

**FEDERAL MANDATES  
ON STATE AND LOCAL GOVERNMENTS  
1994-1999**

<b>Intergovernmental Mandates with Costs above the \$50 Million Threshold</b>		
Public Law	Subject	Mandate
<b>104th Congress, 2nd Session, 1996</b>		
P.L. 104-188 (H.R. 3448)	Minimum Wage Increase Act of 1996	Requires a graduated increase in the federal minimum wage to not less than \$5.15 per hour by September 1, 1997; the cost to state and local governments is estimated to \$1 billion over the first five years that the mandate is in effect.
<b>105th Congress, 1997-1998</b>		
P.L. 105-185 (S. 1150)	Agricultural Research, Extension, and Education Reform Act of 1998	Imposes a cap on the federal funds sent to the states for the cost of administering the Food Stamp program (the largest cost component in administering the program is the cost of certifying eligible households); this is a mandate because state and local governments have limited authority to amend their programmatic responsibilities to continue providing these services; the reduction in the federal share of this entitlement program is estimated to cost the states \$200 million in 1998 and \$1.1 billion for the 1998-2002 period.
<b>106th Congress, 1st Session, 1999</b>		
		No legislation was enacted that contained a mandate on state and local governments that exceeded \$50 million.
<b>Intergovernmental Mandates with Costs Below the \$50 Million Threshold</b>		
Public Law	Subject	Mandate
<b>104th Congress, 2nd Session, 1996</b>		
P.L. 104-88 (H.R. 2539)	Interstate Commerce Commission Termination Act of 1995	Preempts a state's ability to collect taxes or fees on interstate bus travel (the state of Oklahoma is the only state with such a tax in place); requires the Secretary of Transportation, in cooperation with the states, to replace the current motor carrier identification, registration, and information systems with a single on-line system; additional cost information is not available.
P.L. 104-127 (H.R. 2854)	Agricultural Market Transition Act	Preempts state dairy price controls; additional cost information is not available.
P.L. 104-132 (S. 735)	Terrorism Prevention Act	Prohibits federal, state, and local government agencies from using a voter registration card or other related document as evidence to prove United States citizenship; additional cost information is not available.
P.L. 104-142 (H.R. 2024)	Mercury Containing and Rechargeable Battery Act	Prohibits states and localities from enforcing any requirements regarding the removal or the environmental labeling of rechargeable batteries that differ from federal requirements; preempts state and local laws to exempt handlers of some types of rechargeable batteries from certain hazardous waste regulations, however, states will be allowed to implement and enforce their own requirements only if EPA determines that those requirements are identical to those of the federal government; it is estimated that these preemptions will not impose significant costs on state and local governments.
P.L. 104-	Ryan White CARE Act	Requires states to adopt regulations or measures to adopt the guidelines issued

146 (S. 641)	Amendments of 1996	by the Center for Disease Control and Prevention concerning recommendations for human immunodeficiency virus counseling and voluntary testing for pregnant women (states not certified by the Secretary of Health and Human Services will not be eligible to receive assistance for HIV counseling and testing); requires states to annually determine the rate of reported cases and the causes of AIDS as a result of perinatal transmission; requires states that receive funding under Title II (HIV CARE Grants) and title III (Early Intervention Services) to provide non-federal matching contributions; the Ryan White Act requires states that receive funding under Title II and III of the Act to provide non-federal matching contributions; additional cost information is not available.
P.L. 104-168 (H.R. 2337)	Taxpayer Bill of Rights 2	Requires that information returns include the phone number of the information contact of the person required to make the information return (currently, information such as name and address of the payor is required to be included on information returns); the cost to state and local governments is estimated to be less than \$50 million in each year 1996-2000.
P.L. 104-170 (H.R. 1627)	Food Quality Protection Act of 1996	Prohibits state and local governments from establishing or enforcing regulatory limits on pesticide residues that differ from limits established by the federal government; establishes a process under which states could petition EPA for an exception to this prohibition; while these provisions limit the regulatory authority of local governments, they will not impose any costs.
