additional flexibility and the authority to offset the cut or the cap.

This is a good bill that clarifies what was intended by the Congress when it passed the original mandates bill in March of 1995. I urge Members to strongly support it.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I again want to thank the gentleman from California (Mr. DREIER), the chairman, and the gentleman from Massachusetts (Mr. MOAKLEY) for their assistance in this legislation as we bring it before the House on suspension.

Mr. MORAN of Virginia. Mr. Speaker, I rise in support of this legislation and applaud the gentlemen from California (Mr. CONDIT) and New York (Mr. REYNOLDS) for their work on this issue. My own involvement on the unfunded mandate issue began more than five years ago. Our efforts were successful.

As one of the first acts of the 104th Congress, we passed the Unfunded Mandate Reform Act. We all should all be held accountable for legislation we support regardless of whether it imposes a cost on the public or private sector. The Unfunded Mandate Reform Act gives us this accountability for legislation that affects state and local governments.

Today, the legislation provides a technical fix on the issue of state-administered entitlement programs like food stamps, TANF, and Medicaid. The fix is necessary because the Congressional Budget Office (CBO) has determined that any new entitlement program mandates is exempt from the Unfunded Mandate Reform Act if there is sufficient flexibility within the entitlement program to offset the new mandate's new state and local costs. For example, on June 10, 1996, CBO ruled that a point-of-order would not exist for a proposed cap on federal Medicaid contributions and any other mandatory federal aid programs except food stamps. The effect of this interpretation was to exempt more than two-thirds of all grant-in-aid, the mandatory entitlement program, from coverage under the Unfunded Mandate Reform Act.

What may appear to be an optional federal mandate program from CBO's perspective, such as, expanded Medicaid coverage to pregnant women and children, is not an optional program from the states' perspective. I know of no state willing or reduce Medicaid coverage to pregnant women and children to help offset the cost of a new federal mandate.

The legislation would correct this interpretation problem by adding a few simple words to the Unfunded Mandate Reform Act to clarify that any cut or cap of safety net programs constitutes an intergovernmental mandate unless state and local governments are given new or additional flexibility and the authority to offset the cut or cap. This provision has been endorsed by the five major state and local organizations.

I urge you to vote for this legislation.

Mr. PORTMAN. Mr. Speaker, I rise in support of the State Flexibility Clarification Act (H.R. 3257) sponsored by my friend from New York, Mr. REYNOLDS. This bill is a technical correction to the Unfunded Mandates Reform Act of 1995. And as one of the lead authors of that measure, I believe it is entirely consistent with the legislative intent of that law.

The State Flexibility Clarification Act clarifies that any legislation capping or decreasing federal financial participation in state-administered entitlement programs is an intergovernmental mandate if it doesn't provide new or expanded authority for the states to deal with the change.

It would also make the cap or decrease subject to the CBO unfunded mandates scoring process and procedural points of order. This fix will help facilitate state and local input in the drafting of new federal entitlements and changes to current entitlements.

This is a commonsense technical correction to the Unfunded Mandates Reform Act, and it has been endorsed by all of the leading organizations representing state and local governments who were so instrumental in supporting UMRA, including: the National Governors Association, the National Conference of State Legislatures, and the National Association of Counties.

Nearly identical provisions have already passed the House of Representatives twice in versions of the Mandates Information Act in both the 105th and 106th Congresses.

I commend the gentleman from New York for his leadership, and I commend the Committee on Rules for moving this important correction forward.

Mr. WAXMAN. Mr. Speaker, H.R. 3257, the State Flexibility Clarification Act, amends the Unfunded Mandates Reform Act (UMRA) to require Congressional committees and the Congressional Budget Office to give States guidance on how to reach program goals if Congress decides to reduce funding to the States. This bill does not change the definition of an unfunded mandate. Therefore, only those funding reductions for programs already defined as an unfunded mandate under the existing law would be subject to these additional analyses.

