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**SUBSTITUTE HOUSE BILL 2589**

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**State of Washington                      60th Legislature                      2008 Regular Session**

**By** House State Government & Tribal Affairs (originally sponsored by Representatives Lantz, Seaquist, Campbell, and Chase)

READ FIRST TIME 01/29/08.

1            AN ACT Relating to a maritime historic vessel restoration and  
2 preservation program; amending RCW 88.02.050, 88.02.050, and 88.02.053;  
3 adding a new section to chapter 27.34 RCW; providing an effective date;  
4 and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 27.34 RCW  
7 to read as follows:

8            (1) The Washington state historical society shall establish a  
9 competitive grant program and process to solicit proposals for a  
10 maritime historic vessel restoration and preservation program for  
11 funding from the maritime historic restoration and preservation account  
12 established in RCW 88.02.053.

13            (2) The Washington state historical society shall adopt policies  
14 governing project eligibility and evaluation criteria.

15            (3) Application for funding of specific projects may be made to the  
16 Washington state historical society by local governments, public  
17 development authorities, nonprofit corporations, tribal governments,  
18 and other entities, as determined by the Washington state historical  
19 society.

1 (4) The Washington state historical society must evaluate and rank  
2 applications in consultation with a citizen advisory committee using  
3 objective criteria, and shall establish and submit a prioritized list  
4 of maritime historic vessel restoration and preservation projects to  
5 the governor and the legislature in the society's biennial budget  
6 request. The list must include a description of each project, the  
7 amount of recommended state funding, and documentation of nonstate  
8 funds to be used for the project.

9 (5) The Washington state historical society shall not sign  
10 contracts or otherwise financially obligate funds under this section  
11 until the legislature has approved a specific list of projects. In  
12 contracts for grants authorized under this section, the Washington  
13 state historical society shall include provisions requiring that  
14 capital improvements be held by the grantee for a specified period of  
15 time appropriate to the amount of the grant and that facilities be used  
16 for the express purpose of the grant. If the grantee is found to be  
17 out of compliance with provisions of the contract, the grantee shall  
18 repay to the maritime historic restoration and preservation account the  
19 principal amount of the grant plus interest calculated at the rate of  
20 interest on state of Washington general obligation bonds issued most  
21 closely to the date of authorization of the grant.

22 (6) The amount of state funding may not exceed fifty percent of the  
23 total cost of the project. The nonstate portion of the total project  
24 cost may include cash, the value of real property when acquired solely  
25 for the purpose of the project, and in-kind contributions.

26 (7) The total amount of recommended state funding for projects on  
27 a biennial project list may not exceed the biennial balance of the  
28 maritime historic restoration and preservation account.

29 **Sec. 2.** RCW 88.02.050 and 2007 c 342 s 5 are each amended to read  
30 as follows:

31 (1) Application for a vessel registration shall be made to the  
32 department or its authorized agent in the manner and upon forms  
33 prescribed by the department. The application shall state the name and  
34 address of each owner of the vessel and such other information as may  
35 be required by the department, shall be signed by at least one owner,  
36 and shall be accompanied by a vessel registration fee of ten dollars  
37 and fifty cents per year and the excise tax imposed under chapter 82.49

1 RCW. One dollar of this vessel registration fee must be deposited into  
2 the maritime historic restoration and preservation account created in  
3 RCW 88.02.053.

4 (2) Five additional dollars must be collected annually from every  
5 vessel registration application. These moneys must be distributed in  
6 the following manner:

7 (a) Two dollars must be deposited into the derelict vessel removal  
8 account established in RCW 79.100.100. If the department of natural  
9 resources indicates that the balance of the derelict vessel removal  
10 account, not including any transfer or appropriation of funds into the  
11 account or funds deposited into the account collected under RCW  
12 88.02.270, reaches one million dollars as of March 1st of any year, the  
13 collection of the two-dollar fee must be suspended for the following  
14 fiscal year.

15 (b) One dollar and fifty cents must be deposited in the aquatic  
16 invasive species prevention account created in RCW 77.12.879.

17 (c) One dollar must be deposited into the freshwater aquatic algae  
18 control account created in RCW 43.21A.667.

19 (d) Fifty cents must be deposited into the aquatic invasive species  
20 enforcement account created in RCW 43.43.400.

21 (3) Any fees required for licensing agents under RCW 46.01.140  
22 shall be in addition to the ten dollar and fifty cent annual  
23 registration fee and the five-dollar fee created in subsection (2) of  
24 this section.

