

**First Regular Session
Sixty-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. M03-1109.01 Patty Amundson

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SENATE JOINT MEMORIAL 03-007

101 **MEMORIALIZING CONGRESS AND THE PRESIDENT TO ADDRESS THE**
102 **ISSUE OF UNFUNDED AND UNDERFUNDED FEDERAL MANDATES.**

1 WHEREAS, Federal mandates that Congress and federal agencies
2 have imposed on state and local governments are one of the most serious
3 fiscal issues confronting states; and

4 WHEREAS, Unfunded and underfunded federal mandates pose an
5 undue burden on state and local governments by placing such
6 governments in the position of attempting to fund the mandates with
7 diminishing amounts of available revenue; and

8 WHEREAS, In1994, the new Republican majority of Congress
9 created the Contract With America, which promised significant
10 government reforms and the elimination of unfunded federal mandates
11 passed on to state and local governments; and

12 WHEREAS, In 1995, Congress passed and President Bill Clinton
13 signed the "Unfunded Mandate Reform Act of 1995" (UMRA), the
14 purpose of which was to strengthen the partnership between Congress and
15 federal agencies and state and local governments, end the imposition of

*Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

1 federal mandates on state and local governments without adequate
2 funding, and ensure that both Congress and federal agencies fully
3 consider the potential fiscal impact of unfunded or underfunded federal
4 mandates before imposing them on state and local governments; and

5 WHEREAS, The UMRA requires the Congressional Budget
6 Office to perform intergovernmental cost estimates on federal legislation;
7 establishes a point of order against legislation containing significant
8 intergovernmental federal mandates without providing adequate funding
9 to comply with such mandates; and encourages consultation between
10 Congress, federal agencies, and state and local governments throughout
11 the federal legislative and regulatory processes; and

12 WHEREAS, While the UMRA has enhanced Congressional
13 decision-making, helped to reduce the imposition of unfunded and
14 underfunded mandates by bringing attention to the fiscal effects of federal
15 legislation and regulation on state and local governments before the
16 legislation or regulation becomes effective, and improved federal
17 accountability, both Congress and federal agencies continue to impose
18 unfunded or underfunded mandates on state and local governments; and

19 WHEREAS, Many federal mandates are not subject to the UMRA
20 because they do not meet the strict definition of mandate under the
21 UMRA; and

22 WHEREAS, The National Conference of State Legislatures, in a
23 report dated February 25, 2003, estimates the levels of specified
24 unfunded and underfunded mandates imposed on state and local
25 governments as follows:

- 26 ● For special education, \$11 billion to \$25 billion;
- 27 ● For the "No Child Left Behind Act", \$5 billion to \$35
28 billion;
- 29 ● For the "Help America Vote Act of 2002", \$1 billion to \$5
30 billion;
- 31 ● For homeland security, \$9 billion to \$20 billion; and

32 WHEREAS, Colorado must maintain a balanced budget to meet
33 constitutional and statutory requirements and is therefore limited in its
34 ability to assimilate unfunded and underfunded federal mandates; and

35 WHEREAS, The problem of assimilating unfunded and
36 underfunded mandates is compounded when taxes are reduced at the
37 federal level, which causes a corresponding reduction of state tax
38 revenues in Colorado; and

39 WHEREAS, Colorado would be able to better execute its
40 budgetary obligations were the federal government restrained in its policy
41 of increasing expenditures with respect to federally-mandated programs
42 and services; and

43 WHEREAS, Congress is currently considering Senate Bill 201 and
44 an amendment, sponsored by Senators Schumer and Snowe, to the 2004
45 fiscal year budget resolution, which will provide \$40 billion in one-time

1 revenue grants as direct aid to state and local governments for fiscal
2 relief; and

3 WHEREAS, The National Conference of State Legislatures, in a
4 report dated March 18, 2003, estimates that Colorado will receive \$574.5
5 million from Senate Bill 201 and the Schumer/Snowe amendment if they
6 become law; now, therefore,

7 *Be It Resolved by the Senate of the Sixty-fourth General Assembly*
8 *of the State of Colorado, the House of Representatives concurring herein:*

9 (1) That the United States Congress is encouraged to:

10 (a) Increase the effectiveness of the UMRA by:

11 (I) Providing broader protections to state and local governments
12 against unfunded and underfunded federal mandates;

13 (II) Ensuring that federal funding, with respect to federal
14 mandates, to state and local governments is among the first priorities in
15 making decisions on federal spending; and

16 (III) Ensuring that state and local governments are given adequate
17 funding to provide federal services and programs, or delaying compliance
18 with the mandates until such funding is appropriated.

19 (b) Support both the Schumer/Snowe amendment to the 2004
20 fiscal year budget resolution and Senate Bill 201, which will provide
21 one-time revenue grants to states and local governments.

22 (2) That the President is encouraged to do more to involve state
23 and local governments early in the federal rulemaking process.

24 *Be It Further Resolved*, That copies of this Joint Memorial be sent
25 to the President and Vice President of the United States, the Speaker of
26 the House of Representatives, the Minority Leader of the House of
27 Representatives, the Majority Leader of the Senate, the Minority Leader
28 of the Senate, and to each member of Colorado's congressional
29 delegation.