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**SUBSTITUTE SENATE BILL 6512**

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**State of Washington**

**63rd Legislature**

**2014 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Becker, Sheldon, Holmquist Newbry, Rivers, Brown, Padden, Angel, Dammeier, Dansel, King, Hewitt, Honeyford, and Pearson)

READ FIRST TIME 02/11/14.

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

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  
7 condition of receiving federal funds. There are legal limits to that  
8 practice. In *National Federation of Independent Business (NFIB) v.*  
9 *Sebelius*, 567 U.S. \_\_\_, 132 S. Ct. 2566 (2012), the United States  
10 supreme court ruled that a provision in United States Public Law 111-  
11 148, the patient protection and affordable care act, requiring states  
12 to expand medicaid coverage as a condition of receiving medicaid  
13 funding, was impermissibly coercive.

14       (2) The legislature further finds that requirements in federal law  
15 to change Washington law as a condition of receiving federal funds  
16 have, on occasion, required Washington to expand state programs,  
17 driving costs of state government up and raising concerns that future  
18 federal funding will not cover the expanded obligations.

1           (3) The legislature further finds that these funding conditions  
2 should receive closer scrutiny, and therefore directs the joint  
3 legislative audit and review committee to annually report to the  
4 legislature regarding federal funding programs affecting Washington  
5 state health and human services agencies that require changes in state  
6 statutes as a condition of receiving federal funding.

7           NEW SECTION.   **Sec. 2.** A new section is added to chapter 44.28 RCW  
8 to read as follows:

9           The joint legislative audit and review committee must, by December  
10 1st each year, report to the legislature regarding federal funding  
11 programs affecting Washington state health and human services agencies  
12 that specify conditions requiring changes in state statutes as a  
13 condition of receiving federal funding.

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