P.L. 104-188 (H.R. 3448)	Small Business Job Protection Act of 1996	Requires state and local governments to pay the requisite taxes for commercial air travel by their employees; it is estimated that the cost of complying with this mandate will not exceed \$50 million in any of the first five fiscal years.
P.L. 104-191 (H.R. 3103)	Health Coverage Availability and Affordability Act of 1996	Requires state and local agencies to report criminal and civil actions and license revocations against health care providers, practitioners, and suppliers; state and local governments, as providers of health insurance to their employees and as providers of health insurance through clinics and public hospitals and the Medicaid program, will be required to be able to receive and transmit health care transactions, such as enrollment, eligibility, and claims, electronically under national standards; requires state and local governments, as providers of health coverage for their employees, to comply with preexisting condition and portability requirements unless they opt out in a manner determined by the Secretary of Health and Human Services; it is estimated that none of these requirements will impose a significant financial burden on state and local governments.
P.L. 104-193 (H.R. 3734)	Welfare and Medicaid Reform Act of 1996	Various new mandates; other mandates repealed; additional cost information is not available.
P.L. 104-204 (H.R. 3666)	Mental Health Parity Act of 1996	Provides parity in the application of aggregate lifetime limits and annual limits for mental health benefits that are offered by those group health plans which provide medical, surgical, and mental health benefits; additional cost information is not available.
P.L. 104-204 (H.R. 3666)	Newborns' and Mothers' Health Protection Act of 1996	Requires health plans, including state and local government employer-sponsored health plans and managed care plans that contract with the states to cover Medicaid recipients, that provide maternity benefits to allow mothers and newborns to stay in the hospital for 48 hours after a normal vaginal delivery and 96 hours after a caesarean section; requires that each sponsor of health benefits notify each participant of the change in maternity benefits within 120 days of enactment; it is estimated that state and local governments will face additional costs of \$25 million per year; additionally, Medicaid costs for states will increase by about \$15 million per year.
P.L. 104-210	Bill Emerson Good Samaritan Food	Preempts the civil and criminal liability laws of state and local governments that deal with the donation of food and grocery products to nonprofit organizations

(H.R. 2428)	Donation Act	(this limits the degree of liability that individuals, companies, and nonprofit organizations could face for damages from donated food and grocery products); as a result, state and local governments could lose some income from civil and criminal penalties, but it is estimated that any such losses would be negligible.
P.L. 104-251 (H.R. 2594)	Railroad Unemployment Insurance Amendments Act of 1996	Increases the total amount of unemployment and sickness benefits that state and local commuter rail authorities are required to provide ( 8-10 percent of railroad employment is directly related to these authorities); it is estimated that commuter rail authorities will pay an additional \$5 million in payroll taxes to the Railroad Unemployment Insurance Account for fiscal years 1996-2002.
P.L. 104-264 (H.R. 3539)	Federal Aviation Authorization Act of 1996	Requires commuter airports, which are predominantly publicly owned, to obtain operating certificates from the Federal Aviation Administration (FAA); expands an existing FAA regulation that prohibits the use of airport revenues to pay for non-airport related activities; requires state and local governments to pay the requisite taxes for commercial air travel by their employees; certification from the FAA will cost commuter airports up to \$20 million a year in fiscal years 1998 through 2000 and \$10 million annually thereafter; the expanded restriction of uses of airport revenues is not expected to generate new costs to state and local governments; the cost for paying the requisite taxes on commercial air travel by state and local government employees will not exceed \$50 million in any of the first five fiscal years.
P.L. 104-290 (H.R. 3005)	National Securities Markets Improvement Act of 1996	Preempts, with certain limitations, state laws, rules and regulations that require the registration or qualification of certain securities and transactions; preempts state registration requirements for securities salespersons to allow a salesperson to conduct business with preexisting customers who are temporarily residing in states even though the salesperson is not registered there; it is estimated that the losses in state fee collections will total \$15 million annually.
P.L. 104-304 (S. 1505)	Accountable Pipeline Safety and Partnership Act	Establishes reporting requirements for municipal gas operators; additional cost information is not available.
