

HOUSE BILL REPORT

HB 1619

As Reported by House Committee On:
Natural Resources

Title: An act relating to the recreation resource account.

Brief Description: Modifying distributions to the recreation resource account.

Sponsors: Representatives Hunt, Doumit, McMorris, Mulliken, Sump, Clements, Lantz and Miloscia.

Brief History:

Committee Activity:

Natural Resources: 2/14/01, 2/21/01 [DP].

Brief Summary of Bill

- Money is no longer distributed to the motor vehicle fund from the marine fuel tax account when the money is no longer needed for refunds from that account. All the money transferred from the marine fuel tax account is distributed to the recreation resource account.

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass. Signed by 10 members: Representatives Doumit, Democratic Co-Chair; Sump, Republican Co-Chair; Pearson, Republican Vice Chair; Rockefeller, Democratic Vice Chair; Buck, Eickmeyer, Ericksen, Jackley, Murray and Pennington.

Staff: Bill Lynch (786-7092).

Background:

A person who uses motor vehicle fuel for operating an engine not related to operation of a motor vehicle licensed for use on the public highways, may receive a refund for the motor vehicle fuel excise tax paid on each gallon. In order to get a refund, the person must apply for a permit from the Department of Revenue and submit a claim to the department along with the invoices issued at the time the fuel was purchased. Claims for refunds must be at least twenty dollars. If the director approves the refund, the State Treasurer provides the person with a warrant payable out of the marine fuel tax refund

account. An application for a refund must be made no later than the close of the last business day 13 months from the date of the purchase, or the refund is barred.

At least once every four years, the director of Licensing must determine the amount or proportion of the money paid as motor vehicle fuel tax which constitutes a tax on marine fuel because the fuel was used for marine purposes. After making this determination, the director requests the State Treasurer to refund this amount of money from the motor vehicle fund to the marine fuel tax account. The money in the marine fuel tax account is then used to provide refunds for people who paid motor vehicle fuel excise tax on fuel not used for public highway purposes.

After the time period has expired for people to claim refunds from the marine fuel tax account, the state succeeds to the right to the refunds. The funds in the marine fuel tax account no longer needed for refunds are distributed to the motor vehicle fund and to the recreation resource account. The amount of money distributed to the recreation resource account is the amount of the motor vehicle fuel tax rate in effect on January 1, 1990. The amount of money distributed to the motor vehicle fund is the difference between the current motor vehicle fuel tax and the rate that was in effect on January 1, 1990. The motor vehicle fuel tax rate is currently 23 cents per gallon. Of this amount, 18 cents is distributed to the recreation resource account and 5 cents is distributed to the motor vehicle fund.

The resource recreation account is divided into two equal shares. The first portion is used as grants to state agencies for acquisition of marine recreation land; capital improvement and renovation of marine recreation land; and as a match for federal funds for marine recreation lands. The second portion is used as grants to public bodies for the same purposes as the grants to state agencies.

Summary of Bill:

Money is no longer distributed to the motor vehicle fund from the marine fuel tax account when the money is no longer needed for refunds from that account. All the money transferred from the marine fuel tax account is distributed to the recreation resource account.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Recreational boaters support this change. This is money provided by

the boating community. This account grew out of an initiative in 1964. There may be an opportunity to get federal matching funds with this money. This money could be used to educate boaters about how to prevent the spread of aquatic nuisance species. More information and enforcement officers may be available at the boat ramps if this money is reallocated to the recreation resource account. These funds are critical to the outdoor recreation community and only represent one thousandth of one percent of the state transportation budget.

Testimony Against: None.

Testified: (In support) Representative Hunt, prime sponsor; Ray Schow and Bernard Murray, Recreational Boaters of Washington; Cliff Webster, Northwest Marine Trade Association; and Jim Fox, Interagency Committee for Outdoor Recreation.