SENATE BILL 5370

State of Washington 65th Legislature 2017 Regular Session

By Senators Becker, Bailey, Rivers, O'Ban, Fain, Zeiger, Brown, Fortunato, Warnick, Miloscia, Angel, and Wilson

Read first time 01/20/17. Referred to Committee on Ways & Means.

- AN ACT Relating to federal funding programs requiring changes in state law; adding a new section to chapter 44.28 RCW; and creating a
- 3 new section.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. (1) The legislature finds that the federal 6 government has, on occasion, required states to change state law as a condition of receiving federal funds. There are legal limits to that 7 practice. In National Federation of Independent Business (NFIB) v. 8 Sebelius, 567 U.S. ___, 132 S. Ct. 2566 (2012), the United States 9 supreme court ruled that a provision in United States Public Law 111-10 11 148, the patient protection and affordable care act, requiring states to expand medicaid coverage as a condition of receiving medicaid 12 13 funding, was impermissibly coercive.
 - (2) The legislature further finds that requirements in federal law to change Washington law as a condition of receiving federal funds have, on occasion, required Washington to expand state programs, driving costs of state government up and raising concerns that future federal funding will not cover the expanded obligations.
 - (3) The legislature further finds that these funding conditions should receive closer scrutiny, and therefore directs the joint legislative audit and review committee to annually report to the

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- 1 legislature regarding federal funding programs affecting Washington
- 2 state health and human services agencies that require changes in
- 3 state statutes as a condition of receiving federal funding.
- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 44.28 5 RCW to read as follows:
- The joint legislative audit and review committee must, by December 1st each year, report to the legislature regarding federal
- 8 funding programs greater than twenty-five million dollars in biennial
- 9 expenditures affecting Washington state health and human services
- 10 agencies and the common school system that specify conditions
- 11 requiring changes in state statutes as a condition of receiving
- 12 federal funding.

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