
Transportation Committee

SB 5923

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

Sponsors: Senators Hobbs, King and Lovelett.

Brief Summary of Bill

- Authorizes the County Road Administration Board (CRAB) 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.
- Creates the CRAB Emergency Loan Account, and requires expenditures to only be used for the above-described purposes.
- Requires the CRAB to administer the Emergency Revolving Loan Program.

Hearing Date: 3/21/19

Staff: David Munnecke (786-7315).

Background:

The County Road Administration Board (CRAB) is a nine-member board composed of six county commissioners or councilmembers and three county engineers. Among its various activities, the CRAB establishes and maintains standards of good practice, to guide and ensure consistency and professional management of county road departments, and administers the Rural Arterial Program, the County Arterial Preservation Program, and the County Ferry Capital Improvement Program.

The CRAB can provide funding for emergency projects from the Rural Arterial Trust Account (RATA). An emergency project must be on a RATA-eligible facility and is defined as one that:

- is necessary due to a natural or manmade event;
- causes a roadway section or structure to be closed or substantially restricted to normal use; and

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- is beyond the scope of work done by the county in restoring damages normally or reasonably expected to occur.

In order 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.

Summary of Bill:

The CRAB is authorized to create a self-supporting Emergency Revolving Loan Program (program) for counties with a population of fewer than 800,000 people.

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.

The CRAB Emergency Loan Account (account) is created in the custody of the State Treasurer. Any expenditures from the account may only be used for purposes allowed under the program and related administrative expenses. The account retains its own earnings, and an appropriation is not required for expenditures.

The CRAB is required to administer the program and must report on various aspects of the program by December 1 of each even-numbered year.

Appropriation: None.

Fiscal Note: Available.

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