
SECOND ENGROSSED HOUSE BILL 1016

State of Washington

54th Legislature

1995 Regular Session

By Representatives K. Schmidt and Kremen

Prefiled 12/30/94. Read first time 01/09/95. Referred to Committee on Transportation.

1 AN ACT Relating to state and county ferries; amending RCW
2 82.38.030, 82.36.410, and 47.56.725; creating a new section; and making
3 an appropriation.

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

5 NEW SECTION. **Sec. 1.** The legislature finds and declares that
6 permanently locating the USS Missouri in the city of Bremerton will be
7 of significant economic, historical, and educational benefit to the
8 state of Washington. The Washington state ferries will play a
9 significant role in providing access to the USS Missouri for visitors
10 coming from the east side of Puget Sound. The increase in ridership
11 associated with the attraction will require an investment in new
12 pedestrian facilities that connect the attraction to the Bremerton
13 ferry terminal. In addition, the placement of the USS Missouri
14 requires complex anchorage and dolphins to protect ferry system
15 navigation lanes. This act supports, in part, the required
16 infrastructure investments and provides financial resources for the
17 Washington state ferries to accomplish the objectives.

1 **Sec. 2.** RCW 82.38.030 and 1989 c 193 s 3 are each amended to read
2 as follows:

3 (1) There is hereby levied and imposed upon special fuel users a
4 tax at the rate computed in the manner provided in RCW 82.36.025 per
5 gallon or each one hundred cubic feet of compressed natural gas
6 measured at standard pressure and temperature on the use of special
7 fuel in any motor vehicle, or a ferry owned or operated by the state of
8 Washington or one of its political subdivisions, operated upon the
9 highways or waterways of this state during the fiscal year for which
10 such rate is applicable.

11 (2) The tax shall be collected by the special fuel dealer and shall
12 be paid over to the department as hereinafter provided: (a) With
13 respect to all special fuel delivered by a special fuel dealer into
14 supply tanks of motor vehicles or into storage facilities used for the
15 fueling of motor vehicles at unbonded service stations in this state;
16 or (b) in all other transactions where the purchaser is not the holder
17 of a valid special fuel license issued pursuant to this chapter
18 allowing the purchase of untaxed special fuel, except sales of special
19 fuel for export. To claim an exemption on account of sales by a
20 licensed special fuel dealer for export, the purchaser shall obtain
21 from the selling special fuel dealer, and such selling special fuel
22 dealer must furnish the purchaser, an invoice giving such details of
23 the sale for export as the director may require, copies of which shall
24 be furnished the department and the entity of the state or foreign
25 jurisdiction of destination which is charged by the laws of that state
26 or foreign jurisdiction with the control or monitoring or both, of the
27 sales or movement of special fuel in that state or foreign
28 jurisdiction.

29 (3) The tax shall be paid over to the department by the special
30 fuel user as hereinafter provided with respect to the taxable use of
31 special fuel upon which the tax has not previously been imposed.

32 It is expressly provided that delivery of special fuel may be made
33 without collecting the tax otherwise imposed, when such deliveries are
34 made by a bonded special fuel dealer to special fuel users who are
35 authorized by the department as hereinafter provided, to purchase fuel
36 without payment of tax to the bonded special fuel dealer.

37 **Sec. 3.** RCW 82.36.410 and 1973 c 95 s 5 are each amended to read
38 as follows:

1 All moneys collected by the director shall be transmitted forthwith
2 to the state treasurer, together with a statement showing whence the
3 moneys were derived, and shall be by him credited to the motor vehicle
4 fund. All revenues from fuel purchased for marine use by the state
5 ferry system shall be credited to the Puget Sound ferry operations
6 account created under RCW 47.60.530. All revenues from fuel purchased
7 for marine use by Pierce, Skagit, and Whatcom counties for county ferry
8 operations shall be credited to the motor vehicle fund and distributed
9 under RCW 46.68.100(3) and allocated according to RCW 47.56.725. All
10 revenues from fuel purchased by Wahkiakum county for county ferry
11 operations shall be directly reimbursed by the state treasurer to the
12 Wahkiakum county treasurer.

13 **Sec. 4.** RCW 47.56.725 and 1991 c 310 s 1 are each amended to read
14 as follows:

15 (1) The department is hereby authorized to enter into a continuing
16 agreement with Pierce, Skagit, and Whatcom counties pursuant to which
17 the department shall, from time to time, direct the distribution to
18 each of the counties the amounts authorized in subsection (2) of this
19 section in accordance with RCW 46.68.100.

20 (2) The department is authorized to include in each agreement a
21 provision for the distribution of funds to each county to reimburse the
22 county for fifty percent of the deficit incurred during each previous
23 fiscal year in the operation and maintenance of the ferry system owned
24 and operated by the county. The total amount to be reimbursed to
25 Pierce, Skagit, and Whatcom counties collectively shall not exceed one
26 million dollars in any biennium. Refunds of motor vehicle fuel taxes
27 for county ferry operations shall not be considered in the amount to be
28 reimbursed. Each county agreement shall contain a requirement that the
29 county shall maintain tolls on its ferries at least equal to tolls in
30 place on January 1, 1990.

31 (3) The annual fiscal year operating and maintenance deficit, if
32 any, shall be determined by Pierce, Skagit, and Whatcom counties
33 subject to review and approval of the department. The annual fiscal
34 year operating and maintenance deficit is defined as the total of
35 operations and maintenance expenditures less the sum of ferry toll
36 revenues and that portion of fuel tax revenue distributions which are
37 attributable to the county ferry as determined by the department.
38 Distribution of the amounts authorized by subsection (2) of this

1 section by the state treasurer shall be directed by the department upon
2 the receipt of properly executed vouchers from each county.

3 (4) The county road administration board may evaluate requests by
4 Pierce, Skagit, Wahkiakum, and Whatcom counties for county ferry
5 capital improvement funds. The board shall evaluate the requests and,
6 if approved by a majority of the board, submit the requests to the
7 legislature for funding out of the amounts available under RCW
8 46.68.100(3). Any county making a request under this subsection shall
9 first seek funding through the public works trust fund, or any other
10 available revenue source, where appropriate.

11 NEW SECTION. **Sec. 5.** The sum of three million dollars, or as much
12 thereof as may be necessary, is appropriated for the biennium ending
13 June 30, 1997, from the Puget Sound ferry operations account to the
14 Washington state ferries of the department of transportation for the
15 purpose of reimbursing Kitsap county and the Port of Bremerton for
16 construction of facilities supporting the placement of and access to
17 the national tourist attraction USS Missouri.

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