

# HOUSE BILL REPORT

## EHB 1533

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### As Passed Legislature

**Title:** An act relating to use of county road funds.

**Brief Description:** Using county road funds.

**Sponsors:** By House Committee on Transportation Policy & Budget (originally sponsored by Representatives Sehlin, Quall, K. Schmidt, D. Schmidt, Scott and Hankins).

**Brief History:**

**Committee Activity:**

Transportation Policy & Budget: 2/10/97, 2/11/97 [DP].

**Floor Activity:**

Passed House: 3/11/97, 97-0.

Passed Legislature.

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### HOUSE COMMITTEE ON TRANSPORTATION POLICY & BUDGET

**Majority Report:** Do pass. Signed by 24 members: Representatives K. Schmidt, Chairman; Hankins, Vice Chairman; Mielke, Vice Chairman; Mitchell, Vice Chairman; Fisher, Ranking Minority Member; Blalock, Assistant Ranking Minority Member; Cooper, Assistant Ranking Minority Member; Backlund; Buck; Cairnes; Chandler; Constantine; DeBolt; Hatfield; Johnson; O'Brien; Radcliff; Robertson; Romero; Scott; Skinner; Sterk; Wood and Zellinsky.

**Staff:** Gary Lebow (786-7304).

**Background:** Revenues derived from the excise tax on motor vehicle fuel (i.e., gas tax) are dedicated to highway purposes— by the 18th Amendment of the Washington State Constitution. The gas tax is collected by the Department of Licensing and deposited into the motor vehicle fund. Distributions and appropriations, including distributions to cities and counties, from the motor vehicle fund are dedicated to highway purposes.—

Risk management and insurance expenditures related to highways have historically qualified as a highway purpose.— A 1995 Skagit County audit, conducted by the state Auditor's Office, raised questions as to the validity of these expenditures.

**Summary of Bill:** Risk management, insurance, and self insurance programs are added to the list of eligible expenditures for the county road fund when directly related to county road purposes. The requirement to use the money paid into the county road fund from the motor vehicle fund for proper county road purposes is extended to all monies paid into the county road fund.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** This will allow the county road fund to pay for its proportional share of risk management and insurance.

**Testimony Against:** None.

**Testified:** Gary Lowe, Washington State Association of Counties; and Eric Berger, County Road Administration Board.