

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 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 oppor-

tunity 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.

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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.