S-0632.1

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**SENATE BILL 5163**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Senators Keiser, Frockt, Conway, Liias, Darneille, and Wellman

AN ACT Relating to unknown changes to the federal affordable care act and the four-year balanced budget requirement; amending RCW 43.88.055; and creating a new section.

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

NEW SECTION. **Sec.**  The 2017 congress is currently debating the repeal of the federal patient protection and affordable care act, which may create significant changes in coverage for state residents and a sizable budgetary impact that may be as much as three billion dollars a year in federal medicaid funding, as well as funding for other coverage programs. Congress has not yet provided any detailed overview of their intentions and the time frames for program and budgetary changes. Any attempt to budget for unknown reductions and project a four-year outlook is impossible without detailed information from congress. To ensure budget stability and allow the most judicious consideration of potential impacts to the state budget, the legislature therefore intends to provide an exemption from the four-year outlook requirements for the medicaid budget until such time that detailed budgetary and programmatic impacts are made in federal law.

**Sec.**  RCW 43.88.055 and 2012 1st sp.s. c 8 s 1 are each amended to read as follows:

(1) The legislature must adopt a four-year balanced budget as follows:

(a) Beginning in the 2013-2015 fiscal biennium, the legislature shall enact a balanced omnibus operating appropriations bill that leaves, in total, a positive ending fund balance in the general fund and related funds.

(b) Beginning in the 2013-2015 fiscal biennium, the projected maintenance level of the omnibus appropriations bill enacted by the legislature shall not exceed the available fiscal resources for the next ensuing fiscal biennium.

(2) For purposes of this section:

(a) "Available fiscal resources" means the beginning general fund and related fund balances and any fiscal resources estimated for the general fund and related funds, adjusted for enacted legislation, and with forecasted revenues adjusted to the greater of (i) the official general fund and related funds revenue forecast for the ensuing biennium, or (ii) the official general fund and related funds forecast for the second fiscal year of the current fiscal biennium, increased by 4.5 percent for each fiscal year of the ensuing biennium;

(b) "Projected maintenance level" means estimated appropriations necessary to maintain the continuing costs of program and service levels either funded in that appropriations bill or mandated by other state or federal law, and the amount of any general fund moneys projected to be transferred to the budget stabilization account pursuant to Article VII, section 12 of the state Constitution, but does not include in the 2013-2015 and 2015-2017 fiscal biennia the costs related to the enhanced funding under the new definition of basic education as established in chapter 548, Laws of 2009, and affirmed by the decision in *Mathew McCleary et al., v. The State of Washington*, 173 Wn.2d 477, 269 P.3d 227, (2012), from which the short-term exclusion of these obligations is solely for the purposes of calculating this estimate and does not in any way indicate an intent to avoid full funding of these obligations, and for the 2017-2019 and 2019-2021 fiscal biennia the costs related to maintaining medicaid programs, services, and eligibility until detailed budgetary and programmatic changes are made in federal law;

(c) "Related funds," as used in this section, means the Washington opportunity pathways account and the education legacy trust account.

(3) Subsection (1)(a) and (b) of this section does not apply to an appropriations bill that makes net reductions in general fund and related funds appropriations and is enacted between July 1st and February 15th of any fiscal year.

(4) Subsection (1)(b) of this section does not apply in a fiscal biennium in which money is appropriated from the budget stabilization account.

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