

SENATE BILL REPORT

SHB 1351

As of March 17, 1997

Title: An act relating to the marine fuel tax refund account.

Brief Description: Stabilizing the monthly refund from the marine fuel tax refund account.

Sponsors: House Committee on Transportation Policy & Budget (originally sponsored by Representatives K. Schmidt, Fisher and Mitchell).

Brief History:

Committee Activity: Natural Resources & Parks:

SENATE COMMITTEE ON NATURAL RESOURCES & PARKS

Staff: Aldo Melchiori (786-7439)

Background: At least every four years, the Director of Licensing determines the amount of money paid as motor vehicle fuel tax which is tax on marine fuel based on the percentage of motor fuel used by marine vessels. The current percentage was established in 1989 as 1.171 percent. A survey in 1991 was unsuccessful because an agreement on the percentage could not be reached. A new survey was initiated in 1995 and is still underway.

The fuel tax rate used, in either case, is the rate in effect January 1, 1990 (18 cents per gallon). All claims for marine use refunds must be made within 13 months from the date of purchase. If not made within that time, the state is assigned the right to the refund. These funds are then placed in the marine fuel tax refund account. The amount representing 18 cents per gallon is transferred to the recreation resource account with the remainder of the money returned to the motor vehicle fund.

The recreation resource account is used to pay necessary administrative and coordinative costs of the Interagency Committee for Outdoor Recreation. Two equal shares are also divided between grants to state agencies for marine recreation land acquisition and improvement and grants to public bodies for the same purposes.

Summary of Bill: The percentage of motor vehicle fuel tax revenue transferred to the motor fuel tax refund account is set at 1.0107 percent. The Department of Licensing is no longer required to conduct studies to determine the percentage of motor fuel used by marine vessels.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 1997.