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HOUSE BILL 1785

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By Representatives Locke, J. Kohl, Rust, Jacobsen, Wineberry, Shin, Dunshee, Holm, Pruitt, Jones, Finkbeiner, King, Basich, Quall, Orr, Johanson, Leonard and Anderson

Read first time 02/08/93. Referred to Committee on Environmental Affairs.

1 AN ACT Relating to investing in the creation of jobs to restore and  
2 enhance Washington's estuaries, waterways, forests, and watersheds;  
3 amending RCW 70.146.070, 82.44.020, 82.44.110, 70.94.015, 82.50.405,  
4 43.131.369, and 43.131.370; adding a new chapter to Title 43 RCW;  
5 adding new chapters to Title 82 RCW; creating new sections; prescribing  
6 penalties; providing an effective date; and declaring an emergency.

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

8 **PART I ENVIRONMENTAL RESTORATION JOBS**

9 NEW SECTION. **Sec. 101.** LEGISLATIVE FINDINGS. (1) The legislature  
10 finds that the economy of Washington state depends on the health and  
11 sustainable management and development of its natural resources. The  
12 resources of Washington's estuaries, waterways, and watersheds provide  
13 a livelihood for thousands of citizens of Washington state and millions  
14 of dollars of income and tax revenues every year from forests,  
15 fisheries, shellfisheries, recreation, tourism, and other water-  
16 dependent industries. These resources include the waters and  
17 associated habitats of Puget Sound, which has been designated an  
18 estuary of national significance under the federal clean water act.

1 (2) The legislature further finds that the livelihoods and revenues  
2 produced by Puget Sound and Washington's other estuaries, waterways,  
3 and watersheds are threatened by continuing water quality and habitat  
4 degradation and that immediate investments in clean water  
5 infrastructure and habitat restoration and forest enhancement are  
6 required to prevent the burdening of future generations with cleanup  
7 costs, poorly functioning ecosystems, and the collapse of economically  
8 important industries that rely on a healthy environment.

9 (3) In particular, an insufficiency in financial incentives for  
10 local governments has resulted in investments in clean water too low to  
11 ensure the long-term economic and environmental health of Washington's  
12 estuaries, waterways, forests, and watersheds, especially in  
13 economically disadvantaged communities in the state.

14 NEW SECTION. **Sec. 102.** PURPOSE AND INTENT. (1) It is the  
15 intent of this chapter to provide adequate financial resources to local  
16 governments and other entities to increase implementation of and  
17 compliance with the Puget Sound water quality plan and to keep and  
18 create environmentally sound, high wage, and stable employment in  
19 Washington state and in the Puget Sound region.

20 (2) It is the purpose of this chapter to:

21 (a) Complete clean water, forest, and habitat restoration projects  
22 that will produce measurable improvements in water and habitat quality,  
23 prevent further degradation of water and habitat quality, and provide  
24 economic stability.

25 (b) Facilitate the coordination and consistency of state and local  
26 water and habitat protection and enhancement programs in the state's  
27 watersheds.

28 (c) Fund necessary projects for which planning has been completed.

29 (d) Provide immediate funding to create jobs in communities that  
30 are economically stressed due to restructuring of natural resource-  
31 based industries.

32 NEW SECTION. **Sec. 103.** ENVIRONMENTAL AND FOREST RESTORATION  
33 ACCOUNT. (1) The environmental and forest restoration account is  
34 established in the state treasury. Fifty percent of the funds in the  
35 account shall be allocated to the department of natural resources for  
36 the purposes of forest restoration and fifty percent of the funds shall  
37 be allocated to the Puget Sound water quality authority for the

1 purposes of clean water and environmental restoration. Money in the  
2 account may only be spent after appropriation by the legislature.  
3 Federal, state, local, or tribal entities, and private nonprofit  
4 organizations are eligible for funds under this chapter.

5 (2) The Puget Sound water quality authority shall allocate funds  
6 deposited in the environmental and forest restoration account to make  
7 loans, grants, and payments for Puget Sound restoration projects  
8 approved by the authority and only in a manner consistent with this  
9 chapter and with the Puget Sound management plan.

10 (3) The department of natural resources shall allocate funds  
11 deposited in the environmental and forest restoration account for  
12 protecting and restoring streams, wildlife habitat enhancement, and  
13 intensive forest techniques used in landscape management practices.  
14 These funds shall be used in timber impact areas as defined in RCW  
15 43.31.601. The department shall administer the program in consultation  
16 with the department of fisheries, the department of wildlife, and the  
17 parks and recreation commission.

18 (4) The environmental and forest restoration account shall consist  
19 of tax receipts as provided by law, principal and interest from the  
20 repayment of loans granted under this chapter, federal and other money  
21 received by the state for deposit in the account, and other money  
22 appropriated to the account by the legislature.