25 (4) Upon receipt of the application and the registration fee, the  
26 department shall assign a registration number and issue a decal for  
27 each vessel. The registration number and decal shall be issued and  
28 affixed to the vessel in a manner prescribed by the department  
29 consistent with the standard numbering system for vessels set forth in  
30 volume 33, part 174, of the code of federal regulations. A valid decal  
31 affixed as prescribed shall indicate compliance with the annual  
32 registration requirements of this chapter.

33 (5) The vessel registrations and decals are valid for a period of  
34 one year, except that the director of licensing may extend or diminish  
35 vessel registration periods, and the decals therefor, for the purpose  
36 of staggered renewal periods. For registration periods of more or less  
37 than one year, the department may collect prorated annual registration  
38 fees and excise taxes based upon the number of months in the

1 registration period. Vessel registrations are renewable every year in  
2 a manner prescribed by the department upon payment of the vessel  
3 registration fee, excise tax, and the derelict vessel fee. Upon  
4 renewing a vessel registration, the department shall issue a new decal  
5 to be affixed as prescribed by the department.

6 (6) When the department issues either a notice to renew a vessel  
7 registration or a decal for a new or renewed vessel registration, it  
8 shall also provide information on the location of marine oil recycling  
9 tanks and sewage holding tank pumping stations. This information will  
10 be provided to the department by the state parks and recreation  
11 commission in a form ready for distribution. The form will be  
12 developed and prepared by the state parks and recreation commission  
13 with the cooperation of the department of ecology. The department, the  
14 state parks and recreation commission, and the department of ecology  
15 shall enter into a memorandum of agreement to implement this process.

16 (7) A person acquiring a vessel from a dealer or a vessel already  
17 validly registered under this chapter shall, within fifteen days of the  
18 acquisition or purchase of the vessel, apply to the department or its  
19 authorized agent for transfer of the vessel registration, and the  
20 application shall be accompanied by a transfer fee of one dollar.

21 **Sec. 3.** RCW 88.02.050 and 2007 c 342 s 6 are each amended to read  
22 as follows:

23 Application for a vessel registration shall be made to the  
24 department or its authorized agent in the manner and upon forms  
25 prescribed by the department. The application shall state the name and  
26 address of each owner of the vessel and such other information as may  
27 be required by the department, shall be signed by at least one owner,  
28 and shall be accompanied by a vessel registration fee of ten dollars  
29 and fifty cents per year and the excise tax imposed under chapter 82.49  
30 RCW. One dollar of this vessel registration fee must be deposited into  
31 the maritime historic restoration and preservation account created in  
32 RCW 88.02.053. In addition, two additional dollars must be collected  
33 annually from every vessel registration application. These moneys must  
34 be deposited into the derelict vessel removal account established in  
35 RCW 79.100.100. If the department of natural resources indicates that  
36 the balance of the derelict vessel removal account, not including any  
37 transfer or appropriation of funds into the account or funds deposited

1 into the account collected under RCW 88.02.270, reaches one million  
2 dollars as of March 1st of any year, the collection of the two-dollar  
3 fee must be suspended for the following fiscal year. Any fees required  
4 for licensing agents under RCW 46.01.140 shall be in addition to the  
5 ten dollar and fifty cent annual registration fee and the two-dollar  
6 derelict vessel fee.

7 Upon receipt of the application and the registration fee, the  
8 department shall assign a registration number and issue a decal for  
9 each vessel. The registration number and decal shall be issued and  
10 affixed to the vessel in a manner prescribed by the department  
11 consistent with the standard numbering system for vessels set forth in  
12 volume 33, part 174, of the code of federal regulations. A valid decal  
13 affixed as prescribed shall indicate compliance with the annual  
14 registration requirements of this chapter.

15 The vessel registrations and decals are valid for a period of one  
16 year, except that the director of licensing may extend or diminish  
17 vessel registration periods, and the decals therefor, for the purpose  
18 of staggered renewal periods. For registration periods of more or less  
19 than one year, the department may collect prorated annual registration  
20 fees and excise taxes based upon the number of months in the  
21 registration period. Vessel registrations are renewable every year in  
22 a manner prescribed by the department upon payment of the vessel  
23 registration fee, excise tax, and the derelict vessel fee. Upon  
24 renewing a vessel registration, the department shall issue a new decal  
25 to be affixed as prescribed by the department.

