SENATE BILL REPORT SB 6264

As of January 25, 2012

Title: An act relating to establishing the center for marine innovation.

Brief Description: Establishing the center for marine innovation.

Sponsors: Senators Ranker, Hargrove, Tom, Swecker, Frockt, Litzow, Rolfes, Schoesler, Fraser and Kohl-Welles.

Brief History:

Committee Activity: Energy, Natural Resources & Marine Waters: 1/18/12.

SENATE COMMITTEE ON ENERGY, NATURAL RESOURCES & MARINE WATERS

Staff: Curt Gavigan (786-7437)

Background: <u>Vessel Registration Permitting</u>. Generally, a person must annually register a vessel in order to own or operate that vessel in state waters. The registration fee is \$10.50 and is deposited in the State General Fund. In addition to the registration fee, a vessel owner must pay an additional fee of \$5.00 for purposes of funding derelict vessel removal and invasive species programs.

Certain vessels from out of state remaining in Washington for more than 60 days must obtain a permit to do so:

- a Vessel Visitor Permit is currently \$30.00 and is required for certain vessel owners whose vessel is registered under the laws of another country or with a cruising license under federal law; and
- a Nonresident Vessel Permit is currently \$25.00 and is required for certain natural persons whose vessel is registered in another state or numbered under federal law.

Marine Manufacturing and Technology Programs. A number of Washington State's higher education institutions currently operate programs centered on marine manufacturing and technology issues. These include certificate and degree programs in areas such as boat building, welding and fabrication, and diesel and heavy equipment. For example, the Northwest Center of Excellence for Marine Manufacturing & Technology is located at Skagit Valley College in Anacortes, Washington. The center operates for the stated purpose of building a world-renowned marine industry through training and curriculum that can be shared throughout the community and technical college system, the development of a highly

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skilled workforce, and continually improving processes and practices through outreach and collaboration

Summary of Bill: Creates the Center for Marine Innovation (Center). The Center is established for the stated purposes of promoting innovation in and education involving the development, design, manufacturing, and repair and refit of marine:

- commercial and recreational watercraft:
- equipment;
- building materials, including composites, aluminum, and steel; and
- alternative fuel

The Center must promote innovation and education in these areas through cooperation among public and private sector participants, and by seeking available grants and other funding. An account is created to consist of donations and vessel registration fees collected for purposes of the Center.

The Center consists of Bellingham Technical College, Skagit Valley College, and Western Washington University, along with other appropriate public and private sector entities invited to participate. Skagit Valley College coordinates the work of the Center.

<u>Provides Funding for the Center Through Vessel Registration Surcharges.</u> In addition to amounts collected under current law, \$1.00 must be collected with each vessel registration and deposited in the newly created account for purposes of the Center. Likewise, an additional \$1.00 must be collected for purposes of the Center from each Nonresident Vessel Permit and Vessel Visitor Permit issued.

Appropriation: None.

Fiscal Note: Requested on January 17, 2012.

[OFM requested 10-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: CON: The boating community is supportive of promoting innovation within the boating industry and of the concept of creating the Center for Marine Innovation, but has concerns about further burdening its members with additional funding requirements. Whether this proposal is labeled as a fee or tax, the boating community already pays a significant amount of money to the state through existing fees and taxes. Recreation funding is in peril, and recreators want to see their money stay for purposes of recreation.

Persons Testifying: CON: Cliff Webster, NW Marine Trade Assn.; Jim King, Citizens for Parks and Recreation; Doug Levy, Recreational Boaters Assn.