As originally introduced, H.R. 3257 would have amended the definition of an unfunded mandate to include Medicaid and other entitlement programs. Under existing law, the Congressional Budget Office has determined that these entitlement programs are exempt from UMRA because States are given sufficient flexibility to meet minimum Federal requirements without undue burden. If this definition was changed to include Medicaid, then any legislation that tightens quality standards; improves nursing home requirements; protects funding for rural or community health centers with a prospective payment system; or enhances benefits or services provided under Medicaid would become subject to a point of order on the House floor and the other procedural requirements under UMRA.

Because of our concerns, the bill's sponsors agreed to remove this change in definition. The gentleman from Georgia implied in his statement that this bill would change the definition of an unfunded mandate to include Medicaid and other entitlement programs. He was referring to the bill as originally introduced. The bill we are considering today would not amend the definition of an unfunded mandate. Therefore, Medicaid and other entitlement programs would continue to not be subject to UMRA and Congress will still be able to provide necessary oversight to ensure that States are using Federal funds for these programs for their intended purposes.

Mr. REYNOLDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from New York (Mr. REYNOLDS) that the House suspend the rules and pass the bill, H.R. 3257, as amended.

The question was taken.

Mr. REYNOLDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RELEASING REVERSIONARY INTERESTS IN CERTAIN PROPERTY IN WASHINGTON COUNTY, UTAH

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2862) to direct the Secretary of the Interior to release reversionary interests held by the United States in certain parcels of land in Washington County, Utah, to facilitate an anticipated land exchange.

The Clerk read as follows:

H.R. 2862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RELEASE OF REVERSIONARY INTERESTS IN CERTAIN PROPERTY IN WASHINGTON COUNTY, UTAH.

(a) RELEASE REQUIRED.—The Secretary of the Interior shall release, without consideration, the reversionary interests of the United States in certain real property located in Washington County, Utah, and depicted on the map entitled ''Exchange Parcels, Gardner & State of Utah Property'', dated April 21, 1999, to facilitate a land exchange to be conducted by the State of Utah involving the property.

(b) INSTRUMENT OF RELEASE.—The Secretary shall execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interests required by this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Puerto Rico (Mr. ROMERO-BARCELÓ) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2862, introduced by myself on September 14, 1999, would direct the Secretary of the Interior to release reversionary interests held by the United States in certain parcels of land in Washington County, Utah, to facilitate an anticipated land exchange.

This legislation was introduced at the request of the Bureau of Land Management. The exchange at issue was designed to facilitate desert tortoise protection. The State of Utah wants to trade certain parcels of State land to some private parties.

Unfortunately, because these parcels were originally received from the Bureau of Land Management pursuant to the Recreation and Public Purposes Act, they have a BLM reversionary clause clouding the title. If the State were to trade these parcels to a private party, the BLM could take title from the private party. This makes the land exchange unworkable unless Congress passes legislation releasing these reversionary interests.

This bill would remove those revisionary clauses so that the State could pass clear title in the land exchange. The completion of the exchange would further the habitat conservation plan for the desert tortoise.

Mr. Speaker, this is a good bill, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. ROMERO-BARCELÓ. Mr. Speaker, I yield myself such time as I may consume.

(Mr. ROMERO-BARCELÓ asked and was given permission to revise and extend his remarks.)

Mr. ROMERO-BARCELÓ. Mr. Speaker, H.R. 2862 would require the Secretary of the Interior to release reversionary interests held by the United States in certain parcels of land in Washington County, Utah, for the stated purpose of facilitating a land exchange.

Evidently, the lands in question were granted to the State of Utah pursuant to the Recreation and Public Purposes Act for inclusion in Snow Canyon State Park. It is our understanding that the State now wishes to exchange this land with a private party in order to acquire other lands that will be used for desert tortoise habitat.

However, under the Recreation and Public Purposes Act, the State is precluded from making such an exchange because the State park land carries a clause reverting the lands back to the United States if it is used for other than a public purpose.

H.R. 2862 is being brought to the floor without having ever been considered by the Committee on Resources, but we have been assured by the gentleman from Utah (Mr. HANSEN) that this legislation is noncontroversial. Although we have no formal views from the administration and others on this, it does appear that there is no controversy associated with the proposal.

That being the case, we will not object to the consideration of H.R. 2862 by the House today.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2862.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.