SENATE BILL 6218

State of Washington60th Legislature2008 Regular SessionBy Senators Hatfield and Murray

Read first time 01/14/08. Referred to Committee on Transportation.

AN ACT Relating to historic vessels; amending RCW 88.02.010, 88.02.050, 88.02.050, and 82.49.010; adding a new section to chapter 88.02 RCW; creating a new section; providing an effective date; and providing an expiration date.

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

6 NEW SECTION. Sec. 1. The legislature finds and declares that 7 constructive leisure pursuits by Washington citizens are very 8 important. This act is intended to encourage responsible participation in the hobby of collecting, preserving, restoring, and maintaining 9 10 vessels of historic and special interest, a hobby that contributes to 11 the enjoyment of Washington citizens and the preservation of 12 Washington's classic boat memorabilia.

13 Sec. 2. RCW 88.02.010 and 1983 c 7 s 14 are each amended to read 14 as follows:

15 Unless the context clearly requires otherwise, the definitions in 16 this section apply throughout this chapter.

17 (1) (("Vessel" means every watercraft used or capable of being used 18 as a means of transportation on the water, other than a seaplane.

(2) "Owner" means a person who has a lawful right to possession of 1 2 a vessel by purchase, exchange, gift, lease, inheritance, or legal action whether or not the vessel is subject to a security interest. 3

(3)) "Collector" means the owner of one or more vessels who 4 collects, purchases, acquires, trades, or disposes of the vessels or 5 their parts for the collector's personal use, to preserve, restore, and б 7 maintain the boat for hobby or historical purposes.

means a person, partnership, association, 8 (2) "Dealer" or corporation engaged in the business of selling vessels at wholesale or 9 retail in this state. 10

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(((4))) <u>(3)</u> "Department" means the department of licensing.

(4) "Historic vessel" means any vessel that is at least forty years 12 13 old.

14 (5) "Owner" means a person who has a lawful right to possession of a vessel by purchase, exchange, gift, lease, inheritance, or legal 15 action whether or not the vessel is subject to a security interest. 16

17 (6) "Vessel" means every watercraft used or capable of being used as a means of transportation on the water, other than a seaplane. 18

19 Sec. 3. RCW 88.02.050 and 2007 c 342 s 5 are each amended to read 20 as follows:

21 (1) Application for a vessel registration shall be made to the 22 department or its authorized agent in the manner and upon forms 23 prescribed by the department. The application shall state the name and 24 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, 25 26 and shall be accompanied by a vessel registration fee of ten dollars 27 and fifty cents per year and the excise tax imposed under chapter 82.49 28 RCW.

29 (2) Five additional dollars must be collected annually from every 30 vessel registration application. These moneys must be distributed in 31 the following manner:

(a) Two dollars must be deposited into the derelict vessel removal 32 account established in RCW 79.100.100. If the department of natural 33 resources indicates that the balance of the derelict vessel removal 34 account, not including any transfer or appropriation of funds into the 35 36 account or funds deposited into the account collected under RCW

1 88.02.270, reaches one million dollars as of March 1st of any year, the 2 collection of the two-dollar fee must be suspended for the following 3 fiscal year.

4 (b) One dollar and fifty cents must be deposited in the aquatic 5 invasive species prevention account created in RCW 77.12.879.

6 (c) One dollar must be deposited into the freshwater aquatic algae 7 control account created in RCW 43.21A.667.

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

10 (3) Any fees required for licensing agents under RCW 46.01.140 11 shall be in addition to the ten dollar and fifty cent annual 12 registration fee and the five-dollar fee created in subsection (2) of 13 this section.

14 (4) Upon receipt of the application and the registration fee, the department shall assign a registration number and, except for historic 15 16 vessels, issue a decal for each vessel. The department shall create and issue a separate decal for each historic vessel. The registration 17 number and decal shall be issued and affixed to the vessel in a manner 18 prescribed by the department consistent with the standard numbering 19 system for vessels set forth in volume 33, part 174, of the code of 20 21 federal regulations. A valid decal affixed as prescribed shall 22 indicate compliance with the annual registration requirements of this 23 chapter.

24 (5) The vessel registrations and decals are valid for a period of 25 one year, except that the director of licensing may extend or diminish vessel registration periods, and the decals therefor, for the purpose 26 27 of staggered renewal periods. For registration periods of more or less than one year, the department may collect prorated annual registration 28 29 fees and excise taxes based upon the number of months in the registration period. Vessel registrations are renewable every year in 30 31 a manner prescribed by the department upon payment of the vessel 32 registration fee, excise tax, and the derelict vessel fee. Upon renewing a vessel registration, the department shall issue a new decal 33 to be affixed as prescribed by the department. 34

35 (6) When the department issues either a notice to renew a vessel 36 registration or a decal for a new or renewed vessel registration, it 37 shall also provide information on the location of marine oil recycling 38 tanks and sewage holding tank pumping stations. This information will

1 be provided to the department by the state parks and recreation 2 commission in a form ready for distribution. The form will be 3 developed and prepared by the state parks and recreation commission 4 with the cooperation of the department of ecology. The department, the 5 state parks and recreation commission, and the department of ecology 6 shall enter into a memorandum of agreement to implement this process.

