
SENATE BILL 6771

State of Washington

54th Legislature

1996 Regular Session

By Senators Fairley and Kohl

Read first time 02/07/96. Referred to Committee on Ecology & Parks.

1 AN ACT Relating to marine waters protection; and amending RCW
2 82.23B.020 and 90.56.510.

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

4 **Sec. 1.** RCW 82.23B.020 and 1995 c 399 s 214 are each amended to
5 read as follows:

6 (1) An oil spill response tax is imposed on the privilege of
7 receiving crude oil or petroleum products at a marine terminal within
8 this state from a waterborne vessel or barge operating on the navigable
9 waters of this state. The tax imposed in this section is levied upon
10 the owner of the crude oil or petroleum products immediately after
11 receipt of the same into the storage tanks of a marine terminal from a
12 waterborne vessel or barge at the rate of ~~((two))~~ one-half of one
13 cent~~((s))~~ per barrel of crude oil or petroleum product received.

14 (2) In addition to the tax imposed in subsection (1) of this
15 section, ~~((an oil spill administration))~~ a marine waters protection tax
16 is imposed on the privilege of receiving crude oil or petroleum
17 products at a marine terminal within this state from a waterborne
18 vessel or barge operating on the navigable waters of this state. The
19 tax imposed in this section is levied upon the owner of the crude oil

1 or petroleum products immediately after receipt of the same into the
2 storage tanks of a marine terminal from a waterborne vessel or barge at
3 the rate of (~~three~~) four and one-half cents per barrel of crude oil
4 or petroleum product.

5 (3) The taxes imposed by this chapter shall be collected by the
6 marine terminal operator from the taxpayer. If any person charged with
7 collecting the taxes fails to bill the taxpayer for the taxes, or in
8 the alternative has not notified the taxpayer in writing of the
9 imposition of the taxes, or having collected the taxes, fails to pay
10 them to the department in the manner prescribed by this chapter,
11 whether such failure is the result of the person's own acts or the
12 result of acts or conditions beyond the person's control, he or she
13 shall, nevertheless, be personally liable to the state for the amount
14 of the taxes. Payment of the taxes by the owner to a marine terminal
15 operator shall relieve the owner from further liability for the taxes.

16 (4) Taxes collected under this chapter shall be held in trust until
17 paid to the department. Any person collecting the taxes who
18 appropriates or converts the taxes collected shall be guilty of a gross
19 misdemeanor if the money required to be collected is not available for
20 payment on the date payment is due. The taxes required by this chapter
21 to be collected shall be stated separately from other charges made by
22 the marine terminal operator in any invoice or other statement of
23 account provided to the taxpayer.

24 (5) If a taxpayer fails to pay the taxes imposed by this chapter to
25 the person charged with collection of the taxes and the person charged
26 with collection fails to pay the taxes to the department, the
27 department may, in its discretion, proceed directly against the
28 taxpayer for collection of the taxes.

29 (6) The taxes shall be due from the marine terminal operator, along
30 with reports and returns on forms prescribed by the department, within
31 twenty-five days after the end of the month in which the taxable
32 activity occurs.

33 (7) The amount of taxes, until paid by the taxpayer to the marine
34 terminal operator or to the department, shall constitute a debt from
35 the taxpayer to the marine terminal operator. Any person required to
36 collect the taxes under this chapter who, with intent to violate the
37 provisions of this chapter, fails or refuses to do so as required and
38 any taxpayer who refuses to pay any taxes due under this chapter, shall
39 be guilty of a misdemeanor as provided in chapter 9A.20 RCW.

1 (8) Upon prior approval of the department, the taxpayer may pay the
2 taxes imposed by this chapter directly to the department. The
3 department shall give its approval for direct payment under this
4 section whenever it appears, in the department's judgment, that direct
5 payment will enhance the administration of the taxes imposed under this
6 chapter. The department shall provide by rule for the issuance of a
7 direct payment certificate to any taxpayer qualifying for direct
8 payment of the taxes. Good faith acceptance of a direct payment
9 certificate by a terminal operator shall relieve the marine terminal
10 operator from any liability for the collection or payment of the taxes
11 imposed under this chapter.

12 (9) All receipts from the tax imposed in subsection (1) of this
13 section shall be deposited into the state oil spill response account.
14 All receipts from the tax imposed in subsection (2) of this section
15 shall be deposited into the ((oil spill administration)) marine waters
16 protection account.

