

SENATE BILL REPORT

SHB 1748

As Reported By Senate Committee On:
Transportation, April 7, 1997

Title: An act relating to fostering economic development through increased maritime trade competitiveness.

Brief Description: Fostering economic development through increasing maritime trade competitiveness.

Sponsors: House Committee on Trade & Economic Development (originally sponsored by Representatives Morris, Van Loven, Quall, Kessler, Sheldon, Anderson, Buck, Cooper, Dunn, Hatfield, Thompson and O'Brien).

Brief History:

Committee Activity: Transportation: 4/3/97, 4/7/97 [DPA].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Prince, Chair; Benton, Vice Chair; Wood, Vice Chair; Goings, Haugen, Heavey, Horn, Jacobsen, Morton, Oke, Patterson, Rasmussen and Sellar.

Staff: Gary Lebow (786-7304)

Background: Vessels (boats) that have a valid registration number under federal law or by an approved issuing authority of the state of principal operation are exempt from vessel registration in the state of Washington. A vessel that is validly registered in another state, but is removed to this state for principal use, has 60 days to register with this state.

At the time of registration, the owner is subject to the registration fee of \$10.50 and the watercraft excise tax that is the greater of \$5 or 0.5 percent of the fair market value of the vessel, with depreciations from the year of purchase according to a schedule developed by the Department of Revenue. The state provides an exemption from the registration fee and excise tax for (1) vessels that are owned by federal, state and local governments; (2) vessels registered in other countries; (3) foreign vessels with valid U.S. Customs cruising licenses; (4) vessels registered in other states and owned by nonresidents that are in Washington less than 60 days; (5) vessels temporarily in the state for repair or alteration; and (6) nonresidents' vessels which are in Washington for repair, where the owners are required to verify every 60 days that the vessel is here solely for repairs, reconstruction or testing.

Summary of Amended Bill: On or before January 1, 1998, vessels that are owned by nonresidents and used for personal use and enjoyment, and are validly registered in another state, are allowed to remain within this state for no more than six months before being required to register their vessels with Washington State. Vessels used in a non-transitory business are excluded from this exemption.

On or before the 61st day of use, any vessel temporarily in the state must obtain an identification document from the Department of Licensing indicating when the vessel first entered the state. The identification document costs \$25 and is valid for two months. Any moneys remaining after payment of the cost for providing the document are distributed to the counties for funding approved boating safety programs under RCW 88.02.045.

Amended Bill Compared to Substitute Bill: The striking amendment puts the language from SSB 5513 into SHB 1748. The cruise permit, which costs \$250 and is valid for four months, is changed to an identification document which costs \$25 and is valid for two months. A maximum of two identification documents can be purchased. The language in the bill is written to allow the Department of Licensing to have a separate database of the identification documents instead of making modifications to the resident vessel registration database.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Extending the exemption period to six months will allow owners to moor the boats over the winter increasing businesses and jobs for marinas. It will also bring more boats during the boating season creating more business and revenues for the state.

Testimony Against: None.

Testified: Representative Jeff Morris, original prime sponsor; Carol Knight-Wallace, Department of Licensing (pro).