105TH CONGRESS
2D SESSION

H. R. 3534

IN THE SENATE OF THE UNITED STATES

MAY 20, 1998

Received; read twice and referred jointly pursuant to the order of August 4, 1977, to the Committees on the Budget and Governmental Affairs, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged

AN ACT

To improve congressional deliberation on proposed Federal private sector mandates, and for other purposes.

1   *Be it enacted by the Senate and House of Representa-*

2   *tives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mandates Information Act of 1998".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Before acting on proposed private sector mandates, the Congress should carefully consider the effects on consumers, workers, and small businesses.

(2) The Congress has often acted without adequate information concerning the costs of private sector mandates, instead focusing only on the benefits.

(3) The costs of private sector mandates are often borne in part by consumers, in the form of higher prices and reduced availability of goods and services.

(4) The costs of private sector mandates are often borne in part by workers, in the form of lower wages, reduced benefits, and fewer job opportunities.

(5) The costs of private sector mandates are often borne in part by small businesses, in the form of hiring disincentives and stunted growth.

SEC. 3. PURPOSES.

The purposes of this Act are the following:

1 (1) To improve the quality of the Congress' de-

2 liberation with respect to proposed mandates on the

3 private sector, by—

4   (A) providing the Congress with more com-

5   plete information about the effects of such man-

6   dates; and

7   (B) ensuring that the Congress acts on

8   such mandates only after focused deliberation

9   on the effects.

10 (2) To enhance the ability of the Congress to

11 distinguish between private sector mandates that

12 harm consumers, workers, and small businesses, and

13 mandates that help those groups.

14 **SEC. 4. FEDERAL PRIVATE SECTOR MANDATES.**

15 (a) IN GENERAL.—

16   (1) ESTIMATES.—Section 424(b)(2) of the Con-

17   gressional Budget Act of 1974 (2 U.S.C.

18   658c(b)(2)) is amended—

19   (A) in subparagraph (A) by striking "and"

20   after the semicolon; and

21   (B) by redesignating subparagraph (B) as

22   subparagraph (C), and inserting after subpara-

23   graph (A) the following:

24   "(B) when applicable, the impact (includ-

25   ing any disproportionate impact in particular

1 regions or industries) on consumers, workers,
2 and small businesses, of the Federal private
3 sector mandates in the bill or joint resolution,
4 including—

5   "(i) an analysis of the effect of the
6 Federal private sector mandates in the bill
7 or joint resolution on consumer prices and
8 on the actual supply of goods and services
9 in consumer markets;

10   "(ii) an analysis of the effect of the
11 Federal private sector mandates in the bill
12 or joint resolution on worker wages, work-
13 er benefits, and employment opportunities;
14 and

15   "(iii) an analysis of the effect of the
16 Federal private sector mandates in the bill
17 or joint resolution on the hiring practices,
18 expansion, and profitability of businesses
19 with 100 or fewer employees; and".

20   (2) POINT OF ORDER.—Section 424(b)(3) of
21 the Congressional Budget Act of 1974 (2 U.S.C.
22 658c(b)(3)) is amended by adding after the period
23 the following: "If such determination is made by the
24 Director, a point of order under this part shall lie

1   only under section 425(a)(1) and as if the require-

2   ment of section 425(a)(1) had not been met.''.

3   (3) THRESHOLD AMOUNTS.—Section 425(a) of

4   the Congressional Budget Act of 1974 (2 U.S.C.

5   658d(a)) is amended by—

6   (A) striking ''and'' after the semicolon at

7   the end of paragraph (1) and redesignating

8   paragraph (2) as paragraph (3); and

9   (B) inserting after paragraph (1) the fol-

10   lowing new paragraph:

11   ''(2) any bill, joint resolution, amendment, mo-

12   tion, or conference report that would increase the di-

13   rect costs of Federal private sector mandates (ex-

14   cluding any direct costs that are attributable to reve-

15   nue resulting from tax or tariff provisions of any

16   such measure if it does not raise net tax and tariff

17   revenues over the 5-fiscal-year period beginning with

18   the first fiscal year such measure affects such reve-

19   nues) by an amount that causes the thresholds spec-

20   ified in section 424(b)(1) to be exceeded; and''.

