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HOUSE BILL 2589

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By Representatives Lantz, Seaquist, Campbell, and Chase

State of Washington

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- AN ACT Relating to a maritime historic vessel restoration and preservation program; amending RCW 88.02.050, 88.02.050, and 88.02.053;
- 3 adding a new section to chapter 27.34 RCW; repealing RCW 88.02.052;
- 4 providing an effective date; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 27.34 RCW 7 to read as follows:
 - (1) The Washington state historical society shall establish a competitive grant program and process to solicit proposals for a maritime historic vessel restoration and preservation program for funding from the maritime historic restoration and preservation account established in RCW 88.02.053.
 - (2) The Washington state historical society shall adopt policies 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.

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

- (5) The Washington state historical society shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects. In contracts for grants authorized under this section, the Washington state historical society shall include provisions requiring that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the maritime historic restoration and preservation account the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.
- (6) The amount of state funding may not exceed fifty percent of the total cost of the project. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.
- (7) The total amount of recommended state funding for projects on a biennial project list may not exceed the biennial balance of the maritime historic restoration and preservation account.
- **Sec. 2.** RCW 88.02.050 and 2007 c 342 s 5 are each amended to read 30 as follows:
 - (1) Application for a vessel registration shall be made to the department or its authorized agent in the manner and upon forms prescribed by the department. The application shall state the name and address of each owner of the vessel and such other information as may be required by the department, shall be signed by at least one owner, and shall be accompanied by a vessel registration fee of ten dollars and fifty cents per year and the excise tax imposed under chapter 82.49

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

- (2) Five additional dollars must be collected annually from every vessel registration application. These moneys must be distributed in the following manner:
- (a) Two dollars must be deposited into the derelict vessel removal account established in RCW 79.100.100. If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under RCW 88.02.270, reaches one million dollars as of March 1st of any year, the collection of the two-dollar fee must be suspended for the following 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.
 - (c) One dollar must be deposited into the freshwater aquatic algae control account created in RCW 43.21A.667.
 - (d) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400.
 - (3) Any fees required for licensing agents under RCW 46.01.140 shall be in addition to the ten dollar and fifty cent annual registration fee and the five-dollar fee created in subsection (2) of this section.
 - (4) Upon receipt of the application and the registration fee, the department shall assign a registration number and issue a decal for each vessel. The registration number and decal shall be issued and affixed to the vessel in a manner prescribed by the department consistent with the standard numbering system for vessels set forth in volume 33, part 174, of the code of federal regulations. A valid decal affixed as prescribed shall indicate compliance with the annual registration requirements of this chapter.
 - (5) The vessel registrations and decals are valid for a period of one year, except that the director of licensing may extend or diminish vessel registration periods, and the decals therefor, for the purpose of staggered renewal periods. For registration periods of more or less than one year, the department may collect prorated annual registration fees and excise taxes based upon the number of months in the

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

- (6) When the department issues either a notice to renew a vessel registration or a decal for a new or renewed vessel registration, it shall also provide information on the location of marine oil recycling tanks and sewage holding tank pumping stations. This information will be provided to the department by the state parks and recreation commission in a form ready for distribution. The form will be developed and prepared by the state parks and recreation commission with the cooperation of the department of ecology. The department, the state parks and recreation commission, and the department of ecology shall enter into a memorandum of agreement to implement this process.
- (7) A person acquiring a vessel from a dealer or a vessel already validly registered under this chapter shall, within fifteen days of the acquisition or purchase of the vessel, apply to the department or its authorized agent for transfer of the vessel registration, and the application shall be accompanied by a transfer fee of one dollar.

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

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

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

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

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

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

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

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- acquisition or purchase of the vessel, apply to the department or its authorized agent for transfer of the vessel registration, and the application shall be accompanied by a transfer fee of one dollar.
- **Sec. 4.** RCW 88.02.053 and 1996 c 3 s 2 are each amended to read as follows:

- (1) The maritime historic restoration and preservation account is created in the custody of the state treasurer. ((All receipts from the voluntary donations made simultaneously with the registration of vessels under chapter 88.02 RCW shall be deposited into this account. These deposits are not public funds and are not subject to allotment procedures under chapter 43.88 RCW.)) Moneys in the account may be spent only after appropriation and only for purposes of the maritime historic vessel restoration and preservation program created in section 1 of this act.
- (2) At the end of each fiscal year, the state treasurer shall pay from this account to the department of licensing an amount equal to the reasonable administrative expenses of that agency for that fiscal year for collecting the voluntary donations and transmitting them to the state treasurer and shall pay to the state treasurer an amount equal to the reasonable administrative expenses of that agency for that fiscal year for maintaining the account and disbursing funds from the account.
- (3) At the end of each fiscal year, the <u>Washington</u> state ((treasurer)) historical society shall ((pay one half)) transfer ten percent of the balance of the funds in the account ((after payment of the administrative costs provided in subsection (2) of this section,)) to the Grays Harbor historical seaport or its corporate successor and ((the remainder)) ten percent of the balance of the funds in the account to the Steamer Virginia V foundation or its corporate successor.
- (4) If either the Grays Harbor historical seaport and its corporate successors or the Steamer Virginia V foundation and its corporate successors legally ceases to exist, the ((state treasurer shall, at the end of each fiscal year, pay the balance of the funds in the account to the remaining organization)) Washington state historical society shall retain those funds that would have been transferred.
- (5) If both the Grays Harbor historical seaport and its corporate successors and the Steamer Virginia V foundation and its corporate

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successors legally cease to exist, the ((department of licensing shall discontinue the collection of the voluntary donations in conjunction with the registration of vessels under RCW 88.02.052, and the balance of the funds in the account escheat to the state. If funds in the account escheat to the state, one half of the fund balance shall be provided to the office of archaeology and historic preservation and the remainder shall be deposited into the parks renewal and stewardship account.

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

- NEW SECTION. Sec. 5. RCW 88.02.052 (Voluntary donations in conjunction with registration--Maritime historic restoration and preservation) and 1996 c 3 s 1 are each repealed.
- NEW SECTION. Sec. 6. Section 2 of this act expires June 30, 2012.
- NEW SECTION. Sec. 7. Section 3 of this act takes effect June 30, 26 2012.

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