

# SENATE BILL REPORT

## SB 5923

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As of February 27, 2019

**Title:** An act relating to establishing an emergency loan program to be administered by the county road administration board.

**Brief Description:** Establishing an emergency loan program to be administered by the county road administration board.

**Sponsors:** Senators Hobbs, King and Lovelett.

**Brief History:**

**Committee Activity:** Transportation: 2/25/19.

**Brief Summary of Bill**

- Authorizes the County Road Administration Board to create an emergency revolving loan program for certain counties for road or bridge work that is necessary due to a natural or manmade event for which a disaster was declared.

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### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Bryon Moore (786-7726)

**Background:** The County Road Administration Board (CRAB) is a nine-member board comprised of six county commissioners or councilmembers and three county engineers. The 9-member CRAB was created by the Legislature in 1965 to provide statutory oversight of Washington's 39 county road departments. CRAB administers the Rural Arterial Program, the County Arterial Preservation Program, and the County Ferry Capital Improvement Program.

Under certain conditions, CRAB can provide funding for emergency projects from the Rural Arterial Trust Account (RATA). To be eligible for such emergency funds, the requesting county must declare an emergency. The requesting county's eligibility for RATA funding in the next funding period is also reduced by the amount of RATA funding provided. If the county's eligible funding is insufficient, the requesting county must withdraw, amend, or delay a project equal to the RATA funding provided.

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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 Bill:** CRAB is authorized to create a self-supporting emergency revolving loan program for counties with a population of fewer than 800,000 people. CRAB must report on various aspects of the program by December 1st of even-numbered years. The CRAB Emergency Loan Account is created as a non appropriated fund in the custody of the state treasurer and the account will retain its own interest.

Loans from the program may only go to eligible counties where a county, state, or federal disaster has been declared. The county receiving a loan must agree to repay the loan to the program, with interest of not more than 3 percent. A loan from the program must be used for road or bridge work that:

- is necessary due to a natural or manmade event for which a disaster was declared;
- causes a roadway section or structure to be closed or substantially restricted to normal use; and
- is beyond the scope of work done by the county in restoring damages normally or reasonably expected to occur.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony:** PRO: This provides a mechanism for counties to get funding for needed repairs associated with disasters. Virtually every year, at least one county, if not more, experience some kind of disaster. Our existing mechanism does not adequately address the need for counties. It would also expedite the assistance available to local jurisdictions. The proposal is partially based on the Transportation Commission recommendation to provide a new loan program. The difficulty of dealing with these types of situations is a consistent theme that the Transportation Commission hears across the state.

**Persons Testifying:** PRO: Senator Steve Hobbs, Prime Sponsor; Paul Parker, Transportation Commission; John Koster, CRAB.

**Persons Signed In To Testify But Not Testifying:** No one.