

HOUSE BILL REPORT

SSB 5270

As Reported by House Committee On:

Transportation
Finance

Title: An act relating to vessel registration enforcement.

Brief Description: Assisting vessel registration enforcement.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Swecker, Kastama, Oke, Spanel, Esser, Jacobsen and Shin).

Brief History:

Committee Activity:

Transportation: 3/30/05, 3/31/05 [DPA];

Finance: 4/4/05 [DPA(TR)].

Brief Summary of Substitute Bill (As Amended by House Committee)

- The Department of Revenue is given the authority to assess a penalty to an owner of an unregistered vessel.
- Any marina that leases permanent moorage and the applicant's vessel is not registered at the time of the initial lease, the marina owner must inform the applicant of the state's vessel registration requirements.
- The marina operator must obtain owner and vessel information and maintain the information and have the information available to the Department of Revenue.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 26 members: Representatives Murray, Chair; Wallace, Vice Chair; Woods, Ranking Minority Member; Appleton, Buck, Campbell, Curtis, Dickerson, Ericksen, Flannigan, Hankins, Hudgins, Jarrett, Kilmer, Lovick, Morris, Nixon, Rodne, Schindler, Sells, Shabro, Simpson, B. Sullivan, Takko, Upthegrove and Wood.

Staff: Jerry Long (786-7306).

Background:

With few exceptions, no person may own or operate a vessel on the waters of this state unless the vessel has been registered and displays a registration number and a valid decal. Vessels that are validly registered in another state, but brought into this state for principle use, must be registered in this state within 60 days.

However, vessels owned by a nonresident that are registered under the laws of another state are not required to register their vessel if the vessel is within Washington and is intended to be kept there for less than six months (180 days). For the first 60 days, vessels owned by a nonresident brought into the state for his or her use or enjoyment are not required to obtain a permit. After the first 60 days, the vessel owner must apply for a temporary permit which is valid for two months (60 days). The temporary permit may be renewed once for another two-month (60 day) period.

Failure to register a vessel is a misdemeanor. All law enforcement officers have the authority to enforce the vessel registration requirements within their respective jurisdictions.

There is a watercraft excise tax that is collected at the time of the registration of a vessel by the Department of Licensing or its agents. The rate is .5 of 1 percent of taxable value per year or \$5 whichever is greater. There are some exemptions, for example, vessels under 16 feet, vessels with less than 10 horsepower motors used for transportation from shore to a registered vessel, and vessels temporarily in Washington for repairs, government vessels, and commercial fishing vessels currently paying property taxes. The Department of Revenue (DOR) is authorized to collect any unpaid watercraft excise tax and assess penalties and interest.

Summary of Amended Bill:

The DOR is given authority to assess a penalty to an owner of a vessel that is not registered as required by law: \$100 for a first offense; \$200 for a second offense; and \$400 for a third offense and each offense thereafter. The second or more offenses can be for the same vessel or any other vessel. The penalty is in addition to any other civil or criminal penalty imposed by law.

A marina that leases permanent moorage to vessels must require the following information:

- (a) the name, address, and telephone number of the legal owner of the vessel;
- (b) the name of the lessee, if different than the owner;
- (c) the vessel's country or state of registration, or registration number of the vessel's Coast Guard registration; and,
- (d) the date in which the moorage lease began.

A marina shall permit any authorized agent of the DOR to inspect the records at a mutually agreed time, within 30 days of written request by the DOR.

If the vessel is not registered at the time the initial lease is executed, the marina owner must inform the moorage applicant of the state law requiring vessel registration.

The act applies to any violation and lease moorage after the effective date of the act.

Amended Bill Compared to Substitute Bill:

The amended bill removes the requirement for the marinas to acquire the hull identification number of the vessel at time of leasing moorage. There is a change in requiring both the state and Coast Guard registration numbers. The amended bill requires one or the other, but not both. The amended bill at the time of the initial lease, if the vessel is not currently registered, the marina operator must inform the moorage applicant of the state's registration laws and applicable penalties. The requirement that DOR's request to review records has to be written is added to the bill. The bill now looks at violations and leases that occur after the effective date of the bill and not before the enactment of the legislation.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect on August 1, 2005.

Testimony For: (In support with amendments) The Washington Public Ports Association supports the bill, but recommends an amendment to clarify that the requirement for obtaining proof of registration or intent to register is at the time of initial application only.

Testimony Against: (Opposed with amendments) The Northwest Marine Trade Association (Association) testified that marinas already obtain the majority of this information except for the vessel hull number, and the DOR already visits the marinas and collects this information. The Association recommends some amendments to lessen the burden on marina owners, but still collects the information for the DOR.

Persons Testifying: (In support with amendments) Eric Johnson, Washington Public Ports Association.

(Opposed with out amendments) Tim Layton, Northwest Marine Trade Association; and Neil Fallenburg, Northwest Marine Trade Association;

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON FINANCE

Majority Report: Do pass as amended by Committee on Transportation. Signed by 5 members: Representatives McIntire, Chair; Hunter, Vice Chair; Conway, Hasegawa and Santos.

Minority Report: Do not pass. Signed by 4 members: Representatives Orcutt, Ranking Minority Member; Roach, Assistant Ranking Minority Member; Ahern and Ericksen.

Staff: Rick Peterson (786-7150).

Summary of Recommendation of Committee On Finance Compared to Recommendation of Committee On Transportation:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect on August 1, 2005.

Testimony For: None.

Testimony Against: None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.