
SENATE BILL 6279

State of Washington 57th Legislature

2002 Regular Session

By Senators Jacobsen, Fraser and Kline

Read first time 01/14/2002. Referred to Committee on Environment,
Energy & Water.

1 AN ACT Relating to sales of water rights; amending RCW 82.45.180;
2 adding a new section to chapter 82.45 RCW; adding new sections to
3 chapter 90.03 RCW; creating new sections; and making an appropriation.

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

5 NEW SECTION. **Sec. 1.** It is the intent of this act to improve the
6 administration of real property records related to the sale of water
7 rights, and to provide assistance to county auditors maintaining such
8 records from revenues derived from the existing real estate excise tax
9 applicable to the sales of water rights separate from land sales.

10 **Sec. 2.** RCW 82.45.180 and 1998 c 106 s 11 are each amended to read
11 as follows:

12 (1) For taxes collected by the county under this chapter, the
13 county treasurer shall collect a two-dollar fee on all transactions
14 required by this chapter where the transaction does not require the
15 payment of tax. A total of two dollars shall be collected in the form
16 of a tax and fee, where the calculated tax payment is less than two
17 dollars. The county treasurer shall place one percent of the proceeds
18 of the tax imposed by this chapter and the treasurer's fee in the

1 county current expense fund to defray costs of collection and shall pay
2 over to the state treasurer and account to the department of revenue
3 for the remainder of the proceeds at the same time the county treasurer
4 remits funds to the state under RCW 84.56.280. The state treasurer
5 shall deposit the proceeds in the general fund for the support of the
6 common schools, except that the proceeds of taxes upon sales identified
7 in section 3 of this act shall be deposited to the water rights records
8 account created in section 4 of this act.

9 (2) For taxes collected by the department of revenue under this
10 chapter, the department shall remit the tax to the state treasurer who
11 shall deposit the proceeds of any state tax in the general fund for the
12 support of the common schools, except that the proceeds of taxes upon
13 sales identified in section 3 of this act shall be deposited to the
14 water rights records account created in section 4 of this act. The
15 state treasurer shall deposit the proceeds of any local taxes imposed
16 under chapter 82.46 RCW in the local real estate excise tax account
17 hereby created in the state treasury. Moneys in the local real estate
18 excise tax account may be spent only for distribution to counties,
19 cities, and towns imposing a tax under chapter 82.46 RCW. Except as
20 provided in RCW 43.08.190, all earnings of investments of balances in
21 the local real estate excise tax account shall be credited to the local
22 real estate excise tax account and distributed to the counties, cities,
23 and towns monthly. Monthly the state treasurer shall make distribution
24 from the local real estate excise tax account to the counties, cities,
25 and towns the amount of tax collected on behalf of each taxing
26 authority. The state treasurer shall make the distribution under this
27 subsection without appropriation.

28 NEW SECTION. Sec. 3. A new section is added to chapter 82.45 RCW
29 to read as follows:

30 The real estate excise tax affidavit furnished by the department as
31 provided under RCW 82.45.150 shall provide for identification of sales
32 subject to this chapter that are limited solely to the sale of a water
33 right or an interest in a water right. The department and counties
34 shall separately identify proceeds of taxes collected upon such sales
35 when paying such proceeds over to the state treasurer as provided in
36 RCW 82.45.180.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 90.03 RCW
2 to read as follows:

3 The water rights records account is created in the state treasury.
4 All receipts from proceeds identified in section 3 of this act must be
5 deposited in the account. Moneys in the account may be spent only
6 after appropriation. Expenditures from the account may be used for
7 improving the administration of state and local information regarding
8 the title to and ownership of water rights, and improvements to county
9 real property records as it relates to appurtenant water rights. From
10 amounts appropriated, the department of ecology may make grants to
11 counties to assist with recording and information management needs
12 related to water rights ownership and title.

13 NEW SECTION. **Sec. 5.** A new section is added to chapter 90.03 RCW
14 to read as follows:

15 The departments of ecology and revenue shall work with county
16 auditors toward improving the administration of water rights ownership
17 information and integrating this information with real property
18 ownership records.

19 NEW SECTION. **Sec. 6.** By January 1, 2003, the department of
20 ecology shall report to the appropriate standing committees of the
21 senate and house of representatives regarding implementation of this
22 act and make recommendations for administrative and legislative actions
23 to improve records and information management regarding water rights
24 ownership.

25 NEW SECTION. **Sec. 7.** The sum of . . . dollars, or as much thereof
26 as may be necessary, is appropriated from the water rights records
27 account to the department of ecology for the fiscal year ending June
28 30, 2003, for the purposes of this act.

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