One Hundred Sixth Congress of the United States of America

AT THE FIRST SESSION

Begun and held at the City of Washington on Wednesday, the sixth day of January, one thousand nine hundred and ninety-nine

An Act

To amend the Congressional Budget Act of 1974 to assist the Congressional Budget Office with the scoring of State and local mandates.

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 semi-colon;
 - (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

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"(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.".

 $Speaker\ of\ the\ House\ of\ Representatives.$

 $\begin{tabular}{ll} Vice\ President\ of\ the\ United\ States\ and\\ President\ of\ the\ Senate. \end{tabular}$