H-0586.3

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**HOUSE BILL 1467**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Representatives Stokesbary, Robertson, Dufault, Sutherland, Jacobsen, and Chambers

AN ACT Relating to authorizing appropriations from the budget stabilization account to replace prior state expenditures from federal coronavirus relief funding; creating a new section; making an appropriation; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Budget Stabilization Account—State Appropriation

(FY 2021) $500,000,000

TOTAL APPROPRIATION $500,000,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The entire appropriation is provided solely for the office of financial management to allot for state expenditures that were incurred as part of the state's response to the COVID-19 pandemic, authorized through the unanticipated receipts process, and previously attributed to general fund—federal (coronavirus relief fund).

(2) The office of financial management shall review prior state expenditures made from federal coronavirus relief fund moneys and shall attribute those expenditures to the budget stabilization account up to the maximum amount of the appropriation in this section. Expenditures eligible for reattribution under this section include, but are not limited to, expenditures authorized under the unanticipated receipts process for:

(a) Department of health, public health response: $169,769,000

(b) University of Washington, public health response: $70,217,000

(c) Administrative office of the courts, trial court impacts: $12,820,000

(d) Department of commerce, rental assistance: $110,000,000

(e) Department of commerce, low-income home energy assistance program: $23,000,000

(f) Department of commerce, local public health distributions: $77,124,000

(g) Department of agriculture, food assistance: $59,229,000

(h) Department of enterprise services, distributions for K-12 computers and distance learning: $24,000,000

(i) Department of social and health services, temporary assistance for needy families, food assistance program, disaster cash, and other agency costs: $75,467,000

(j) Department of children, youth, and families, early learning: $48,440,000

(k) Department of corrections, agency costs: $20,216,000

(3) The office of financial management must identify and place in unallotted reserve status an amount of general fund—federal expenditure authority attributed to federal coronavirus relief funding that is equal to the amounts allotted from the budget stabilization account under this section. These federal moneys may not be expended until appropriated by the legislature.

(4) The legislature finds as follows: In March 2020, congress enacted the coronavirus aid, relief, and economic security act (CARES act), which created the coronavirus relief fund to assist states with unanticipated and unbudgeted coronavirus response costs, and that such funding had to be spent by December 30, 2020, or returned to the federal treasury. The legislature finds that the coronavirus response and relief supplemental appropriations act (CRRSA act) enacted December 27, 2020, extended the deadline in which coronavirus relief funds could be spent until December 31, 2021. The legislature finds the deadline extension provides an opportunity to reevaluate previous state expenditures of coronavirus relief funds. It is in the best interest of Washingtonians to maximize available federal funding from the coronavirus relief fund to the full extent permitted by federal law and to recognize its flexibility as a fund source to address the urgent needs of Washington's residents and businesses during the pandemic. For these reasons, in this section the legislature revises appropriations to attribute these expenditures to state funding from the state budget stabilization account, rather than to federal funding from the coronavirus relief fund. The federal coronavirus relief fund moneys made available are appropriated elsewhere for the benefit of Washington's residents and businesses and to accelerate a lasting recovery for all Washingtonians.

NEW SECTION. **Sec.**  If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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