21   (4) APPLICATION RELATING TO APPROPRIA-

22   TIONS COMMITTEES.—(A) Section 425(c)(1)(A) of

23   the Congressional Budget Act of 1974 (2 U.S.C.

24   658d(c)(1)(A)) is amended by striking ''except''.

1 (B) Section 425(c)(1)(B) of the Congressional

2 Budget Act of 1974 (2 U.S.C. 658d(c)(1)(B)) is

3 amended—

4 (i) in clause (i) by striking "intergovern-

5 mental";

6 (ii) in clause (ii) by striking "intergovern-

7 mental";

8 (iii) in clause (iii) by striking "intergovern-

9 mental"; and

10 (iv) in clause (iv) by striking "intergovern-

11 mental".

12 (5) THRESHOLD BURDEN.—(A) Section

13 426(b)(2) of the Congressional Budget Act of 1974

14 (2 U.S.C. 658e(b)(2)) is amended by inserting "leg-

15 islative" before "language".

16 (B) Section 426(b)(2) of the Congressional

17 Budget Act of 1974 (2 U.S.C. 658e(b)(2)) is amend-

18 ed by striking "section 425 or subsection (a) of this

19 section" and inserting "part B".

20 (6) QUESTION OF CONSIDERATION.—(A) Sec-

21 tion 426(b)(3) of the Congressional Budget Act of

22 1974 (2 U.S.C. 658e(b)(3)) is amended by striking

23 "section 425 or subsection (a) of this section" and

24 inserting "part B".

1 (B) Section 426(b)(3) of the Congressional
2 Budget Act of 1974 (2 U.S.C. 658e(b)(3)) is amend-
3 ed by inserting ", except that not more than one
4 point of order shall be recognized by the Chair under
5 section 425(a)(1) or (a)(2)" before the period.

6 (7) APPLICATION RELATING TO CONGRES-
7 SIONAL BUDGET OFFICE.—Section 427 of the Con-
8 gressional Budget Act of 1974 (2 U.S.C. 658f) is
9 amended by striking "intergovernmental".

10 (b) RULES OF THE HOUSE OF REPRESENTATIVES.—
11 Clause 5(c) of rule XXIII of the Rules of the House of
12 Representatives is amended by striking "intergovern-
13 mental" and by striking "section 424(a)(1)" and inserting
14 "section 424 (a)(1) or (b)(1)".

15 (c) EXERCISE OF RULEMAKING POWERS.—This sec-
16 tion is enacted by Congress—

17 (1) as an exercise of the rulemaking power of
18 the Senate and the House of Representatives, re-
19 spectively, and as such it shall be considered as part
20 of the rules of such House, respectively, and shall
21 supersede other rules only to the extent that they
22 are inconsistent therewith; and

23 (2) with full recognition of the constitutional
24 right of either House to change such rules (so far
25 as relating to such House) at any time, in the same

1 manner, and to the same extent as in the case of

2 any other rule of each House.

3 (d) ANNUAL CBO REPORTS.—Within 90 calendar

4 days after the end of each fiscal year, the Director of the

5 Congressional Budget Office shall transmit a report to

6 each House of Congress of the economic impact of the

7 amendments made by this Act to the Congressional Budg-

8 et Act of 1974 on employment and businesses in the

9 United States.

10 **SEC. 5. FEDERAL INTERGOVERNMENTAL MANDATE.**

11 Section 421(5)(B) of the Congressional Budget and

12 Impoundment Control Act of 1974 (2 U.S.C. 658(5)(B))

13 is amended—

14 (1) by striking "the provision" after "if";

15 (2) in clause (i)(I) by inserting "the provision"

16 before "would";

17 (3) in clause (i)(II) by inserting "the provision"

18 before "would"; and

19 (4) in clause (ii)—

20 (A) by inserting "that legislation, statute,

21 or regulation does not provide" before "the

22 State"; and

1   (B) by striking ''lack'' and inserting ''new

2   or expanded''.

Passed the House of Representatives May 19, 1998.

Attest: ROBIN H. CARLE,

Clerk.