23 (5) At least five percent of the annual revenues to the  
24 environmental restoration account shall be expended by the Washington  
25 conservation corps to employ high-risk youth on projects consistent  
26 with this chapter and to fund administrative support services required  
27 by the senior environmental corps.

28 (6) At least five percent of the annual revenues to the  
29 environmental and forest restoration account shall be used for grants  
30 and loans to nonprofit, nongovernmental organizations to fund or  
31 finance projects, including those that increase private sector  
32 investments in pollution prevention activities and equipment, and that  
33 are consistent with the provisions of this section and section 104 of  
34 this act.

35 (7) No more than three percent of the annual revenues to the  
36 environmental and forest restoration account shall be expended for  
37 administrative purposes.

1 (8) Any one project may not be allocated more than five percent of  
2 the annual revenues to the environmental and forest restoration account  
3 in a given year.

4 NEW SECTION. **Sec. 104.** GRANTS OR LOANS FOR ENVIRONMENTAL AND  
5 FOREST RESTORATION PROJECTS--CRITERIA. (1) In making grants, loans, or  
6 contracts for projects funded by the environmental and forest  
7 restoration account, the following criteria and any others deemed  
8 appropriate shall be used:

9 (a) The project would produce measurable improvements in water,  
10 habitat quality, or both;

11 (b) Project design is cost-efficient and consistent with effective  
12 methods of environmental enhancement;

13 (c) The project would assist counties, cities, tribes, conservation  
14 districts, and other local governments to implement source control  
15 practices and technologies identified in the national pollutant  
16 discharge elimination system storm water permits to prevent sediment  
17 and water quality contamination and habitat destruction through storm  
18 water runoff, including combined sewer overflows;

19 (d) The project would create high-wage employment, especially for  
20 displaced workers and high-risk youth and especially in economically  
21 disadvantaged communities;

22 (e) The project contract can be administered from the community the  
23 project serves;

24 (f) The location of the project contributes to the need to achieve  
25 geographic equity among the jurisdictions receiving funds from the  
26 account; or

27 (g) The project will further the implementation of a septic  
28 maintenance district or utility, or will implement a septic system  
29 inspection program.

30 (2) The Puget Sound water quality authority shall adopt an  
31 emergency rule no later than six months from the effective date of this  
32 act for early action watershed restoration projects that are consistent  
33 with the Puget Sound plan and that meet the following project criteria:

34 (a) Projects that employ dislocated timber workers and unemployed  
35 urban workers in high unemployment areas;

36 (b) Projects in the community and technical college system that  
37 train dislocated timber workers, urban workers, and others to carry out

1 stream rehabilitation, watershed restoration, and other environmental  
2 enhancement and monitoring projects;

3 (c) Projects that implement adopted and approved watershed action  
4 plans developed pursuant to Puget Sound water quality authority rules  
5 adopted for local planning and management of nonpoint source pollution;

6 (d) Conservation district projects that provide water quality and  
7 habitat improvements;

8 (e) Indian tribe projects that provide water quality and habitat  
9 improvements; or

10 (f) Projects that implement actions approved by a shellfish  
11 protection district under chapter 100, Laws of 1992.

12 NEW SECTION. **Sec. 105.** ELIGIBILITY FOR EMPLOYMENT. (1)

13 Eligibility for employment in projects funded through the environmental  
14 and forest restoration account shall, to the extent practicable, be for  
15 workers who have exhausted their unemployment insurance benefits or to  
16 those persons who are currently unemployed. Projects funded under the  
17 forest restoration program shall be for workers whose employment was  
18 terminated in the Washington forest products industry within the  
19 previous two years.

20 (2) Employees hired under the environmental and forest restoration  
21 account program shall not be considered state employees for the  
22 purposes of existing provisions of law with respect to hours of work,  
23 sick leave, vacation, and civil service. Employees under the program  
24 shall receive the same medical and dental benefits and holiday vacation  
25 benefits as state employees.

26 (3) Compensation for employees under the program, except for  
27 section 103(3) of this act, shall be eight dollars per hour of  
28 employment, except as to supervisory and administrative personnel.

29 (4) Employment under the program shall not result in the  
30 displacement or partial displacement, such as the reduction of hours of  
31 nonovertime work, wages, or other employment benefits, of currently  
32 employed workers, including but not limited to state civil service  
33 employees, or of currently or normally contracted services.

34 (5) The employment security department shall refer eligible workers  
35 to employers hiring under the environmental and forest restoration  
36 account programs. Workers shall receive opportunities for vocational  
37 training, job placement, and remedial education.

1        NEW SECTION.    **Sec. 106.**    COMPLIANCE WITH PLAN--CONSISTENCY AND  
2 COORDINATION. (1) State agencies and local governments are authorized  
3 to adopt any rule, ordinance, or code to ensure implementation of and  
4 compliance with the Puget Sound comprehensive conservation and  
5 management plan. The rules may include guidelines applicable to local  
6 governments with responsibilities under the plan.

