

# SENATE BILL REPORT

## SB 5218

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As Reported By Senate Committee On:  
Ecology & Parks, January 18, 1996

**Title:** An act relating to watercraft excise tax.

**Brief Description:** Changing watercraft excise tax provisions.

**Sponsors:** Senators C. Anderson, Swecker, Owen, Winsley and Fraser; by request of Parks and Recreation Commission.

**Brief History:**

**Committee Activity:** Ecology & Parks: 1/24/95, 1/31/95 [DPA]; 1/17/96, 1/18/96 [DPS-WM].

Ways & Means: 2/14/95.

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### SENATE COMMITTEE ON ECOLOGY & PARKS

**Majority Report:** That Substitute Senate Bill No. 5218 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Fraser, Chair; Fairley, Vice Chair; Hochstatter, McAuliffe, Spanel and Swecker.

**Staff:** Kari Guy (786-7437)

**Background:** The watercraft excise tax (WET) is imposed upon all vessels operated in the state, in the amount of the greater of one half of 1 percent of market value or \$5. Certain vessels are exempt, such as vessels under 16 feet. The taxes are deposited to the general fund.

In 1989 the Legislature provided that until 1995, subject to appropriation by the Legislature, the \$1 million in WET revenues between \$5 and \$6 million may be allocated in each fiscal year for boating purposes as follows: 30 percent for boater access and destination sites; 30 percent for boater sewage pumpout facilities; 25 percent for boating safety enforcement and programs; and 15 percent for boating safety instruction and programs by schools, public entities and nonprofit community organizations. The Parks and Recreation Commission administers the sewage pumpout and boating safety grant programs. The Interagency Committee for Outdoor Recreation administers the boater access funds on a competitive grants basis, evenly divided between state and local governments.

Legislative appropriations of WET revenues for these purposes is as follows: 1989-91 biennium--\$1.1 million; 1991-93 biennium--\$278,000; 1993-95 biennium--none. State Parks has contracted for the installation of 18 sewage pumpout and dump units at public and private marinas under the program. State Parks grants for boating safety supported the purchase of 17 patrol vessels by city and county law enforcement agencies. Boating safety education funds supported a variety of activities, including the production of a boating safety

guide, environmental education signage, training of teachers and volunteers for public school programs, and radio and television public service announcements.

**Summary of Substitute Bill:** The clean and safe boating account is created. Beginning July 1, 1996, WET revenues in each fiscal year in excess of \$9 million but not exceeding \$10 million shall be deposited to the account.

The purposes and percentage allocations are modified as follows: 10 percent to the parks commission for providing navigational aids, buoys, and signs and to support uniform waterway marking; an increase to 30 percent for boating safety enforcement and programs; an increase to 30 percent for boating safety and waste management instruction and programs by public, tribal, or privately held marinas, schools, public entities, and boating and environmental organizations. The 30 percent allocation for sewage pumpout installations is unchanged. The allocation to the IAC for boater access and destination sites is deleted.

Provisions related to sewage pumpout facilities funded by the commission are amended to remove the requirement that the commission retain ownership of pumpouts, to remove the prohibition on charging fees for pumpout, and to specify that the commission may require a matching contribution towards the project.

**Substitute Bill Compared to Original Bill:** The revenue deposited in the clean and safe boating account is changed to those revenues between \$9 million and \$10 million, rather than those revenues between \$8 million and \$9 million.

The provisions related to sewage pumpout facilities are amended to make the state requirements consistent with federal requirements under the federal Clean Vessel Act.

The effective date is changed to July 1, 1996.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on July 1, 1996.

**Testimony For:** This bill will enhance the ability to enforce boating safety provisions, provide necessary funds for navigational markings and buoys, and increase boater education. The bill does not remove existing funds from the general fund.

**Testimony Against:** None.

**Testified:** Bill Wiester, Sheriff's Assn. (pro); Lorna Hink, Jarrell's Cove Marina (pro); Cleve Pinnix, State Parks (pro); Capt., U.S. Coast Guard (pro); Jack Swanberg, Northwest Marine Trade Assn. (pro).