P.L. 104-317 (S. 1887)	Federal Courts Improvement Act of 1996	Preempts some state and local laws by authorizing federal pretrial and probation officers and certain federal judges to carry concealed weapons across state and municipal borders without having to obtain permits or licenses from state and local governments; it is estimated that the reduction in fee revenues will total less than \$25,000 per year; the Act also increases the fee to \$150 from \$120 that parties, including state and local governments, must pay to file civil actions in U.S. district courts; it is estimated that the cost of paying the increased fees will be less than \$1million per year.  Prohibits parties, including state and local governments, from collecting attorney fees and other costs and from obtaining injunctive relief in certain cases brought against judicial officers; it is estimated that any loss in state and local government revenue will be negligible.
<b>105th Congress, 1997-1998</b>		
P.L. 105-2 (H.R. 668)	Airport & Airway Trust Fund Tax Reinstatement Act	Reinstates, through September 30, 1997, the excise tax for commercial air travel by state and local government employees (the tax funds the maintenance of U.S. airports and airways); it is estimated that the cost of complying with this mandate, which will enable the Federal Aviation Administration to avoid possible shutdown of its capital programs and to finance the agency's activities and programs, will not exceed \$50 million during any of the first five fiscal years.
P.L. 105-24 (H.R. 1306)	Riegle-Neal Amendments Act of 1997	Amends the Federal Deposit Insurance Act to preempt state bank laws (including laws on community reinvestment, consumer protection, fair lending, and the establishment of intrastate branching) relating to out-of-state branches;

		additional cost information is not available.
P.L. 105-26 (H.R. 1902)	Charitable Donation Antitrust Immunity Act	Exempts from state antitrust laws specific charitable organizations and entities involved in establishing charitable remainder trusts and charitable gift annuities from state antitrust laws (under current law, it is unclear whether it is a violation of the antitrust laws for two or more charitable organizations to use or agree to use the same annuity rate for the purpose of issuing one or more charitable gift annuities); it is estimated that the cost of this preemption to state governments will be minimal.
P.L. 105-33 (H.R. 2105)	Balanced Budget Act	Multiple mandates: medicare, tax preemptions, legal aliens and Supplemental Security Income; additional cost information is not available.
P.L. 105-78 (H.R. 2264)	Labor & Health & Human Services Appropriations Bill for 1997	Prohibits federal, state, or local educational agencies from requiring private or parochial school students or home-schooled individuals to take any test pursuant to the contract without parental or guardian consent; amends the Social Security Act to increase the fees required from the states for the federal administration of state optional and mandatory supplementary payments under the Supplemental Security Income program; additional cost information is not available.
P.L. 105-85 (H.R. 1119)	National Defense Authorization Act for 1998	Exempts Department of Defense (DOD) health care professionals from state medical licensing requirements in states where they perform authorized DOD activities as long as they possess a current license from at least one other state (this would allow these individuals to practice in civilian hospitals with which the DOD has cooperative agreements); it is estimated that this preemption will cause states to lose between \$500,000 and \$1,000,000 annually in license fees.
P.L. 105-89 (H.R. 867)	Adoption Promotion Act	Requires states to enact new foster care laws and to take certain actions related to permanency hearings (states must make reasonable efforts to place a child for adoption when reunification is not possible) and termination of parental rights (states must terminate parental rights if a child under ten has been in foster care for 18 of the previous 24 months) sooner than under current law; these requirements will result in a small increase in administrative and court costs, but such costs would be offset by reductions in state foster care payments; it is estimated that the net savings to states will total \$1 million in fiscal year 1998 and \$25 million from 1998 to 2002.
P.L. 105- 114 (S. 714)	Veterans' Benefits Act of 1997	Extends and expands an existing mandate that preempts state and local governments from imposing taxes, fees, and permit requirements on VA properties leased to private concerns (this provision makes it more attractive for private concerns to build and operate facilities on VA property, rather than on private property); it is estimated that the loss of tax and fee revenue to state and local governments will be minimal.