7        (2) State agencies and local governments shall ensure that policy,  
8 regulatory, and other decisions made under their existing authorities  
9 are consistent with and meet the requirements of the Puget Sound  
10 comprehensive conservation and management plan and programs developed  
11 under the plan.

12        (3) State agencies and local governments shall report progress or  
13 failure to implement applicable portions of the plan biennially to the  
14 Puget Sound water quality authority, which shall forward the reports to  
15 the legislature as a part of the biennial state of the Sound report  
16 specified by RCW 90.70.055(4), including recommendations to enforce  
17 compliance.

18        (4) The authority shall present a progress report each biennium on  
19 the use of the moneys from the account to the chair of the committee on  
20 ways and means of the senate and the chairs of the fiscal committees of  
21 the house of representatives, including one copy to the staff of each  
22 of the committees.

23        NEW SECTION.    **Sec. 107.**    DEPOSITS TO THE WATER QUALITY ACCOUNT.  
24 Money deposited into the water quality account pursuant to section 302  
25 of this act, RCW 82.44.020, and 82.44.110 may only be expended by the  
26 department of ecology for grants or loans to jurisdictions in areas  
27 other than the Puget Sound basin.

28        **Sec. 108.**    RCW 70.146.070 and 1991 sp.s. c 32 s 24 are each amended  
29 to read as follows:

30        When making grants or loans for water pollution control facilities,  
31 the department shall consider the following:

32        (1) The protection of water quality and public health;

33        (2) The cost to residential ratepayers if they had to finance water  
34 pollution control facilities without state assistance;

35        (3) Actions required under federal and state permits and compliance  
36 orders;

1 (4) The level of local fiscal effort by residential ratepayers  
2 since 1972 in financing water pollution control facilities;

3 (5) The extent to which the applicant county or city, or if the  
4 applicant is another public body, the extent to which the county or  
5 city in which the applicant public body is located, has established  
6 programs to mitigate nonpoint pollution of the surface or subterranean  
7 water sought to be protected by the water pollution control facility  
8 named in the application for state assistance; ((and))

9 (6) The recommendations of the Puget Sound water quality authority  
10 and any other board, council, commission, or group established by the  
11 legislature or a state agency to study water pollution control issues  
12 in the state; and

13 (7) When considering projects within the Puget Sound basin, the  
14 department shall give preference to projects that directly implement  
15 the Puget Sound management plan.

16 A county, city, or town that is required or chooses to plan under  
17 RCW 36.70A.040 may not receive a grant or loan for water pollution  
18 control facilities unless it has adopted a comprehensive plan in  
19 conformance with the requirements of chapter 36.70A RCW, after it is  
20 required that the comprehensive plan be adopted, or unless it has  
21 adopted development regulations in conformance with the requirements of  
22 chapter 36.70A RCW, after it is required that development regulations  
23 be adopted.

## 24 PART II MARINE FUELS EXCISE TAX

25 NEW SECTION. **Sec. 201.** The purpose of this chapter is to  
26 supplement the motor vehicle fuel tax act, chapter 82.36 RCW, and the  
27 special fuel tax act, chapter 82.38 RCW, by imposing a tax upon all  
28 fuels not taxed under these acts and used for the propulsion of  
29 watercraft upon the waters of this state.

30 NEW SECTION. **Sec. 202.** Unless the context clearly requires  
31 otherwise, the definitions in this section apply throughout this  
32 chapter.

33 (1) "Person" means every natural person, fiduciary, association, or  
34 corporation. The term "person" as applied to an association means and  
35 includes the partners or members thereof, and as applied to  
36 corporations, the officers thereof.

1 (2) "Department" means the department of licensing.

2 (3) "Watercraft" means any boat, vessel, or other craft used for  
3 navigation on or through water.

4 (4) "Marine fuel" means and includes gasoline, propane, natural  
5 gas, and diesel fuel when used for the generation of power for  
6 propulsion of watercraft.

7 (5) "Bulk storage" means the placing of marine fuel by a marine  
8 fuel dealer into a receptacle other than the fuel supply tank of  
9 watercraft.

10 (6) "Marine fuel dealer" means a person engaged in the business of  
11 delivering marine fuel into the fuel supply tank or tanks of watercraft  
12 not then owned or controlled by the dealer, or into bulk storage  
13 facilities for subsequent use in watercraft. For this purpose the term  
14 "fuel supply tank or tanks" does not include cargo tanks even though  
15 fuel is withdrawn directly therefrom for propulsion of the watercraft.

16 (7) "Marine fuel user" means a person purchasing marine fuel into  
17 bulk storage without payment of the marine fuel tax for subsequent use  
18 in watercraft, or a person engaged in interstate commercial operation  
19 of watercraft any part of which is within this state.

