

**THE COUNCIL OF STATE GOVERNMENTS RESOLUTION  
SUPPORTING THE AMENDMENT OF THE  
UNFUNDED MANDATES REFORM ACT**

**WHEREAS,** Unfunded federal mandates place unreasonable demands on limited state resources; and

**WHEREAS,** The Unfunded Mandates Reform Act was adopted in 1995 to limit these mandates by requiring accurate cost estimates of federal legislation and rule making;

**WHEREAS,** Loopholes in the original legislation have prevented the intent of the legislation from being fully implemented;

**BE IT THEREFORE RESOLVED,** that The Council of State Governments encourages Congress to amend the Unfunded Mandates Reform Act to:

1. Apply UMRA's cost estimation requirements to legislation that alters the conditions for receiving already existing federal grant assistance such as Medicaid and federal grants under the No Child Left Behind Act.
2. Expand the scope of cost estimates to include indirect costs imposed by new legislation and rule making such as lost revenue.
3. Remove the exception for mandates issued by independent regulatory agencies such as the Securities and Exchange Commission (SEC).
4. Remove the current exception for urgent federal regulations issued without prior notice by requiring cost estimates to be issued for such urgent rule making decisions within six months after their adoption.

Adopted this 6th day of December, 2008 at the CSG 75<sup>th</sup> Anniversary Celebration and Annual Meeting in Omaha, Nebraska.



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Governor M. Jodi Rell  
2008 CSG President



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Rep. Kim Koppelman  
2008 CSG Chair