

118TH CONGRESS  
1ST SESSION

# H. R. 1523

To amend title XIX of the Social Security Act to reduce Federal financial participation for certain States that require political subdivisions to contribute towards the non-Federal share of Medicaid.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2023

Ms. TENNEY (for herself, Mr. LANGWORTHY, Mr. WILLIAMS of New York, and Ms. STEFANIK) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XIX of the Social Security Act to reduce Federal financial participation for certain States that require political subdivisions to contribute towards the non-Federal share of Medicaid.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Property Tax Reduc-  
5 tion Act of 2023”.

1 **SEC. 2. REDUCTION OF FEDERAL FINANCIAL PARTICIPA-**  
2 **TION (FFP) FOR CERTAIN STATES THAT RE-**  
3 **QUIRE POLITICAL SUBDIVISIONS TO CON-**  
4 **TRIBUTE TOWARD NON-FEDERAL SHARE OF**  
5 **MEDICAID.**

6 Section 1903 of the Social Security Act (42 U.S.C.  
7 1396b) is amended by adding at the end the following new  
8 subsection:

9 “(cc) REDUCTION IN FFP FOR CONTRIBUTIONS RE-  
10 QUIRED BY POLITICAL SUBDIVISIONS.—

11 “(1) IN GENERAL.—Notwithstanding the pre-  
12 vious provisions of this section, in the case of a  
13 State that had a DSH allotment under section  
14 1923(f) for fiscal year 2023 that was more than 6  
15 times the national average of such allotments for all  
16 the States for such fiscal year and that requires po-  
17 litical subdivisions within the State to contribute  
18 funds towards medical assistance or other expendi-  
19 tures under the State plan under this title (or under  
20 a waiver of such plan) for a quarter in a fiscal year  
21 (beginning with fiscal year 2025), in determining the  
22 amount that is payable to the State for expenditures  
23 in such quarter under subsection (a)(1), other than  
24 contributions described in paragraph (2), the  
25 amount of such expenditures shall be reduced by the  
26 applicable percentage described in paragraph (3),

1 with respect to such fiscal year, of the amount that  
2 political subdivisions in the State are required to  
3 contribute under the plan.

4 “(2) EXCEPTED CONTRIBUTIONS.—The con-  
5 tributions described in this paragraph for a fiscal  
6 year are the following:

7 “(A) Contributions required by a State  
8 from a political subdivision that, as of the first  
9 day of the calendar year in which the fiscal year  
10 involved begins—

11 “(i) has a population of more than  
12 5,000,000, as estimated by the Bureau of  
13 the Census; and

14 “(ii) imposes a local income tax upon  
15 its residents.

16 “(B) Contributions required by a State  
17 from a political subdivision for administrative  
18 expenses if the State required such contribu-  
19 tions from such subdivision without reimburse-  
20 ment from the State as of January 1, 2023.

21 “(3) APPLICABLE PERCENTAGE.—For purposes  
22 of paragraph (1), the applicable percentage de-  
23 scribed in this paragraph is—

24 “(A) with respect to fiscal year 2025, 25  
25 percent;

1           “(B) with respect to fiscal year 2026, 50  
2           percent;

3           “(C) with respect to fiscal year 2027, 75  
4           percent; and

5           “(D) with respect to fiscal year 2028 and  
6           each subsequent fiscal year, 100 percent.”.

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