20 (8) "Marine fuel supplier" means a person engaged in the business  
21 of selling marine fuel where delivery thereof is made other than, or in  
22 addition to, the manner prescribed under the definition of "marine  
23 fuel dealer."

24 (9) "Service station" means a location at which fueling of  
25 watercraft is offered to the general public.

26 (10) "Unbonded service station" means a service station at which an  
27 unbonded marine fuel dealer regularly makes sales of marine fuel by  
28 means of delivery of the marine fuel into the fuel supply tanks of  
29 watercraft.

30 (11) "Bond" means: (a) A bond duly executed by the marine fuel  
31 dealer or marine fuel user as principal with a corporate surety  
32 qualified under the provisions of chapter 48.28 RCW, which bond is  
33 payable to the state of Washington conditioned upon faithful  
34 performance of all requirements of this chapter, including the payment  
35 of all taxes, penalties, and other obligations of the dealer, arising  
36 out of this chapter; or (b) a deposit with the state treasurer by the  
37 marine fuel dealer or marine fuel user, under such terms and conditions  
38 as the department may prescribe, a like amount of lawful money of the  
39 United States or bonds or other obligations of the United States, the



1 state of Washington, or a county of the state, of an actual market  
2 value not less than the amount so fixed by the department; or (c) the  
3 other instruments as the department may determine and prescribe by rule  
4 to protect the interests of the state and to insure compliance of the  
5 requirements of this chapter.

6 (12) "Lessor" means a person (a) whose principal business is the  
7 bona fide leasing or renting of watercraft without drivers for  
8 compensation to the general public, and (b) who maintains established  
9 places of business and whose lease or rental contracts require such  
10 watercraft to be returned to the established places of business.

11 (13) "Natural gas" means naturally occurring mixtures of  
12 hydrocarbon gases and vapors consisting principally of methane, whether  
13 in gaseous or liquid form.

14 (14) "Standard pressure and temperature" means fourteen and  
15 seventy-three hundredths pounds of pressure per square inch at sixty  
16 degrees Fahrenheit.

17 NEW SECTION. **Sec. 203.** (1) There is hereby levied and imposed  
18 upon marine fuel users a tax at the rate of five cents per gallon or  
19 each one hundred cubic feet of compressed natural gas measured at  
20 standard pressure and temperature on the use of fuel in watercraft  
21 operated upon the waters of this state.

22 (2) The tax shall be collected by the marine fuel dealer and shall  
23 be paid over to the department as provided in this chapter: (a) With  
24 respect to all marine fuel delivered by a marine fuel dealer into  
25 supply tanks of watercraft or into storage facilities used for the  
26 fueling of watercraft at unbonded service stations in this state; or  
27 (b) in all other transactions where the purchaser is not the holder of  
28 a valid marine fuel license issued pursuant to this chapter allowing  
29 the purchase of untaxed marine fuel, except sales of marine fuel for  
30 export. To claim an exemption on account of sales by a licensed marine  
31 fuel dealer for export, the purchaser shall obtain from the selling  
32 marine fuel dealer, and such selling marine fuel dealer must furnish  
33 the purchaser, an invoice giving such details of the sale for export as  
34 the director may require, copies of which shall be furnished the  
35 department and the entity of the state or foreign jurisdiction of  
36 destination which is charged by the laws of that state or foreign  
37 jurisdiction with the control or monitoring or both, of the sales or  
38 movement of marine fuel in that state or foreign jurisdiction.

1 (3) The tax shall be paid over to the department by the marine fuel  
2 user as provided in this chapter with respect to the taxable use of  
3 marine fuel upon which the tax has not previously been imposed.

4 It is expressly provided that delivery of marine fuel may be made  
5 without collecting the tax otherwise imposed, when such deliveries are  
6 made by a bonded marine fuel dealer to marine fuel users who are  
7 authorized by the department as provided in this chapter, to purchase  
8 fuel without payment of tax to the bonded marine fuel dealer.

9 NEW SECTION. **Sec. 204.** In the event the tax on marine fuel  
10 imported into this state in the fuel supply tanks of watercraft for  
11 taxable use on Washington waters can be more accurately determined on  
12 a mileage basis the department is authorized to approve and adopt such  
13 basis. When a marine fuel user imports marine fuel into or exports  
14 marine fuel from the state of Washington in the fuel supply tanks of  
15 watercraft, the amount of marine fuel consumed in such watercraft on  
16 Washington waters shall be deemed to be such proportion of the total  
17 amount of such marine fuel consumed in his or her entire operations  
18 within and without this state as the total number of miles traveled on  
19 the waters within this state bears to the total number of miles  
20 traveled within and without the state. The department may also adopt  
21 such mileage basis for determining the taxable use of marine fuel used  
22 in watercraft which travel regularly over prescribed courses on and off  
23 the waters within the state of Washington.