17 (10) Within forty-five days after the end of each calendar quarter,
18 the office of financial management shall determine the balance of the
19 oil spill response account as of the last day of that calendar quarter.
20 Balance determinations by the office of financial management under this
21 section are final and shall not be used to challenge the validity of
22 any tax imposed under this chapter. The office of financial management
23 shall promptly notify the departments of revenue and ecology of the
24 account balance once a determination is made. For each subsequent
25 calendar quarter, the tax imposed by subsection (1) of this section
26 shall be imposed during the entire calendar quarter unless:

27 (a) Tax was imposed under subsection (1) of this section during the
28 immediately preceding calendar quarter, and the most recent quarterly
29 balance is more than twenty-five million dollars; or

30 (b) Tax was not imposed under subsection (1) of this section during
31 the immediately preceding calendar quarter, and the most recent
32 quarterly balance is more than fifteen million dollars.

33 (11) The ((office of marine safety)) integrated oil spill
34 prevention and response program, the department of revenue, and the
35 department of community, trade, and economic development shall study
36 tax credits for taxpayers employing vessels with the best achievable
37 technology and the best available protection to reduce the risk of oil
38 spills to the navigable waters of the state and submit the study to the
39 appropriate standing committees of the legislature by December 1, 1992.

1 **Sec. 2.** RCW 90.56.510 and 1995 2nd sp.s. c 14 s 525 are each
2 amended to read as follows:

3 (1) The (~~oil spill administration~~) marine waters protection
4 account is created in the state treasury. All receipts from RCW
5 82.23B.020(2) shall be deposited in the account. Moneys from the
6 account may be spent only after appropriation. The account is subject
7 to allotment procedures under chapter 43.88 RCW. On July 1 of each
8 odd-numbered year, if receipts deposited in the account from the tax
9 imposed by RCW 82.23B.020(2) for the previous fiscal biennium exceed
10 the amount appropriated from the account for the previous fiscal
11 biennium, the state treasurer shall transfer the amount of receipts
12 exceeding the appropriation to the oil spill response account. If, on
13 the first day of any calendar month, the balance of the oil spill
14 response account is greater than twenty-five million dollars and the
15 balance of the (~~oil spill administration~~) marine waters protection
16 account exceeds the unexpended appropriation for the current biennium,
17 then the tax under RCW 82.23B.020(2) shall be suspended on the first
18 day of the next calendar month until the beginning of the following
19 biennium, provided that the tax shall not be suspended during the last
20 six months of the biennium. If the tax imposed under RCW 82.23B.020(2)
21 is suspended during two consecutive biennia, the department shall by
22 November 1st after the end of the second biennium, recommend to the
23 appropriate standing committees an adjustment in the tax rate. For the
24 biennium ending June 30, 1997, the state treasurer may transfer up to
25 \$1,718,000 from the oil spill response account to the (~~oil spill~~
26 ~~administration~~) marine waters protection account to support
27 appropriations made from the (~~oil spill administration~~) marine waters
28 protection account in the omnibus and transportation appropriations
29 acts adopted not later than June 30, 1997.

30 (2) Expenditures from the (~~oil spill administration~~) marine
31 waters protection account shall be used exclusively for the
32 administrative costs related to the purposes of this chapter, and
33 chapters 90.48, 88.40, and 88.46 RCW. Starting with the 1995-1997
34 biennium, the legislature shall give activities of state agencies
35 related to prevention of oil spills priority in funding from the (~~oil~~
36 ~~spill administration~~) marine waters protection account. Costs of
37 administration include the costs of:

38 (a) Routine responses not covered under RCW 90.56.500;

39 (b) Management and staff development activities;

1 (c) Development of rules and policies and the state-wide plan
2 provided for in RCW 90.56.060;

3 (d) Facility and vessel plan review and approval, drills,
4 inspections, investigations, enforcement, and litigation;

5 (e) Interagency coordination and public outreach and education;

6 (f) Collection and administration of the tax provided for in
7 chapter 82.23B RCW; and

8 (g) Appropriate travel, goods and services, contracts, and
9 equipment.

10 NEW SECTION. **Sec. 3.** If any provision of this act or its
11 application to any person or circumstance is held invalid, the
12 remainder of the act or the application of the provision to other
13 persons or circumstances is not affected.

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