7 (7) A person acquiring a vessel from a dealer or a vessel already 8 validly registered under this chapter shall, within fifteen days of the 9 acquisition or purchase of the vessel, apply to the department or its 10 authorized agent for transfer of the vessel registration, and the 11 application shall be accompanied by a transfer fee of one dollar.

12 **Sec. 4.** RCW 88.02.050 and 2007 c 342 s 6 are each amended to read 13 as follows:

(1) Application for a vessel registration shall be made to the 14 15 department or its authorized agent in the manner and upon forms 16 prescribed by the department. The application shall state the name and 17 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, 18 and shall be accompanied by a vessel registration fee of ten dollars 19 20 and fifty cents per year and the excise tax imposed under chapter 82.49 21 In addition, two additional dollars must be collected annually RCW. from every vessel registration application. 22 These moneys must be 23 deposited into the derelict vessel removal account established in RCW 24 79.100.100. If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any 25 26 transfer or appropriation of funds into the account or funds deposited into the account collected under RCW 88.02.270, reaches one million 27 dollars as of March 1st of any year, the collection of the two-dollar 28 29 fee must be suspended for the following fiscal year. Any fees required 30 for licensing agents under RCW 46.01.140 shall be in addition to the 31 ten dollar and fifty cent annual registration fee and the two-dollar derelict vessel fee. 32

33 (2) Upon receipt of the application and the registration fee, the 34 department shall assign a registration number and, except for historic 35 vessels, issue a decal for each vessel. The department shall create 36 and issue a separate decal for each historic vessel. The registration 37 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.

(3) The vessel registrations and decals are valid for a period of 6 7 one year, except that the director of licensing may extend or diminish vessel registration periods, and the decals therefor, for the purpose 8 of staggered renewal periods. For registration periods of more or less 9 10 than one year, the department may collect prorated annual registration fees and excise taxes based upon the number of months 11 in the 12 registration period. Vessel registrations are renewable every year in 13 a manner prescribed by the department upon payment of the vessel registration fee, excise tax, and the derelict vessel fee. 14 Upon renewing a vessel registration, the department shall issue a new decal 15 16 to be affixed as prescribed by the department.

17 (4) When the department issues either a notice to renew a vessel registration or a decal for a new or renewed vessel registration, it 18 shall also provide information on the location of marine oil recycling 19 tanks and sewage holding tank pumping stations. This information will 20 21 be provided to the department by the state parks and recreation commission in a form ready for distribution. 22 The form will be developed and prepared by the state parks and recreation commission 23 24 with the cooperation of the department of ecology. The department, the 25 state parks and recreation commission, and the department of ecology 26 shall enter into a memorandum of agreement to implement this process.

27 (5) A person acquiring a vessel from a dealer or a vessel already 28 validly registered under this chapter shall, within fifteen days of the 29 acquisition or purchase of the vessel, apply to the department or its 30 authorized agent for transfer of the vessel registration, and the 31 application shall be accompanied by a transfer fee of one dollar.

32 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 88.02 RCW 33 to read as follows:

A historic vessel registered under RCW 88.02.050 may only be used for participation in club activities, exhibitions, tours, parades, and occasional pleasure boating.

1 Sec. 6. RCW 82.49.010 and 2000 c 229 s 5 are each amended to read
2 as follows:

(1) An excise tax is imposed for the privilege of using a vessel 3 upon the waters of this state, except vessels exempt under RCW 4 Except for historic vessels, the annual amount of the 5 82.49.020. excise tax is one-half of one percent of fair market value, as 6 7 determined under this chapter, or five dollars, whichever is greater. The annual amount of the excise tax for any historic vessel as defined 8 in RCW 88.02.010 is one-quarter of one percent of fair market value, as 9 determined under this chapter, or five dollars, whichever is greater. 10 Violation of this subsection is a misdemeanor. 11

12 (2) Persons who are required under chapter 88.02 RCW to register a 13 vessel in this state and who register the vessel in another state or 14 foreign country and avoid the Washington watercraft excise tax are 15 guilty of a gross misdemeanor and are liable for such unpaid excise 16 tax. The department of revenue may assess and collect the unpaid 17 excise tax under chapter 82.32 RCW, including the penalties and 18 interest provided in chapter 82.32 RCW.

(3) The excise tax upon a vessel registered for the first time in 19 this state shall be imposed for a twelve-month period, including the 20 21 month in which the vessel is registered, unless the director of 22 licensing extends or diminishes vessel registration periods for the purpose of staggered renewal periods under RCW 88.02.050. A vessel is 23 24 registered for the first time in this state when the vessel was not 25 registered in this state for the immediately preceding registration year, or when the vessel was registered in another jurisdiction for the 26 27 immediately preceding year. The excise tax on vessels required to be registered in this state on June 30, 1983, shall be paid by June 30, 28 29 1983.

30 <u>NEW SECTION.</u> Sec. 7. Section 3 of this act expires June 30, 2012.

31 <u>NEW SECTION.</u> Sec. 8. Section 4 of this act takes effect June 30,
 32 2012.

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