P.L. 105- 115 (S. 830)	Prescription Drug User Fee Reauthorization and Drug Regulatory Modernization Act of 1997	Preempts state and local laws governing the labeling or packaging of cosmetics and nonprescription drugs that is different from a requirement applicable to certain cosmetics under this Act, the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.), or the Fair Packaging and Label Act (15 U.S.C. 1451 et seq.); it is estimated that the cost to state and local governments will be minimal.
P.L. 105- 134 (S.738)	Amtrak Reform and Accountability Act of 1997	Exempts Amtrak's passengers and other customers of Amtrak and its subsidiaries from most state and local taxes, fees, and charges (current law exempts only Amtrak and its subsidiaries); the bill would allow sales taxes on intrastate travel in effect on the date of enactment to remain in place; it is estimated that the loss of revenue for these governments will total less than \$5 million over the next five years.  Prohibits new state and local taxes of any kind on Amtrak services, in effect foreclosing a potential future source of state and local revenues (Amtrak collected about \$840 million from ticket sales and about \$61 million from mail and express services).

P.L. 105-170 (H.R. 2843)	Aviation Medical Assistance Act of 1998	Preempts the liability laws of state and local governments by limiting the liability of air carriers and individuals who provide medical assistance during an in-flight emergency; it is estimated that this preemption will not impose significant costs on state and local governments.
P.L. 105-178 (H.R. 2400)	Transportation Equity Act for the 21st Century	Preempts state and local laws on liability for using drivers' safety records in hiring motor carrier drivers by making all interstate school bus operations subject to federal motor carrier safety regulations; it is estimated that this preemption will not impose significant costs on state and local governments.
P.L. 105-216 (S. 318)	Homeowners Protection Act of 1998	Requires mortgage lenders, loan servicers, purchasers of mortgage loans, and private mortgage insurance companies to notify borrowers of the right to cancel the mortgage insurance (all 50 states and some local governments finance mortgages, primarily with mortgage revenue bonds; 21 states service at least a portion of their own mortgage portfolio; and seven states insure mortgages); provides for the automatic cancellation of mortgage insurance under certain circumstances; the costs associated with these requirements consist of modifying systems and software programs to accommodate the transmittal and storage of additional data; the cost to state and local governments is estimated not to exceed \$5 million per year.
P.L. 105-219 (H.R. 1151)	Credit Union Membership Access Act	Preempts state laws regulating credit unions by establishing safety, soundness, and audit requirements that are stricter than some state standards; it imposes limits on the volume of business loans made by credit unions; the law could also override state community reinvestment laws that apply to state-chartered credit unions that are federally insured; because these preemptions simply limit the application of state law in some circumstances and because only a few states are likely to be affected, it is estimated that the costs imposed on states will be minimal.
P.L. 105-230 (H.R. 872)	Biomaterials Access Assurance Act of 1998	Preempts state tort laws by setting out uniform liability standards for suppliers of biomaterials (raw materials used in medical implants and devices); it establishes new judicial procedures to determine whether a supplier of biomaterials is protected from liability; it is estimated that the cost to the states in adjusting to the new procedures will not be significant.
P.L. 105-244 (H.R. 6)	Higher Education Amendments of 1998	Prohibits all creditors, including state and local governments, from garnishing grants, loans, or work-study assistance awarded to students to satisfy any debt owed by the students; it is estimated that any loss of revenue to creditors will not be significant.
P.L. 105-248 (H.R. 4382)	Mammography Quality Standards Reauthorization Act of 1998	Requires mammogram facilities (including state and local public facilities) to provide patients with easily understandable written notifications of their test results; it is estimated that state and local medical facilities that perform mammograms will face additional costs of approximately \$3 million annually during the first five years of implementation; costs would include the initial development or purchase of a classification and reporting system, its implementation, and other operational costs.
P.L. 105-266 (H.R. 1836)	Federal Employees Health Care Protection Act of 1998	Expands the preemption of state and local authority to regulate the provision of medical coverage and benefits offered by health care plans participating in the Federal Employees Health Care Protection program; it is estimated that the cost to state and local governments will be minimal.