24 NEW SECTION. **Sec. 205.** There is exempted from the tax imposed by  
25 this chapter, the use of fuel for publicly owned fire fighting  
26 equipment and watercraft owned and operated by the United States  
27 government.

28 NEW SECTION. **Sec. 206.** It is unlawful for any person to act as a  
29 marine fuel dealer, a marine fuel supplier or a marine fuel user in  
30 this state unless such person is the holder of an uncanceled marine  
31 fuel dealer's, a marine fuel supplier's, or a marine fuel user's  
32 license issued to him or her by the department. A marine fuel  
33 supplier's license authorizes a person to sell marine fuel without  
34 collecting the marine fuel tax to other suppliers and dealers holding  
35 valid marine fuel licenses.

1 A marine fuel dealer's license authorizes a person to deliver  
2 previously untaxed marine fuel into the fuel supply tanks of  
3 watercraft, collect the marine fuel tax on behalf of the state at the  
4 time of delivery, and remit the taxes collected to the state as  
5 provided in this chapter. A licensed marine fuel dealer may also  
6 deliver untaxed marine fuel into bulk storage facilities of a licensed  
7 marine fuel user without collecting the marine fuel tax. Marine fuel  
8 dealers and suppliers, when making deliveries of marine fuel into bulk  
9 storage to any person not holding a valid marine fuel license must  
10 collect the marine fuel tax at time of delivery, unless the person to  
11 whom the delivery is made is specifically exempted from the tax as  
12 provided in this chapter.

13 A marine fuel user's license authorizes a person to purchase marine  
14 fuel into bulk storage for use in watercraft on the waters of this  
15 state without payment of the marine fuel tax at time of purchase.  
16 Holders of marine fuel licenses are all subject to the bonding,  
17 reporting, tax payment, and recordkeeping provisions of this chapter.  
18 All purchases of marine fuel by a licensed marine fuel user directly  
19 into the fuel supply tank of watercraft are subject to the marine fuel  
20 tax at time of purchase unless the purchase is made from an unattended  
21 keylock metered pump, cardtrol, or such similar dispensing devices.  
22 Persons utilizing marine fuel for heating purposes only are not  
23 required to be licensed.

24 NEW SECTION. **Sec. 207.** It is unlawful for any person to:

25 (1) Refuse, or knowingly and intentionally fail to make and file  
26 any statement required by this chapter in the manner or within the time  
27 required;

28 (2) Knowingly and with intent to evade or to aid in the evasion of  
29 the tax imposed herein to make any false statement or conceal any  
30 material fact in any record, return, or affidavit provided for in this  
31 chapter;

32 (3) Conduct any activities requiring a license under this chapter  
33 without a license or after a license has been suspended, surrendered,  
34 canceled, or revoked;

35 (4) Fail to keep and maintain the books and records required by  
36 this chapter;

1 (5) Divert marine fuel purchased for a nontaxable use to a use  
2 subject to the taxes imposed by this chapter without payment of the  
3 taxes as required by this chapter.

4 Except as otherwise provided by law, any person violating any of  
5 the provisions of this chapter is guilty of a gross misdemeanor and  
6 shall, upon conviction thereof, be sentenced to pay a fine of not less  
7 than five hundred dollars nor more than one thousand dollars and costs  
8 of prosecution, or imprisonment for not more than one year, or both.

9 The fine and imprisonment provided for in this section is in  
10 addition to any other penalty imposed by any other provision of this  
11 chapter.

12 NEW SECTION. **Sec. 208.** The department may initiate and conduct  
13 investigations as may be reasonably necessary to establish the  
14 existence of any alleged violations of or noncompliance with the  
15 provisions of this chapter or any rules issued under this chapter.

16 For the purpose of any investigation or proceeding under this  
17 chapter, the director or any officer designated by him or her may  
18 administer oaths and affirmations, subpoena witnesses, compel their  
19 attendance, take evidence, and require the production of any books,  
20 papers, correspondence, memoranda, agreements, or other documents or  
21 records which the director deems relevant or material to the inquiry.

22 In case of contumacy by or refusal to obey a subpoena issued to,  
23 any person, any court of competent jurisdiction upon application by the  
24 director, may issue to that person an order requiring him or her to  
25 appear before the director, or the officer designated by him or her to  
26 produce testimony or other evidence touching the matter under  
27 investigation or in question. The failure to obey an order of the  
28 court may be punishable by contempt.

29 NEW SECTION. **Sec. 209.** The tax levied in this chapter is in lieu  
30 of any excise, privilege, or occupational tax upon the business of  
31 manufacturing, selling, or distributing marine fuel, and no city, town,  
32 county, township, or other subdivision or municipal corporation of the  
33 state shall levy or collect any excise tax upon or measured by the  
34 sale, receipt, distribution, or use of marine fuel.

