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SENATE BILL 5868

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State of Washington

63rd Legislature

2013 Regular Session

By Senator Fraser

Read first time 03/12/13. Referred to Committee on Transportation.

- 1 AN ACT Relating to increasing nonhighway fuel tax refunds; amending
- 2 RCW 46.10.530 and 79A.25.070; reenacting and amending RCW 46.09.520;
- 3 and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature recognizes that Article II,
- 6 section 40 of the Washington state Constitution states that fuel taxes
- 7 are paid by citizens for the purpose of funding highways, roads, and
- 8 streets, and that the legislature has provided for refunds of fuel
- 9 taxes paid and used for purposes other than funding highways, roads,
- 10 and streets.
- 11 The legislature further recognizes that Initiative No. 215,
- 12 approved by the voters in 1964, directed the state to estimate what the
- 13 total refunds would be for nonhighway outdoor recreation uses if all
- 14 eligible persons applied, and to transfer unclaimed amounts to specific
- 15 outdoor recreation accounts in the state budget to be used for outdoor
- 16 recreation purposes, including boating, snowmobiling, hiking trails,
- 17 and off-road vehicle recreation.
- 18 The legislature finds that outdoor recreation programs are

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currently substantially underfunded and that the citizens of the state would benefit greatly from improving funding for these programs.

Therefore, the legislature intends to improve funding for outdoor recreation programs by eliminating the current statutory cap on eligibility for recreational fuel tax refunds.

- **Sec. 2.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c 161 s 222 are each reenacted and amended to read as follows:
 - (1) From time to time, but at least once each year, the state treasurer ((shall)) must refund from the motor vehicle fund one percent of the motor vehicle fuel tax revenues collected under chapter 82.36 RCW, based on a tax rate ((of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty three cents per gallon of motor vehicle fuel beginning July 1, 2011, and thereafter)) equal to the state's motor vehicle fuel tax rate on July 1st of that fiscal year, less proper deductions for refunds and costs of collection as provided in RCW 46.68.090.
- 21 (2) The treasurer ((shall)) <u>must</u> place these funds in the general 22 fund as follows:
 - (a) Thirty-six percent ((shall)) must be credited to the ORV and nonhighway vehicle account and administered by the department of natural resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;
 - (b) Three and one-half percent ((shall)) <u>must</u> be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;
- 34 (c) Two percent ((shall)) <u>must</u> be credited to the ORV and 35 nonhighway vehicle account and administered by the parks and recreation 36 commission solely for the acquisition, planning, development,

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maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and

- (d) Fifty-eight and one-half percent ((shall)) must be credited to the nonhighway and off-road vehicle activities program account to be administered by the board for planning, acquisition, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection ((shall)) must be expended in accordance with the following limitations:
- (i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;
- (ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:
- (A) Not less than thirty percent, together with the funds the board receives under RCW 46.68.045, may be expended for ORV recreation facilities;
- (B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) $((\frac{shall be}{b}))$ are known as Ira Spring outdoor recreation facilities funds; and
- (C) Not less than thirty percent may be expended for nonhighway road recreation facilities;
 - (iii) The board may waive the minimum percentage cited in (d)(ii) of this subsection due to insufficient requests for funds or projects that score low in the board's project evaluation. Funds remaining after such a waiver must be allocated in accordance with board policy.
 - (3) On a yearly basis an agency may not, except as provided in RCW 46.68.045, expend more than ten percent of the funds it receives under this chapter for general administration expenses incurred in carrying out this chapter.
 - (4) During the 2009-2011 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to the department of natural resources to install consistent off-road vehicle signage at department-managed recreation sites, and to implement the recreation opportunities on department-managed lands in the Reiter block and Ahtanum state forest, and to the state parks and recreation commission. The legislature finds that the appropriation of

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funds from the NOVA account during the 2009-2011 fiscal biennium for maintenance and operation of state parks or to improve accessibility for boaters and off-road vehicle users at state parks will benefit boaters and off-road vehicle users and others who use nonhighway and nonmotorized recreational facilities. The appropriations under this subsection are not required to follow the specific distribution specified in subsection (2) of this section.

Sec. 3. RCW 46.10.530 and 2003 c 361 s 408 are each amended to read as follows:

From time to time, but at least once each four years, the department ((shall)) must determine the amount of moneys paid to it as motor vehicle fuel tax that is tax on snowmobile fuel. ((Such)) The determination ((shall)) must use one hundred thirty-five gallons as the average yearly fuel usage per snowmobile, the number of registered snowmobiles during the calendar year under determination, and a fuel tax rate ((of: (1) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (3) twenty one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (4) twenty two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; and (5) twenty three cents per gallon of motor vehicle fuel beginning July 1, 2011, and thereafter)) equal to the state's motor vehicle fuel tax rate on July 1st of that fiscal year.

Sec. 4. RCW 79A.25.070 and 2010 c 23 s 3 are each amended to read as follows:

Upon expiration of the time limited by RCW 82.36.330 for claiming of refunds of tax on marine fuel, the state of Washington shall succeed to the right to such refunds. The director of licensing, after taking into account past and anticipated claims for refunds from and deposits to the marine fuel tax refund account, shall request the state treasurer to transfer monthly from the marine fuel tax refund account an amount equal to the proportion of the moneys in the account representing a motor vehicle fuel tax rate ((of: (1) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (2) twenty cents per gallon of motor vehicle fuel from July 1,

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2005, through June 30, 2007; (3) twenty-one cents per gallon of motor 1 vehicle fuel from July 1, 2007, through June 30, 2009; (4) twenty-two 2 cents per gallon of motor vehicle fuel from July 1, 2009, through June 3 30, 2011; and (5) twenty-three cents per gallon of motor vehicle fuel 4 beginning July 1, 2011, and thereafter)) equal to the state's motor 5 vehicle fuel tax rate on July 1st of that fiscal year, to the 6 7 recreation resource account and the remainder to the motor vehicle 8 fund.

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