

SENATE BILL REPORT

EHB 1868

As Reported by Senate Committee On:
Government Operations & Security, March 24, 2015

Title: An act relating to county road fund purposes for certain counties.

Brief Description: Expanding county road fund purposes for certain counties.

Sponsors: Representatives Lytton and Morris.

Brief History: Passed House: 3/04/15, 75-21.

Committee Activity: Government Operations & Security: 3/19/15, 3/24/15 [DPA].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

Majority Report: Do pass as amended.

Signed by Senators Roach, Chair; Pearson, Vice Chair; Liias, Ranking Minority Member; Dandel, Habib and McCoy.

Staff: Curt Gavigan (786-7437)

Background: County Road Funds (CRFs) Generally. Each county maintains a CRF to be used for county road purposes. In general, a county must deposit in the CRF any money:

- generated by the county road district levy, which is authorized at the rate of up to \$2.25 per \$1,000 of assessed property value;
- received from state motor vehicle fuel tax revenues; and
- received as federal reimbursements for expenses paid from the CRF.

Authorized Use of CRFs. A county may generally use its CRF for county road purposes including the construction, repair, or maintenance of county roads, bridges, or ferries or ferry-related wharves.

The CRF statute specifies a number of authorized expenses, including the following:

- insurance, self-insurance, or risk management programs directly related to county road purposes;
- construction, maintenance, or improvement of park and ride lots;
- acquisition, operation, and maintenance of equipment, quarries, or pits for material extraction;
- operation of the county engineering office;

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- some activities relating to fish passage barrier removal; and
- bicycle paths and pedestrian rights of way.

Rural Arterial Program (RAP). The RAP program funds activities including the construction and improvement of county rural arterials and the construction of certain replacement bridges on access roads in rural areas. The program is administered by the County Road Administration Board. Subject to several exemptions, in order to qualify for the RAP a county must spend all revenue collected for road purposes in the preceding 12 months only for projects consistent with highway purposes as described in the state Constitution.

Summary of Bill (Recommended Amendments): A county that consists entirely of islands or has tidally influenced islands may deposit revenue from its road district levy into a subaccount within its CRF. For a qualifying county, marine uses relating to navigation and moorage are considered county road purposes. Monies from the subaccount can be used for marine facilities including mooring buoys, docks, and aids to navigation.

Qualifying counties may make expenditures from the subaccount for specified marine purposes and maintain RAP eligibility.

EFFECT OF CHANGES MADE BY GOVERNMENT OPERATIONS & SECURITY COMMITTEE (Recommended Amendments):

- Provides that county road levy money, in the amount determined by a qualifying county, may be deposited in a subaccount within the county road fund to be used for marine facilities including mooring buoys, docks, and aids to navigation.
- Specifies that counties using road levy money in this manner maintain eligibility for the RAP.

Appropriation: None.

Fiscal Note: Not requested.

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 Engrossed House Bill: PRO: Counties would like flexibility to use locally raised revenue to meet the specific needs of their community, which in many areas means marine transportation. This is a local option, so counties would not have to use any CRF money for marine facilities. Docks and other marine facilities can be expensive, and this would be another important tool for local governments.

CON: There are concerns about the current bill, but not about the goal of assisting counties. There are constitutional concerns about using CRF and fuel tax revenue for marine projects, as well as concerns about statutory conflicts with another county funding program. Additional work is needed.

Persons Testifying: PRO: Ken Dahlstedt, Skagit County; Rick Hughes, San Juan County; Laura Merrill, WA State Assn. of Counties.

CON: Jay Weber, County Road Administration Board, Executive Director.

Persons Signed in to Testify But Not Testifying: No one.