P.L. 105-277 (H.R. 4328)	Omnibus Consolidated and Emergency Supplemental Appropriations Act	Preempts state liability laws dealing with children's on-line privacy by prohibiting an operator of a website or online service from collecting personal information from a child that violates regulations required under this title designed to protect children; places moratorium on state taxes on Internet access and electronic commerce for three years; requires state or local Internet providers to give notice that parental-control programs are available; additional

		cost information is not available.
P.L. 105-287 (H.R. 624)	Armored Car Reciprocity Amendments of 1998	Requires state governments to recognize the validity of licenses and certifications issued by other states for members of armored car crews, as long as those states comply with minimum federal standards (approximately 3,000 armored car crew members nationwide travel across state lines); it is estimated that the loss of revenue from license and certification fees will cost state and local governments less than \$500,000 annually.
P.L. 105-304 (H.R. 2281)	Digital Millennium Copyright Act of 1998	Requires copyright owners who apply technical protections to prevent reproduction of their works to give federally licensed broadcasters the necessary means to copy such works; it is estimated that the cost to state and local governments will be well below \$50 million.
P.L. 105-314 (H.R. 3494)	Protection of Children from Sexual Predators Act of 1998	Requires providers of Internet services, including state and locally run universities and public libraries, to report any knowledge of activity involving child pornography to a law enforcement agency or be subject to fines up to \$100,000; it is estimated that any administrative costs associated with this mandate would not be significant because these entities would not be required to seek out such activities.
P.L. 105-334 (H.R. 2327)	Drive for Teen Employment Act of 1998	Prohibits state and local government employers from allowing minors to drive more than 50 miles from their place of employment; it is estimated that the net effect of the legislation will be to reduce the cost to employers of complying with the requirements of the Fair Labor Standards Act of 1938.
P.L. 105-353 (S. 1260)	Securities Litigation Uniform Standards Act of 1998	Preempts state securities laws so that class action suits involving certain types of securities fraud can be maintained only in federal courts; it is estimated that this mandate will not impose significant costs on state governments.
P.L. 105-379 (S. 1733)	Amendments to the Food Stamp Act of 1977	Requires each state's Food Stamp agency to enter into a cooperative agreement with the Commissioner of Social Security whereby the Social Security Administration would provide the states with data on deceased individuals and the states would periodically match their Food Stamp caseloads with the death information; it is estimated that the start-up costs for developing a system to do the matching would average \$100,000 per state, resulting in costs of \$5 million in 2000; additional costs to the states, which include the ongoing costs for matching of 2 cents per case and follow-up costs of about \$7 per match, will total about \$2 million per year, of which half will be paid by the federal government.
P.L. 105-392 (S. 1754)	Health Professions Education Partnerships Act of 1998	Preempts state statutes of limitations that govern the repayment of loans by nursing and other medical students; it is estimated that this mandate will not impact the budgets of state and local governments.
<b>106th Congress, 1st Session, 1999</b>		
P.L. 106-37 (H.R.775)	Y2K Act	Preempts state law by applying certain federal requirements to Y2K civil and class action lawsuits filed in state courts and by subjecting state and local governments to those requirements as potential plaintiffs; puts limits on punitive damages in Y2K civil lawsuits that would supersede inconsistent state laws; it is estimated that the increase in costs due to notice and filing requirements will be small and that the new requirements will deter some potential plaintiffs from filing and pursuing lawsuits, thus reducing resources state courts would expend on this type of litigation.
P.L. 106-40 (S. 880)	Chemical Safety Information, Site Security and Fuels Regulatory Relief Act	Preempts state and local freedom-of-information laws by imposing federal guidelines for the release of some of the information contained in risk management plans; it is estimated that total cost will be below \$50 million because 1) state and local governments can choose not to release the information and instead direct inquiries to EPA; 2) governments can charge fees to recoup their costs; and 3) the bill exempts certain flammable substances from risk

		management plans, which means that those governments that use propane to fuel vehicles or for other purposes will realize a savings because they are no longer be required to prepare and file such plans.