35 NEW SECTION. **Sec. 210.** Thirty-three percent of all taxes,  
36 interest, and penalties collected under this chapter shall be deposited

1 into the water quality account and the remainder shall be deposited  
2 into the environmental and forest restoration account.

3 NEW SECTION. **Sec. 211.** Judicial review and appeals shall be  
4 governed by the administrative procedure act, chapter 34.05 RCW.

5 NEW SECTION. **Sec. 212.** The department shall adopt rules governing  
6 licensing, permits, bonds, reports, penalties, and other matters  
7 necessary for the administration and enforcement of this chapter. The  
8 rules shall be consistent with the provisions of chapter 82.38 RCW,  
9 with modifications as necessary to accomplish the effective  
10 administration and enforcement of this chapter.

11 **PART III NEW MOTOR VEHICLE EXCISE TAX**

12 NEW SECTION. **Sec. 301.** Unless the context clearly requires  
13 otherwise, the definitions in this section apply throughout this  
14 chapter.

15 (1) "New motor vehicle" has the meaning given in RCW 46.96.020.

16 (2) "Previously taxed new motor vehicle" means a new motor vehicle  
17 in respect to which a tax has been paid under this chapter.

18 (3) Except for terms defined in this section, the definitions in  
19 chapters 82.04, 82.08, and 82.12 RCW apply to this chapter.

20 NEW SECTION. **Sec. 302.** (1) A tax is imposed on each sale at  
21 wholesale of a new motor vehicle in this state, equal to the rate of  
22 four hundred and twenty-five thousandths percent multiplied by the  
23 gross proceeds of sales of the new motor vehicle.

24 (2) A tax is imposed on each sale at retail of a new motor vehicle  
25 in this state, equal to the rate imposed under subsection (1) of this  
26 section multiplied by the gross proceeds of sales of the new motor  
27 vehicle.

28 (3) Thirty-three percent of the moneys collected under this chapter  
29 shall be deposited in the water quality account. The remainder of the  
30 money shall be deposited in the environmental and forest restoration  
31 account.

32 (4) Chapter 82.32 RCW applies to the taxes imposed in this chapter.  
33 The tax due dates, reporting periods, and return requirements

1 applicable to chapter 82.04 RCW apply equally to the taxes imposed in  
2 this chapter.

3 NEW SECTION. **Sec. 303.** The following are exempt from the taxes  
4 imposed in this chapter:

5 (1) Any successive sale of a previously taxed new motor vehicle.

6 (2) Any new motor vehicle that is transferred to a point outside  
7 the state for use outside the state. The department shall provide by  
8 rule appropriate procedures and exemption certificates for the  
9 administration of this exemption.

10 NEW SECTION. **Sec. 304.** (1) Credit shall be allowed, in accordance  
11 with rules of the department, against the taxes imposed in this chapter  
12 for new motor vehicle tax paid to another state with respect to the  
13 same new motor vehicle. The amount of the credit shall not exceed the  
14 tax liability arising under this chapter with respect to that new motor  
15 vehicle.

16 (2) For the purpose of this section:

17 (a) "New motor vehicle tax" means a tax:

18 (i) That is imposed on the sale at wholesale of new motor vehicles  
19 and that is not generally imposed on other activities or privileges;  
20 and

21 (ii) That is measured by the gross proceeds of sales of the new  
22 motor vehicle.

23 (b) "State" means (i) a state of the United States other than  
24 Washington, or any political subdivision of such other state, (ii) the  
25 District of Columbia, and (iii) any foreign country or political  
26 subdivision thereof.

27 **PART IV ANNUAL MOTOR VEHICLE EXCISE TAX**

28 **Sec. 401.** RCW 82.44.020 and 1991 c 199 s 220 are each amended to  
29 read as follows:

30 (1) An excise tax is imposed for the privilege of using in the  
31 state any motor vehicle, except those operated under reciprocal  
32 agreements, the provisions of RCW 46.16.160 as now or hereafter  
33 amended, or dealer's licenses. The annual amount of such excise tax  
34 shall be two percent of the value of such vehicle.

1 (2) An additional excise tax is imposed, in addition to any other  
2 tax imposed by this section, for the privilege of using in the state  
3 any such motor vehicle, and the annual amount of such additional excise  
4 shall be two-tenths of one percent of the value of such vehicle.

5 (3) Effective with October ((1992)) 1993 motor vehicle registration  
6 expirations, a clean air and water excise tax is imposed in addition to  
7 any other tax imposed by this section for the privilege of using in the  
8 state any motor vehicle as defined in RCW 82.44.010, except that farm  
9 vehicles as defined in RCW 46.04.181 shall not be subject to the tax  
10 imposed by this subsection. The annual amount of the additional excise  
11 tax shall be ((two)) four dollars ((and twenty five cents. Effective  
12 with July 1994 motor vehicle registration expirations, the annual  
13 amount of additional excise tax shall be two dollars)).

