

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 84** HLS 202ES 201

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: October 23, 2020 2:00 PM	Author: EDMONDS
Dept./Agy.: State Departments and Agencies	Analyst: Alan M. Boxberger
Subject: Provides relative to expenditure of federal funds	

EMERGENCY PREPAREDNESS EN SEE FISC NOTE FF EX See Note Page 1 of 1
Provides relative to the expenditure of federal funds received as a result of a disaster or emergency (Item #27)

Present law prohibits any state agency from expending federal funds without a specific appropriation made by the legislature and authorizes the Joint Legislative Committee on the Budget (JLCB) to approve the expenditure of new or additional federal funds that were not available when the legislature was in session. Proposed law allows the expenditure of federal funds received due to a federally declared disaster or emergency prior to approval of the JLCB if the secretary requesting to expend the funds certifies in writing to the governor and the JLCB that any delay would be detrimental to the state and if JLCB was unable to meet. Proposed law further provides that JLCB shall consider the expenditures at its next meeting following notification by the secretary, and prohibits any new or additional federal funds from being expended for the same disaster or emergency by any agency unless approved by the committee or appropriated by the legislature prior to expenditure. Proposed law provides that the inability of the committee to meet shall not prohibit expenditure of any federal funds received for testing, treatment and prevention of COVID-19 prior to approval by the committee.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

Proposed law provides that a department may expend federal funds received due to a federally declared disaster or emergency prior to approval of the Joint Legislative Committee on the Budget (JLCB) if the secretary requesting to expend the funds certifies in writing to the governor and the JLCB that any delay would be detrimental to the state and if JLCB was unable to meet. The LFO does not feel this situation will arise with great frequency as most departments that typically receive federal funds during declared emergencies or disasters have included a base level of federal budget authority in their annual appropriations to account for potential emergency declarations. In situations where a department may not have sufficient federal authority, proposed law will allow the expenditure of federal funds upon written certification of the department secretary until such time that the JLCB may meet to approve a mid-year budget adjustment.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Christopher A. Keaton
Legislative Fiscal Officer