HOUSE BILL REPORT
HB 1005

As Passed House:

January 29, 2007

Title: An act relating to rates for the rental of county equipment.

Brief Description: Determining rates for the rental of county equipment.

Sponsors: By Representatives Kessler, Ericks and B. Sullivan.

Brief History:

Committee Activity:

Local Government: 1/11/07 [DP].

Floor Activity:

Passed House: 1/29/07, 95-0.

Brief Summary of Bill

- Authorizes a county government to designate an appointee to set rates for the rental of equipment owned by the county's road equipment revolving fund.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 6 members: Representatives Simpson, Chair; Eddy, Vice Chair; Curtis, Ranking Minority Member; Ross, B. Sullivan and Takko.

Staff: Thamas Osborn (786-7129).

Background:

State law requires a county to establish an "equipment rental and revolving fund" (fund) in the county treasury. The purpose of the fund is to provide funding for the following:

- the purchase, repair, and maintenance of county road department equipment;
- the purchase or manufacture of materials and supplies for the county road department; and
- the administration and operation of the fund.

The fund is created from monies obtained from the various county departments who pay into it for the use of the equipment owned by the fund. The monies paid into the fund out of the

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budgets of these county departments, in turn, provide for the purchase and maintenance of county road department equipment.

The fund must be administered by the county engineer or other appointee of the county government. The duties of the fund administrator include responsibility for the establishment of terms and charges for the sale of materials or supplies purchased, maintained, or manufactured with monies from the fund.

Equipment owned by the fund may be subject to rental by county departments to provide funding for the costs of equipment replacement, materials and supplies, and maintenance and repair. The rental rates must be determined by the county engineer and are subject to annual review by the county government. Existing law allows only the county engineer to determine rental rates.

Summary of Bill:

A county government is authorized to designate an appointee to set rates for the rental of equipment owned by the county's road equipment revolving fund.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is essentially a technical correction, albeit an important one. The RCW chapter contains two statutes that are inconsistent and the bill eliminates this inconsistency. Specifically, under one statute the county government is given the authority to designate either the county engineer or an appointee to act as the administrator of the fund, whereas another statute specifies that only the county engineer can determine the rental rates for the equipment owned by the fund. The bill eliminates this inconsistency by allowing an appointed administrator to set rental rates as part of his/her administrative duties. The passage of this bill will make county governance more efficient.

(Opposed) The bill is unnecessary and goes too far. It is appropriate for the county engineer to be the one to set rental rates. Allowing an appointee administrator to set rental rates is contrary to the purposes of this RCW chapter and will make it less effective.

Persons Testifying: (In support) Representative Kessler, prime sponsor; Allen R. Sartin, Jefferson County; and Eric Johnson, Washington Association of Counties.

(Opposed) Jeff Monsen, County Road Administration Board.

Persons Signed In To Testify But Not Testifying: None.