14 (4) In no case shall the total tax be less than two dollars except  
15 for proportionally registered vehicles.

16 (5) Washington residents, as defined in RCW 46.16.028, who license  
17 motor vehicles in another state or foreign country and avoid Washington  
18 motor vehicle excise taxes are liable for such unpaid excise taxes.  
19 The department of revenue may assess and collect the unpaid excise  
20 taxes under chapter 82.32 RCW, including the penalties and interest  
21 provided therein.

22 **Sec. 402.** RCW 82.44.110 and 1991 c 199 s 221 are each amended to  
23 read as follows:

24 The county auditor shall regularly, when remitting license fee  
25 receipts, pay over and account to the director of licensing for the  
26 excise taxes collected under the provisions of this chapter. The  
27 director shall forthwith transmit the excise taxes to the state  
28 treasurer.

29 (1) The state treasurer shall deposit the excise taxes collected  
30 under RCW 82.44.020(1) as follows:

31 (a) 1.60 percent into the motor vehicle fund to defray  
32 administrative and other expenses incurred by the department in the  
33 collection of the excise tax.

34 (b) 8.15 percent into the Puget Sound capital construction account  
35 in the motor vehicle fund.

36 (c) 4.07 percent into the Puget Sound ferry operations account in  
37 the motor vehicle fund.

1 (d) 8.83 percent into the general fund to be distributed under RCW  
2 82.44.155.

3 (e) 4.75 percent into the municipal sales and use tax equalization  
4 account in the general fund created in RCW 82.14.210.

5 (f) 1.60 percent into the county sales and use tax equalization  
6 account in the general fund created in RCW 82.14.200.

7 (g) 62.6440 percent into the general fund through June 30, 1993,  
8 57.6440 percent into the general fund beginning July 1, 1993, and 66  
9 percent into the general fund beginning January 1, 1994.

10 (h) 5 percent into the transportation fund created in RCW 82.44.180  
11 beginning July 1, 1993.

12 (i) 5.9686 percent into the county criminal justice assistance  
13 account created in RCW 82.14.310 through December 31, 1993.

14 (j) 1.1937 percent into the municipal criminal justice assistance  
15 account for distribution under RCW 82.14.320 through December 31, 1993.

16 (k) 1.1937 percent into the municipal criminal justice assistance  
17 account for distribution under RCW 82.14.330 through December 31, 1993.

18 (2) The state treasurer shall deposit the excise taxes collected  
19 under RCW 82.44.020(2) into the transportation fund.

20 (3) The state treasurer shall deposit the excise tax imposed by RCW  
21 82.44.020(3) as follows: (a) Sixteen percent shall be deposited to the  
22 water quality account; (b) thirty-four percent shall be deposited in  
23 the environmental and forest restoration account; and (c) fifty percent  
24 shall be deposited into the air pollution control account created by  
25 RCW 70.94.015.

26 **Sec. 403.** RCW 70.94.015 and 1991 c 199 s 228 are each amended to  
27 read as follows:

28 (1) The air pollution control account is established in the state  
29 treasury. All receipts from RCW 70.94.650(~~(7)~~) and 70.94.660(~~(7~~  
30 ~~82.44.020(3), and 82.50.405)~~) shall be deposited into the account.  
31 Fifty percent of the receipts from RCW 82.44.020(3) and 82.50.405 shall  
32 be deposited into the account. Moneys in the account may be spent only  
33 after appropriation. Expenditures from the account may be used only to  
34 develop and implement the provisions of (~~this act~~) chapter 199, Laws  
35 of 1991 and chapters 70.94 and 70.120 RCW.

36 (2) The amounts collected and allocated in accordance with this  
37 section shall be expended upon appropriation except as otherwise



1 provided in this section and in accordance with the following  
2 limitations:

3 Portions of moneys received by the department of ecology from the  
4 air pollution control account shall be distributed by the department to  
5 local authorities based on:

6 (a) The level and extent of air quality problems within such  
7 authority's jurisdiction;

8 (b) The costs associated with implementing air pollution regulatory  
9 programs by such authority; and

10 (c) The amount of funding available to such authority from other  
11 sources, whether state, federal, or local, that could be used to  
12 implement such programs.

13 (3) The air operating permit account is created in the custody of  
14 the state treasurer. All receipts paid to the department of revenue  
15 under RCW 70.94.161 shall be deposited into the account. Expenditures  
16 from the account may be used only for the direct and indirect costs of  
17 implementing the air operating permit program under RCW 70.94.161.  
18 Only the director of the department of ecology or the director's  
19 designee may authorize expenditures from the account. The account is  
20 subject to the allotment procedures under chapter 43.88 RCW, but no  
21 appropriation is required for such expenditures.

