

# SENATE BILL REPORT

## ESSB 6512

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As Passed Senate, February 14, 2014

**Title:** An act relating to federal funding programs requiring changes in state law.

**Brief Description:** Concerning federal funding programs requiring changes in state law.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Becker, Sheldon, Holmquist Newbry, Rivers, Brown, Padden, Angel, Dammeier, Dandel, King, Hewitt, Honeyford and Pearson).

**Brief History:**

**Committee Activity:** Ways & Means: 2/05/14, 2/06/14 [DPS, w/oRec].

Passed Senate: 2/14/14, 42-6.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 6512 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hill, Chair; Honeyford, Capital Budget Chair; Hargrove, Ranking Member; Bailey, Becker, Braun, Dammeier, Hewitt, Padden, Parlette, Rivers, Schoesler and Tom.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Billig and Hatfield.

**Staff:** Steve Jones (786-7440)

**Background:** Article I, section 8 of the U.S. Constitution includes a provision known as the Spending Clause that authorizes Congress to expend funds "for the common defense and general welfare of the United States..." The U.S. Supreme Court has held that the Spending Clause allows Congress to grant federal funds to the states and to place conditions and restrictions on the states' voluntary receipt of those funds. However, it is impermissible for Congress to use the Spending Clause to compel the states to adopt or administer federal programs and policies. This principle was most recently expressed by the U.S. Supreme Court in the decision concerning the federal Affordable Care Act, where the court indicated that it would "strike down federal legislation that commandeers a State's legislative or administrative apparatus for federal purposes."

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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 a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Engrossed Substitute Bill:** By December 1 of each year, the Joint Legislative Audit and Review Committee must report to the Legislature on federal funding for health and human services and K-12 education programs that require changes in state statutes as a condition of receiving the federal funds, if the federal funds exceed \$25 million for the biennium.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: This bill will increase the transparency of those federal funds that require the state to change its policies, or that require a commitment of state funds. The taxpayers of the state need access to information on the financial obligations the state assumes in order to receive federal grants. The scope of the bill can be narrowed to reduce the fiscal impact of gathering this information.

**Persons Testifying:** PRO: Senator Becker, prime sponsor.