

*Bob Dole*



**NEWS**  
**FROM:**

**U. S. SENATOR FOR KANSAS**  
**SENATE REPUBLICAN LEADER**

*FOR IMMEDIATE RELEASE*  
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## **UNFUNDED MANDATES**

**SENATE PASSES LEGISLATION WITH BROAD BIPARTISAN SUPPORT;**  
**PROVIDES NEEDED RELIEF TO STATE & LOCAL GOVERNMENTS**  
**& THE AMERICAN TAXPAYER**

WASHINGTON - The U.S. Senate today passed S.1 - "The Unfunded Mandate Reform Act of 1995" by a vote of 86-10. Senate Majority Leader Bob Dole's remarks follow:

The Tenth Amendment to the United States Constitution reads: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states, respectively, or to the people."

Federalism. The idea that power should be kept close to the people. It's the idea on which our nation was founded. But there are some in Washington--perhaps fewer this year than last--who believe neither our states nor our people can be trusted with power. Federalism has given way to paternalism--with disastrous results.

In the 104th Congress, we plan to dust off the 10th Amendment and restore it to its rightful place in the Constitution. Adoption of this legislation is the first step in that process, the first step in forging a new partnership between Congress and our partners at the state and local level. This partnership is bipartisan, as the vote demonstrated and as the support among officials at all levels of state and local government already demonstrates.

### **Protecting Federal Budget & American Taxpayer**

The distinguished Senator from Idaho, Senator Kempthorne, Senator Glenn, Chairman Roth, Chairman Domenici, and others deserve immense credit for working together on a bipartisan basis with representatives from state, local and tribal governments -- Democrats, Republicans and Independents -- private sector groups and key members in the other body -- particularly Congressmen Clinger and Portman -- to craft the bill that is before us today. All that hard work has produced a bill that will lead to a dramatic departure from business-as-usual in Washington.

For far too long, Congress has operated under the false assumption that legislation that did not affect the federal budget had no cost. Nothing could be further from the truth!

According to private estimates, in 1994 the private sector and state and local governments spent between \$600 billion and \$800 billion complying with federal regulations. In last year's budget, President Clinton projected that in 1994 the federal government would collect a total of \$549.9 billion from federal income taxes on individuals.

In other words, state and local governments, private businesses and ultimately taxpayers and consumers paid more to comply with federal regulations than the federal government collected from federal income taxes on individuals.

This bill changes the way we do business in Washington. It will lead to a more informed debate on the Senate floor, a debate that will require us to consider the potential cost of a new mandate to state and local government and to the private sector, before the mandate is adopted.

For far too long, Congress has given state and local governments new responsibilities without supplying the money needed to fulfill these new obligations. Those unfunded mandates have forced state and local officials to cut services or increase taxes in order to keep their budgets in balance.

The costs are immense. California governor Pete Wilson estimates that unfunded mandates cost his state \$7.7 billion last year.

(MORE)



### Reality Check for New Mandates

This new process is a reality check for advocates of new mandates. It forces those who want to expand the reach of the federal government to consider the potential cost of their actions to state and local governments and to the private sector -- before they take action. It is a reality check for advocates of new mandates.

Those who want to create new mandates or expand existing ones have a choice: either get an estimate of the potential cost of a new mandate and pay the full cost of imposing that mandate on state and local governments up front or try to get a majority of the Senate to agree that the federal government should not finance the new mandate.

This legislation is really about good government and accountability. Here's the bottom line: the potential costs of new legislation should be considered before the legislation is adopted.

### Relief for Individual Americans

There has been a lot of discussion about who this legislation helps. It certainly is a top priority for state and local government officials -- Democrats and Republicans -- who are sick and tired of dealing with a Congress that passes the buck. I have met personally with representatives from the so-called "Big 7" -- governors, mayors, state legislators, county officials, school boards, etc. They know that mandate relief will make it easier for state and local officials to balance their budgets each year.

But, the real beneficiaries of this legislation are the people who ultimately pay all the bills for unfunded mandates: individual americans.

People -- not government -- pay all the taxes, both hidden and direct, generated by unfunded mandates. Federal mandates on businesses lead to higher prices for goods and services people on those businesses.

When faced with an unfunded federal mandate, state and local government officials make a choice -- they cut services or raise taxes in order to comply with the new federal requirements and balance their budgets.

Stemming the flow of unfunded federal mandates from Washington will help keep state and local taxes down and help prevent cuts in education, crime-fighting and other state and local services.

This is a good government initiative that is long overdue. I am confident that it will be approved with broad bipartisan support. I hope that the those in the other body will be able to act on this legislation without major changes and that we can get this important legislation to the president as quickly as possible.

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