

2 **SHB 2247 - H AMD 0279 ADOPTED 5/17/99**

3 By Representative Cooper

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "Sec. 1. RCW 82.23B.020 and 1997 c 449 s 2 are each amended to  
8 read as follows:

9 (1) An oil spill response tax is imposed on the privilege of  
10 receiving crude oil or petroleum products at a marine terminal within  
11 this state from a waterborne vessel or barge operating on the navigable  
12 waters of this state. The tax imposed in this section is levied upon  
13 the owner of the crude oil or petroleum products immediately after  
14 receipt of the same into the storage tanks of a marine terminal from a  
15 waterborne vessel or barge at the rate of one cent per barrel of crude  
16 oil or petroleum product received.

17 (2) In addition to the tax imposed in subsection (1) of this  
18 section, an oil spill administration tax is imposed on the privilege of  
19 receiving crude oil or petroleum products at a marine terminal within  
20 this state from a waterborne vessel or barge operating on the navigable  
21 waters of this state. The tax imposed in this section is levied upon  
22 the owner of the crude oil or petroleum products immediately after  
23 receipt of the same into the storage tanks of a marine terminal from a  
24 waterborne vessel or barge at the rate of four cents per barrel of  
25 crude oil or petroleum product.

26 (3) The taxes imposed by this chapter shall be collected by the  
27 marine terminal operator from the taxpayer. If any person charged with  
28 collecting the taxes fails to bill the taxpayer for the taxes, or in  
29 the alternative has not notified the taxpayer in writing of the  
30 imposition of the taxes, or having collected the taxes, fails to pay  
31 them to the department in the manner prescribed by this chapter,  
32 whether such failure is the result of the person's own acts or the  
33 result of acts or conditions beyond the person's control, he or she  
34 shall, nevertheless, be personally liable to the state for the amount  
35 of the taxes. Payment of the taxes by the owner to a marine terminal  
36 operator shall relieve the owner from further liability for the taxes.

1 (4) Taxes collected under this chapter shall be held in trust until  
2 paid to the department. Any person collecting the taxes who  
3 appropriates or converts the taxes collected shall be guilty of a gross  
4 misdemeanor if the money required to be collected is not available for  
5 payment on the date payment is due. The taxes required by this chapter  
6 to be collected shall be stated separately from other charges made by  
7 the marine terminal operator in any invoice or other statement of  
8 account provided to the taxpayer.

9 (5) If a taxpayer fails to pay the taxes imposed by this chapter to  
10 the person charged with collection of the taxes and the person charged  
11 with collection fails to pay the taxes to the department, the  
12 department may, in its discretion, proceed directly against the  
13 taxpayer for collection of the taxes.

14 (6) The taxes shall be due from the marine terminal operator, along  
15 with reports and returns on forms prescribed by the department, within  
16 twenty-five days after the end of the month in which the taxable  
17 activity occurs.

18 (7) The amount of taxes, until paid by the taxpayer to the marine  
19 terminal operator or to the department, shall constitute a debt from  
20 the taxpayer to the marine terminal operator. Any person required to  
21 collect the taxes under this chapter who, with intent to violate the  
22 provisions of this chapter, fails or refuses to do so as required and  
23 any taxpayer who refuses to pay any taxes due under this chapter, shall  
24 be guilty of a misdemeanor as provided in chapter 9A.20 RCW.

25 (8) Upon prior approval of the department, the taxpayer may pay the  
26 taxes imposed by this chapter directly to the department. The  
27 department shall give its approval for direct payment under this  
28 section whenever it appears, in the department's judgment, that direct  
29 payment will enhance the administration of the taxes imposed under this  
30 chapter. The department shall provide by rule for the issuance of a  
31 direct payment certificate to any taxpayer qualifying for direct  
32 payment of the taxes. Good faith acceptance of a direct payment  
33 certificate by a terminal operator shall relieve the marine terminal  
34 operator from any liability for the collection or payment of the taxes  
35 imposed under this chapter.

36 (9) All receipts from the tax imposed in subsection (1) of this  
37 section shall be deposited into the state oil spill response account.  
38 All receipts from the tax imposed in subsection (2) of this section  
39 shall be deposited into the oil spill administration account.