22 **Sec. 404.** RCW 82.50.405 and 1991 c 199 s 226 are each amended to  
23 read as follows:

24 Effective with October ((1992)) 1993 motor vehicle registration  
25 expirations, an additional annual clean air and water excise tax of  
26 ((two)) four dollars ((and twenty-five cents)) is imposed on the owner  
27 of any travel trailer or camper for the privilege of using such travel  
28 trailer or camper in this state. ((Effective with July 1994 motor  
29 vehicle registration expirations, the annual amount of additional  
30 excise tax shall be two dollars.)) The excise tax hereby imposed shall  
31 be due and payable to the department of licensing or its agents at the  
32 time of registration of a travel trailer or camper. Whenever an  
33 application is made to the department of licensing or its agents for a  
34 license for a travel trailer or camper there shall be collected, in  
35 addition to the amount of the license fee or renewal license fee, the  
36 amount of the excise tax imposed by this chapter, and no license or  
37 license plates for a travel trailer or camper may be issued unless such  
38 tax is paid in full. No additional tax shall be imposed under this

1 chapter upon any travel trailer or camper upon the transfer of  
2 ownership thereof, if the tax imposed by this chapter with respect to  
3 such travel trailer or camper has already been paid for the  
4 registration year or fractional part thereof in which such transfer  
5 occurs. Receipts from the tax levied in this section shall be  
6 deposited as follows: (1) Sixteen percent shall be deposited to the  
7 water quality account; (2) thirty-four percent shall be deposited in  
8 the environmental and forest restoration account; and (3) fifty percent  
9 shall be deposited in the air pollution control account created by RCW  
10 70.94.015.

11 **PART V MISCELLANEOUS**

12 **Sec. 501.** RCW 43.131.369 and 1990 c 115 s 11 are each amended to  
13 read as follows:

14 The Puget Sound water quality authority and its powers and duties  
15 shall be terminated on June 30, (~~1995~~) 1999, as provided in RCW  
16 43.131.370. On or before June 30, 1998, the legislative budget  
17 committee shall prepare a report to the legislature on the means for  
18 future implementation of the Puget Sound plan and administration of the  
19 environmental and forest restoration account.

20 **Sec. 502.** RCW 43.131.370 and 1990 c 115 s 12 are each amended to  
21 read as follows:

22 The following acts or parts of acts, as now existing or hereafter  
23 amended, are each repealed, effective June 30, (~~1996~~) 2000:

- 24 (1) Section 1, chapter 451, Laws of 1985 and RCW 90.70.001;
- 25 (2) Section 2, chapter 451, Laws of 1985 and RCW 90.70.005;
- 26 (3) Section 3, chapter 451, Laws of 1985, section 2, chapter 115,  
27 Laws of 1990 and RCW 90.70.011;
- 28 (4) Section 5, chapter 451, Laws of 1985 and RCW 90.70.025;
- 29 (5) Section 6, chapter 451, Laws of 1985 and RCW 90.70.035;
- 30 (6) Section 7, chapter 451, Laws of 1985, section 72, chapter 36,  
31 Laws of 1988, section 3, chapter 115, Laws of 1990 and RCW 90.70.045;
- 32 (7) Section 4, chapter 451, Laws of 1985, section 4, chapter 115,  
33 Laws of 1990 and RCW 90.70.055;
- 34 (8) Section 8, chapter 451, Laws of 1985, section 31, chapter 11,  
35 Laws of 1989, section 5, chapter 115, Laws of 1990 and RCW 90.70.060;

1 (9) Section 9, chapter 451, Laws of 1985, section 6, chapter 115,  
2 Laws of 1990 and RCW 90.70.070;

3 (10) Section 10, chapter 451, Laws of 1985, section 7, chapter 115,  
4 Laws of 1990 and RCW 90.70.080; and

5 (11) Section 14, chapter 451, Laws of 1985 and RCW 90.70.901.

6 NEW SECTION. **Sec. 503.** (1) Sections 101 through 107 of this act  
7 shall constitute a new chapter in Title 43 RCW.

8 (2) Sections 201 through 212 of this act shall constitute a new  
9 chapter in Title 82 RCW.

10 (3) Sections 301 through 304 of this act shall constitute a new  
11 chapter in Title 82 RCW.

12 NEW SECTION. **Sec. 504.** This act shall be known as the  
13 environmental restoration jobs act of 1993.

14 NEW SECTION. **Sec. 505.** Section captions and part headings as used  
15 in this act constitute no part of the law.

16 NEW SECTION. **Sec. 506.** If any provision of this act or its  
17 application to any person or circumstance is held invalid, the  
18 remainder of the act or the application of the provision to other  
19 persons or circumstances is not affected.

20 NEW SECTION. **Sec. 507.** This act is necessary for the immediate  
21 preservation of the public peace, health, or safety, or support of the  
22 state government and its existing public institutions, and shall take  
23 effect July 1, 1993.

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