

# HOUSE BILL REPORT

## HB 1737

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**As Reported by House Committee On:**  
Appropriations

**Title:** An act relating to enacting the reconciliation act.

**Brief Description:** Enacting the reconciliation act.

**Sponsors:** Representatives Morgan, Street, Kretz, Waters, Reeves, Reed, Entenman, Donaghy, Cheney, Walsh, Wylie, Stearns, Orwall, Taylor, Chapman, Berg, Graham, Gregerson, Ormsby, Ramel, Santos, Caldier, Pollet, Macri and Fosse.

**Brief History:**

**Committee Activity:**

Appropriations: 2/9/23, 2/16/23 [DP].

**Brief Summary of Bill**

- Changes the name of the Community Reinvestment Account to the Community Reconciliation Account.
- Allows expenditures from the Community Reconciliation Account for agricultural and economic support and services available to historically marginalized communities, and for programs and services that use an evidence-based community assessment model aimed at addressing root causes of violence in communities.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 21 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chambers, Assistant Ranking Minority Member; Berg, Chopp, Couture, Davis, Fitzgibbon, Hansen, Lekanoff, Pollet, Riccelli, Ryu, Senn, Simmons, Slatter, Springer, Stonier and Tharinger.

**Minority Report:** Do not pass. Signed by 9 members: Representatives Stokesbary,

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

Ranking Minority Member; Corry, Assistant Ranking Minority Member; Connors, Dye, Harris, Rude, Sandlin, Schmick and Steele.

**Staff:** Jessica Van Horne (786-7288).

**Background:**

The Community Reinvestment Account (Account) is an appropriated account that was created by the 2022 Supplemental Operating Budget. Expenditures from the Account may be used by the Department of Commerce (Commerce) for: (1) economic development programs, including addressing wealth disparities through asset building and providing access to financial resources such as small business grants, loans, and other training and support activities; (2) civil and criminal legal assistance to provide postconviction relief and case assistance; (3) community-based violence intervention and prevention services; and (4) reentry services to facilitate successful transitions for persons formerly incarcerated in an adult correctional facility or juvenile residential facility in Washington. Commerce must collaborate with the Governor's Office of Indian Affairs and "by and for community organizations," as defined by Commerce and the Office of Equity, in distributing grants funded out of the Account.

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**Summary of Bill:**

Beginning July 1, 2024, the Community Reinvestment Account is renamed the Community Reconciliation Account. In addition to existing allowable uses, Commerce may use expenditures from the Account for agricultural and economic support and services available to historically marginalized communities. Commerce may also use expenditures from the Account for programs or services that use an evidence-based community assessment model aimed at addressing root causes of violence in communities, including programs or services with a goal of increasing high school graduation rates; building a culture of empathy, equity, and connection; achieving positive health outcomes or enhancing resiliency; or creating a supportive community environment.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on July 1, 2024.

**Staff Summary of Public Testimony:**

(In support) This bill is about reconciliation, and about making investments in people.

When the Community Reinvestment Account (Account) was created, it included four buckets of spending: economic development; civil legal aid; violence prevention; and reentry services. The Legislature deposited funding into the Account and the Account will end in 2024. This bill will allow for the continuation of work that has already been done. It adds two new buckets to help reach additional communities. One bucket will focus on assistance for agriculture. There are less than 100 African American or Black farmers in Washington. The other bucket will focus on strengthening families, so there will be less need for civil legal aid or reentry services. The services provided through this Account will help communities that were penalized during the war on drugs. It will provide a foundation for historically marginalized populations to build generational wealth. This is consistent with recommendations from the Social Equity in Cannabis Task Force.

(Opposed) None.

**Persons Testifying:** Representative Melanie Morgan, prime sponsor.

**Persons Signed In To Testify But Not Testifying:** None.