1 (10) Within forty-five days after the end of each calendar quarter,  
2 the office of financial management shall determine the balance of the  
3 oil spill response account as of the last day of that calendar quarter.  
4 Balance determinations by the office of financial management under this  
5 section are final and shall not be used to challenge the validity of  
6 any tax imposed under this chapter. The office of financial management  
7 shall promptly notify the departments of revenue and ecology of the  
8 account balance once a determination is made. For each subsequent  
9 calendar quarter, the tax imposed by subsection (1) of this section  
10 shall be imposed during the entire calendar quarter unless:

11 (a) Tax was imposed under subsection (1) of this section during the  
12 immediately preceding calendar quarter, and the most recent quarterly  
13 balance is more than (~~ten~~) nine million dollars; or

14 (b) Tax was not imposed under subsection (1) of this section during  
15 the immediately preceding calendar quarter, and the most recent  
16 quarterly balance is more than (~~nine~~) eight million dollars.

17 **Sec. 2.** RCW 90.56.510 and 1997 c 449 s 3 are each amended to read  
18 as follows:

19 (1) The oil spill administration account is created in the state  
20 treasury. All receipts from RCW 82.23B.020(2) shall be deposited in  
21 the account. Moneys from the account may be spent only after  
22 appropriation. The account is subject to allotment procedures under  
23 chapter 43.88 RCW. If, on the first day of any calendar month, the  
24 balance of the oil spill response account is greater than (~~ten~~) nine  
25 million dollars and the balance of the oil spill administration account  
26 exceeds the unexpended appropriation for the current biennium, then the  
27 tax under RCW 82.23B.020(2) shall be suspended on the first day of the  
28 next calendar month until the beginning of the following biennium,  
29 provided that the tax shall not be suspended during the last six months  
30 of the biennium. If the tax imposed under RCW 82.23B.020(2) is  
31 suspended during two consecutive biennia, the department shall by  
32 November 1st after the end of the second biennium, recommend to the  
33 appropriate standing committees an adjustment in the tax rate. For the  
34 biennium ending June 30, (~~1997~~) 1999, and the biennium ending June  
35 30, 2001, the state treasurer may transfer a total of up to  
36 (~~(\$1,718,000)~~) one million dollars from the oil spill response account  
37 to the oil spill administration account to support appropriations made  
38 from the oil spill administration account in the omnibus (~~and~~

1 transportation)) appropriations act((s)) adopted not later than June  
2 30, ((1997)) 1999.

3 (2) Expenditures from the oil spill administration account shall be  
4 used exclusively for the administrative costs related to the purposes  
5 of this chapter, and chapters 90.48, 88.40, and 88.46 RCW. Starting  
6 with the 1995-1997 biennium, the legislature shall give activities of  
7 state agencies related to prevention of oil spills priority in funding  
8 from the oil spill administration account. Costs of administration  
9 include the costs of:

- 10 (a) Routine responses not covered under RCW 90.56.500;
- 11 (b) Management and staff development activities;
- 12 (c) Development of rules and policies and the state-wide plan  
13 provided for in RCW 90.56.060;
- 14 (d) Facility and vessel plan review and approval, drills,  
15 inspections, investigations, enforcement, and litigation;
- 16 (e) Interagency coordination and public outreach and education;
- 17 (f) Collection and administration of the tax provided for in  
18 chapter 82.23B RCW; and
- 19 (g) Appropriate travel, goods and services, contracts, and  
20 equipment.

21 NEW SECTION. **Sec. 3.** The house of representatives, jointly with  
22 the senate, shall convene the Washington waters oil spill risk  
23 reduction work group. The work group shall develop recommendations for  
24 an oil spill risk management plan and maintaining maritime commerce for  
25 all Washington shipping corridors.

26 The work group shall: (1) Identify risk reduction measures already  
27 in place and build upon this work and the work of the scoping risk  
28 assessment; (2) identify new safety measures and determine if they are  
29 needed; (3) make an evaluation of the international tug of opportunity  
30 system; (4) evaluate current state, federal, and Canadian studies  
31 pertaining to marine safety, environmental protection, and the  
32 viability of maritime commerce in Washington state and the adjoining  
33 waters of the province of British Columbia; (5) evaluate the United  
34 States coast guard cost-benefit analysis of extending escorts or  
35 establishing a dedicated rescue tug; and (6) evaluate the port access  
36 route study, and other studies concerning marine safety and maritime  
37 commerce issues.

1       The work group will discuss and develop a recommended risk  
2 management plan for Washington state marine corridors after taking into  
3 consideration input from existing information and studies, ongoing  
4 initiatives, the reports of various stakeholders and experts, potential  
5 impact to the state's economy, and the cost-benefit analysis being  
6 conducted by the United States coast guard to be submitted to the  
7 legislature by December 1, 1999. The work group shall report to the  
8 legislature by January 10, 2000.

9       NEW SECTION.   **Sec. 4.** This act is necessary for the immediate  
10 preservation of the public peace, health, or safety, or support of the  
11 state government and its existing public institutions, and takes effect  
12 immediately."

13       Correct the title.

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