

HOUSE BILL REPORT

HB 2222

As Passed Legislature

Title: An act relating to emergent needs.

Brief Description: Providing funding for emergent needs.

Sponsors: Representatives Sehlin (co-prime sponsor), H. Sommers (co-prime sponsor), Ahern, Alexander, Anderson, Armstrong, Ballard, Ballasiotes, Barlean, Benson, Berkey, Boldt, Buck, Bush, Cairnes, Campbell, Carrell, Casada, B. Chandler, G. Chandler, Chopp, Clements, Cody, Conway, Cooper, Cox, Crouse, Darneille, DeBolt, Delvin, Dickerson, Doumit, Dunn, Dunshee, Edmonds, Edwards, Eickmeyer, Ericksen, Esser, Fisher, Fromhold, Gombosky, Grant, Haigh, Hankins, Hatfield, Hunt, Hurst, Jackley, Jarrett, Kagi, Keiser, Kenney, Kessler, Kirby, Lambert, Lantz, Linville, Lisk, Lovick, Marine, Mastin, McDermott, McIntire, McMorris, Mielke, Miloscia, Mitchell, Morell, Morris, Mulliken, Murray, O'Brien, Ogden, Pearson, Pennington, Pflug, Poulsen, Quall, Reardon, Roach, Rockefeller, Romero, Ruderman, Santos, Schindler, D. Schmidt, Schoesler, Schual-Berke, Simpson, Skinner, Sump, Talcott, Tokuda, Van Luven, Veloria, Wood and Woods.

Brief History:

Floor Activity:

Passed House: 3/9/01, 93-0.

Passed Senate: 3/10/01, 48-0

Passed Legislature.

Brief Summary of Bill

- One million dollars from the Emergency Reserve Fund and \$3 million from federal funds are appropriated to the Military Department for costs associated with the Nisqually earthquake.
- One million dollars from the Emergency Reserve Fund and \$4 million from federal funds are appropriated to the Department of Community, Trade, and Economic Development for energy assistance.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority/Minority Report: None.

Staff: Patricia Linehan (786-7178).

Background:

In response to the Nisqually earthquake of February 28, 2001, Governor Locke instructed the Military's Emergency Management Division to coordinate all earthquake related assistance to affected areas. The next day, President Bush declared Washington a major disaster area, triggering the release of federal funds to supplement recovery efforts in the state.

The Federal Emergency Management Agency (FEMA) offers assistance that includes grants to help pay for temporary housing, minor home repairs and other serious disaster-related expenses. Low-interest loans from the U.S. Small Business Administration will also be available to cover residential and business losses not fully compensated by insurance.

There are two types of disaster recovery grants for individuals and government, for which the state is expected to contribute funds. The state is responsible for a 25 percent match to FEMA's 75 percent funding level, for each of these programs. The FEMA is ready to provide Individual Family Grant payments, and the state's matching funds are needed to produce these payments.

The Low Income Home Energy Assistance Program (LIHEAP) is a federally funded block grant program for assistance to low income households. Fifteen percent of the LIHEAP funds are designated for weatherization services, the Energy Assistance Program receives the remaining 85 percent. There is no state funding for these programs.

The Energy Assistance Program provides funds to pay a portion of home heating costs. Funds are provided to low income households through a service network of 27 state contractors consisting of 24 nonprofit organizations and three local governments. Eligibility for the program is restricted to household incomes below 125 percent of the poverty level. Approximately 47,000 households, or 17 percent of the eligible population, received benefits during the 2000 program year. Energy assistance benefits are based on household annual heating costs, family size and income. The benefit amount ranges from 50 percent to 90 percent of actual heating costs. The minimum benefit is \$25 and the maximum is \$700. The average statewide assistance in 2000 was \$300.

The Emergency Reserve Fund consists of general fund revenues in excess of the state expenditure limit.

Summary of Bill:

One million dollars is appropriated from the Emergency Reserve Fund to the Military

Department for deposit into the Nisqually Earthquake Account.

The Military Department is granted spending authority of \$4 million; \$1 million representing the state share and \$3 million representing the federal share, for response and recovery costs associated with the Nisqually earthquake.

The Nisqually Earthquake Account is created in the state treasury and is subject to appropriation. Tax revenues, budget transfers or appropriations, federal appropriations, or gifts are to be placed in the account.

One million dollars is appropriated from the Emergency Reserve Fund to the Department of Community, Trade, and Economic Development (DCTED) for the fiscal year ending June 30, 2001, and \$4 million is appropriated from federal funds for the fiscal year ending June 30, 2001, for energy assistance under the Low Income Home Energy Assistance Program.

Appropriation: The sum of \$2 million is appropriated from the Emergency Reserve Fund and \$7 million is appropriated from federal funds.

Fiscal Note: Not Requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: None.

Testimony Against: None.

Testified: None.