

HOUSE BILL REPORT

HB 1341

As Reported By House Committee On:

Natural Resources

Title: An act relating to watercraft excise tax.

Brief Description: Changing watercraft excise tax provisions.

Sponsors: Representatives Fuhrman, Buck, Sehlin, Carrell, Romero, Ogden, Regala, Jacobsen and Basich; by request of Parks and Recreation Commission.

Brief History:

Committee Activity:

Natural Resources: 2/3/95, 2/10/95 [DPS].

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass. Signed by 15 members: Representatives Fuhrman, Chairman; Buck, Vice Chairman; Pennington, Vice Chairman; Basich, Ranking Minority Member; Regala, Assistant Ranking Minority Member; Beeksma; Cairnes; Elliot; G. Fisher; Jacobsen; Romero; Sheldon; Stevens; B. Thomas and Thompson.

Staff: Rick Anderson (786-7114).

Background: The watercraft excise tax is imposed upon all vessels operated in the state. Certain vessels are exempt from the tax, such as vessels under 16 feet and vessels primarily propelled by human power. The amount of the tax is .5 percent of the vessel's market value or \$5, whichever is greater. The taxes are deposited in the state general fund.

In 1989 the Legislature provided that up to \$1,000,000 of revenue from the watercraft excise tax may be allocated each fiscal year to boating programs as follows:

- 30 percent for boater access and destination sites;
- 30 percent for boater sewage pumpout facilities;
- 25 percent for boating safety enforcement and programs; and
- 15 percent for boating safety instruction and programs by schools, public entities and nonprofit community organizations.

The 1989 legislation made the revenues subject to appropriation and terminated the appropriations to boating programs after the 1993-1995 biennium.

The Parks and Recreation Commission administers the sewage pumpout and boating safety enforcement and education programs. The Interagency Committee for Outdoor Recreation administers the boater access funds on a competitive grants basis.

Since the enactment of the 1989 act, the Legislature has appropriated watercraft excise tax revenues to boating programs as follows:

1989-91 biennium--\$1.1 million;
1991-93 biennium--\$278,000;
1993-95 biennium--none.

State Parks has used the appropriated watercraft excise tax revenues to: contract for the installation of 18 sewage pumpout and dump units at public and private marinas, support the purchase of 17 patrol vessels by city and county law enforcement agencies, and to support a variety of boater safety education activities.

Summary of Substitute Bill: The clean and safe boating account is created. Beginning with the 1995-1997 biennium, \$1,000,000 of watercraft excise tax revenues shall be deposited to the account in each fiscal year. The account may only be used for boating programs and is subject to legislative appropriation.

The purposes and percentage allocations to boating programs are modified as follows:

- 1) 10 percent to the parks commission for providing navigational aids, buoys, and signs and to support uniform waterway marking;
- 2) 30 percent for boating safety enforcement and programs;
- 3) 30 percent for boating safety and waste management instruction and programs by schools, public entities and nonprofit organizations;
- 4) the 30 percent allocation for sewage pumpout installations; and
- 5) the allocation to the Interagency Commission for Outdoor Recreation for boater access and destination sites is deleted.

Substitute Bill Compared to Original Bill: The substitute bill adds language emphasizing that a significant amount of the allocation for education programs must go to K-12 public schools for boater safety education.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on June 1, 1995.

Testimony For: The state has a boating fatality rate that is twice the national average. The state's boater population is growing four times faster than the overall state population. The increased popularity of jet ski's have make the state's waterways much more dangerous. Opportunities for boater safety education need to be greatly increased. Boaters need more marina pumpout facilities in order to comply with state and federal requirements.

Testimony Against: None.

Testified: Captain T.M. Nutting, United States Coast Guard; Pat Buller, Puget Soundkeeper Alliance; Gretchen B. Hurter, private citizen; Cleve Pinnix, Washington State Parks; Sheriff Bill Wiester, Grant County Sheriff's Department; Deputy Rodney Roelton, Snohomish County Sheriff's Department; David L. Williams, Recreational Boating Association of Washington; and Jack Swanberg, Northwest Marine Trade Association (all in favor).