26 When the department issues either a notice to renew a vessel  
27 registration or a decal for a new or renewed vessel registration, it  
28 shall also provide information on the location of marine oil recycling  
29 tanks and sewage holding tank pumping stations. This information will  
30 be provided to the department by the state parks and recreation  
31 commission in a form ready for distribution. The form will be  
32 developed and prepared by the state parks and recreation commission  
33 with the cooperation of the department of ecology. The department, the  
34 state parks and recreation commission, and the department of ecology  
35 shall enter into a memorandum of agreement to implement this process.

36 A person acquiring a vessel from a dealer or a vessel already  
37 validly registered under this chapter shall, within fifteen days of the

1 acquisition or purchase of the vessel, apply to the department or its  
2 authorized agent for transfer of the vessel registration, and the  
3 application shall be accompanied by a transfer fee of one dollar.

4 **Sec. 4.** RCW 88.02.053 and 1996 c 3 s 2 are each amended to read as  
5 follows:

6 (1) The maritime historic restoration and preservation account is  
7 created in the custody of the state treasurer. ~~((All receipts from the  
8 voluntary donations made simultaneously with the registration of  
9 vessels under chapter 88.02 RCW shall be deposited into this account.  
10 These deposits are not public funds and are not subject to allotment  
11 procedures under chapter 43.88 RCW.))~~ Moneys in the account may be  
12 spent only after appropriation and only for the purposes of the Grays  
13 Harbor historical seaport or its corporate successor, the Steamer  
14 Virginia V foundation or its corporate successor, or the maritime  
15 historic vessel restoration and preservation program created in section  
16 1 of this act.

17 (2) At the end of each fiscal year, the state treasurer shall pay  
18 from this account to the department of licensing an amount equal to the  
19 reasonable administrative expenses of that agency for that fiscal year  
20 for collecting the voluntary donations and transmitting them to the  
21 state treasurer and shall pay to the state treasurer an amount equal to  
22 the reasonable administrative expenses of that agency for that fiscal  
23 year for maintaining the account and disbursing funds from the account.

24 (3) At the end of each fiscal year, the Washington state  
25 ~~((treasurer))~~ historical society shall pay one-half of the balance of  
26 the funds in the account ~~((after payment of the administrative costs  
27 provided in subsection (2) of this section,))~~ from donations made  
28 pursuant to RCW 88.02.052 to the Grays Harbor historical seaport or its  
29 corporate successor and the remainder of the funds in the account from  
30 the donations made pursuant to RCW 88.02.050 to the Steamer Virginia V  
31 foundation or its corporate successor. The funds transferred into the  
32 account pursuant to RCW 88.02.050 shall be available to the Washington  
33 state historical society for the purposes of section 1 of this act.

34 (4) If either the Grays Harbor historical seaport and its corporate  
35 successors or the Steamer Virginia V foundation and its corporate  
36 successors legally ceases to exist, the ~~((state treasurer shall, at the~~

1 ~~end of each fiscal year, pay the balance of the funds in the account to~~  
2 ~~the remaining organization)) Washington state historical society shall~~  
3 ~~retain those funds that would have been transferred.~~

4 (5) If both the Grays Harbor historical seaport and its corporate  
5 successors and the Steamer Virginia V foundation and its corporate  
6 successors legally cease to exist, the ~~((department of licensing shall~~  
7 ~~discontinue the collection of the voluntary donations in conjunction~~  
8 ~~with the registration of vessels under RCW 88.02.052, and the balance~~  
9 ~~of the funds in the account escheat to the state. If funds in the~~  
10 ~~account escheat to the state, one half of the fund balance shall be~~  
11 ~~provided to the office of archaeology and historic preservation and the~~  
12 ~~remainder shall be deposited into the parks renewal and stewardship~~  
13 ~~account.~~

14 ~~(6) The secretary of state, the directors of the state historical~~  
15 ~~societies, the director of the office of archaeology and historic~~  
16 ~~preservation within the department of community, trade, and economic~~  
17 ~~development, and two members representing the recreational boating~~  
18 ~~community appointed by the secretary of state, shall review the success~~  
19 ~~of the voluntary donation program for maritime historic restoration and~~  
20 ~~preservation established under RCW 88.02.052 and report their findings~~  
21 ~~to the appropriate legislative committees by January 31, 1998. The~~  
22 ~~findings must include the progress of the program and the potential to~~  
23 ~~expand the voluntary funding to other historic vessels)) entire account~~  
24 ~~balance will be available for the maritime historic vessel preservation~~  
25 ~~and restoration program established in section 1 of this act.~~

26 NEW SECTION. Sec. 5. Section 2 of this act expires June 30, 2012.

27 NEW SECTION. Sec. 6. Section 3 of this act takes effect June 30,  
28 2012.

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