

SENATE BILL REPORT

SB 6056

As Passed Senate, April 17, 2003

Title: An act relating to fees, taxes, and penalties for pilots and aircraft.

Brief Description: Adjusting fees, taxes, and penalties for pilots and aircraft.

Sponsors: Senators Haugen and Horn.

Brief History:

Committee Activity: Highways & Transportation: 4/3/03, 4/7/03 [DP, DNP].

Passed Senate: 4/17/03, 35-13.

SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Horn, Chair; Swecker, Vice Chair; Finkbeiner, Haugen, Jacobsen, Kastama, Oke, Prentice and Spanel.

Minority Report: Do not pass.

Signed by Senator Mulliken.

Staff: Dean Carlson (786-7305)

Background: The aeronautics account provides funds for the administration of the Aviation Division of the Department of Transportation, support of state and local airports, and maintenance of state-owned airports. Funds going into the aeronautics account come from the aircraft fuel tax, aircraft excise tax, aircraft registration fee, a transfer from motor vehicle fuel tax and from federal grants.

The aircraft search and rescue safety and education account provides funds for the search and rescue of lost and downed aircraft, aviation safety and education, and volunteer recognition and support. The account is funded by pilot, and airmen and airwomen registration fees.

Pilot and airmen and airwomen registration fees may be set at an amount of up to \$10, but are currently set at \$8. The amount is set by the Department of Transportation. The funds from these fees are deposited into the aircraft search and rescue safety and education account. Aircraft registration fees are currently set at \$8. Funds from the aircraft registration fee are deposited into the aeronautics account.

Under current law, the aircraft fuel tax rate is set by a calculation of 3 percent of the weighted average retail sales price of aircraft fuel. The current rate is 7 cents per gallon.

The Department of Transportation is to be notified within one week of a change in ownership of a registered aircraft or the registration may be cancelled.

Municipalities or port districts which own, operate or lease an airport shall require from an aircraft owner proof of aircraft registration or proof of intent to register an aircraft as a condition of leasing or selling tiedown or hangar space.

Summary of Bill: Pilot and airmen and airwomen registration fees are set at \$15.

Aircraft registration fees are set at \$15.

The aircraft fuel tax is set at a fixed rate of 10 cents per gallon and the provision for the fuel tax rate calculation based on fuel prices is repealed.

The Department of Transportation must be notified of a change in ownership of a registered aircraft within 30 days.

An aircraft owner must show proof of aircraft registration to buy or lease hangar space from a municipality or port district. Language which allows proof of intent to register an aircraft is removed.

Any person who fails to register an aircraft as required by law is subject to a civil penalty of \$100 for the first violation. The second violation within the same year is subject to a civil penalty of \$200, and third and subsequent violations are subject to a civil penalty of \$400 per aircraft.

Failure to register as a pilot, airman or airwoman as required by law is subject to a civil penalty of four times the fees that are due.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2003.

Testimony For: None.

Testimony Against: None.

Testified: No one.

House Amendment(s): Emergency medical air transports are exempt from the aircraft fuel tax. An airport owner must require proof of aircraft registration prior to leasing hangar or tie down space. The \$7 increase in the pilot fees will go to aircraft maintenance for the first two years. After the first two years, all of the fees will go to the aircraft search and rescue safety and education account.