P.L. 106-69 (H.R. 2084)	Department of Transportation and Related Agencies Appropriations Act, 2000	Prohibits a recipient of funds made available under this Act from disseminating (1) driver's license personal information or motor vehicle records for any purpose not permitted under specified law; and (2) a person's driver license photograph, social security number, and medical or disability information from a motor vehicle record without the express consent of the person, except as permitted under specified law; additional cost information not available.
P.L. 106-74 (H.R. 2684)	Departments. of Veterans Affairs & HUD, & Independent Agencies Appropriations Act, 2000	Preempts state housing regulations; additional cost information is not available.
P.L. 106-78 (H.R. 1906)	Livestock Mandatory Reporting Act of 1999	Preempts any state or local law that is in addition to, or inconsistent with, any of this law's requirements; additional cost information is not available.
P.L. 106-81 (S. 800)	Wireless Communications and Public Safety Act of 1999	Preempts state laws to require that states provide an equal standard of liability for users, providers, and dispatchers of wireless and wireline 911 services; it is estimated state and local governments will experience no costs because the wireless liability laws of certain states already meet the standards applied to wireline communication companies.
P.L. 106-102 (S. 900)	Financial Services Modernization Act of 1999	Preempts state banking, insurance, and securities laws by prohibiting states from preventing or restricting either the affiliations between banks, securities firms, and insurance companies authorized in the Act or the expanded activities permitted banks by the Act; it is estimated that these provisions will not result in significant costs to state and local governments.
P.L. 106-117 (H.R. 2116)	Veterans' Millennium Health Care Act	<p>Authorizes the Department of Veterans Affairs to reimburse providers for the reasonable cost of emergency treatment furnished to certain veterans; imposes a mandate on providers (including public hospitals) because, in the event of a dispute over reasonable cost, it would extinguish any liability on the part of the veteran for that treatment unless the provider rejects and refunds the department's payment within 30 days.</p> <p>It is not clear whether the provision would lead to a net financial loss or gain for providers. All providers would face costs if the department's payment were lower than the amount billed. But some providers might experience a net gain under this provision if reimbursements from the department more than offset liabilities that otherwise would not be collected and any associated collection costs; costs of the provision are unlikely to exceed \$50 million.</p>
P.L. 106-159 (H.R. 3419)	Motor Carrier Safety Improvement Act of 1999	Requires states to maintain records of violations of a state or local government's motor vehicle control law and commercial motor vehicle law by a person who has a commercial driver's license; requires the state in which a violation occurred to notify the state that issued the commercial driver's license of the violations; additional cost information is not available.
P.L. 106-170 (H.R. 1180)	Ticket to Work & Work Incentives Improvement Act of 1999	<p>Preempts state privacy laws by deeming certain practices of the Social Security Administration as meeting state laws; increases some excise taxes paid by state and local entities.</p> <p>Section 4 of the Unfunded Mandates Reform Act excludes from the application of that act any legislative provisions that relate to the Old-Age, Survivors, and Disability Insurance programs under title II of the Social Security Act, including tax provisions in the Internal Revenue Code. The Congressional Budget Office has determined that the provisions of H.R. 1180 either fall within that exclusion</p>

		or contain no intergovernmental mandates; additional cost information is not available.
<b>MANDATES WITH UNDETERMINED COSTS</b>		
<b>104th Congress, 2nd Session, 1996</b>		
P.L. 104-264 (H.R. 3539)	Federal Aviation Authorization Act of 1996	Reestablishes, via a technical correction, the status quo authority of the states to levy certain aviation-related taxes; because of the uncertainty surrounding the interpretation of section 402, dealing with state taxing authority, it is uncertain whether the costs would exceed \$50 million.
P.L. 104-193 (H.R. 3734)	Personal Responsibility and Work Opportunity Reconciliation Act	Requirements on state welfare programs; other requirements repealed.
<b>105th Congress, 1997-1998</b>		
		No legislation was enacted that contained an intergovernmental mandate whose cost could not be estimated.
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