S-0487.1			
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## SENATE BILL 5134

State of Washington 62nd Legislature 2011 Regular Session

By Senator Hatfield

Read first time 01/14/11. Referred to Committee on Transportation.

- 1 AN ACT Relating to historic vessels; amending RCW 88.02.560,
- 2 88.02.560, and 82.49.010; reenacting and amending RCW 88.02.310; adding
- 3 a new section to chapter 88.02 RCW; creating a new section; providing
- 4 an effective date; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds and declares that
- 7 constructive leisure pursuits by Washington citizens are ver
- 8 important. This act is intended to encourage responsible participation
- 9 in the hobby of collecting, preserving, restoring, and maintaining
- 10 vessels of historic and special interest, a hobby that contributes to
- 11 the enjoyment of Washington citizens and the preservation of
- 12 Washington's classic boat memorabilia.
- 13 Sec. 2. RCW 88.02.310 and 2010 c 161 s 1001 are each reenacted and
- 14 amended to read as follows:
- 15 Unless the context clearly requires otherwise, the definitions in
- 16 this section apply throughout this chapter.
- 17 (1) "Dealer" means a person, partnership, association, or

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1 corporation engaged in the business of selling vessels at wholesale or 2 retail in this state.

(2) "Department" means the department of licensing.

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- (3) "Director" means the director of the department of licensing.
- (4) "Owner" means a person who has a lawful right to possession of a vessel by purchase, exchange, gift, lease, inheritance, or legal action whether or not the vessel is subject to a security interest, and means registered owner where the reference to owner may be construed as either to registered or legal owner.
  - (5) "Person" has the same meaning as in RCW 46.04.405.
- (6) "Vessel" means every watercraft used or capable of being used as a means of transportation on the water, other than a seaplane.
- 13 (7) "Waters of this state" means any waters within the territorial limits of this state as described in 43 U.S.C. Sec. 1312.
- 15 <u>(8) "Collector" means the owner of one or more vessels who</u>
  16 <u>collects, purchases, acquires, trades, or disposes of the vessels or</u>
  17 <u>their parts for the collector's personal use, to preserve, restore, and</u>
  18 maintain the boat for hobby or historical purposes.
- 19 (9) "Historic vessel" means any vessel that is at least fifty years
  20 old and is only being used for participation in club activities,
  21 exhibitions, tours, parades, and occasional pleasure boating, but does
  22 not include vessels that are used for commercial or rental purposes.
- 23 **Sec. 3.** RCW 88.02.560 and 2010 c 161 s 1019 are each amended to 24 read as follows:
  - (1) An application for vessel registration must be made by the owner or the owner's authorized representative to the department, county auditor or other agent, or subagent appointed by the director on a form furnished or approved by the department. The application must contain:
    - (a) The name and address of each owner of the vessel;
    - (b) Other information the department may require; and
    - (c) The signature of at least one owner.
- 33 (2) The application for vessel registration must be accompanied by 34 the:
- 35 (a) Vessel registration fee required under RCW 88.02.640(1)(h);
- 36 (b) Derelict vessel and invasive species removal fee and derelict vessel removal surcharge required under RCW 88.02.640(3)(a);

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(c) Filing fee required under RCW 88.02.640(1)(d);

- 2 (d) License plate technology fee required under RCW 3 88.02.640(1)(e);
  - (e) License service fee required under RCW 88.02.640(1)(f); and
  - (f) Watercraft excise tax required under chapter 82.49 RCW.
  - (3) Upon receipt of an application for vessel registration and the required fees and taxes, the department shall assign a registration number and issue a decal for the vessel. The department shall create and issue a separate decal for each historic vessel. The registration number and decal must be issued and affixed to the vessel in a manner prescribed by the department consistent with the standard numbering system for vessels required in 33 C.F.R. Part 174. A valid decal affixed as prescribed shall indicate compliance with the annual registration requirements of this chapter.
  - (4) Vessel registrations and decals are valid for a period of one year, except that the director may extend or diminish vessel registration periods and vessel decals for the purpose of staggered renewal periods. For registration periods of more or less than one year, the department may collect prorated annual registration fees and excise taxes based upon the number of months in the registration period.
  - (5) Vessel registrations are renewable every year in a manner prescribed by the department upon payment of the fees and taxes described in subsection (2) of this section. Upon renewing a vessel registration, the department shall issue a new decal to be affixed as prescribed by the department.
  - (6) When the department issues either a notice to renew a vessel registration or a decal for a new or renewed vessel registration, it shall also provide information on the location of marine oil recycling tanks and sewage holding tank pumping stations. This information will be provided to the department by the state parks and recreation commission in a form ready for distribution. The form must be developed and prepared by the state parks and recreation commission with the cooperation of the department of ecology. The department, the state parks and recreation commission, and the department of ecology shall enter into a memorandum of agreement to implement this process.
  - (7) A person acquiring a vessel from a dealer or a vessel already validly registered under this chapter shall, within fifteen days of the

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- 1 acquisition or purchase of the vessel, apply to the department, county
- 2 auditor or other agent, or subagent appointed by the director for
- 3 transfer of the vessel registration, and the application must be
- 4 accompanied by a transfer fee as required in RCW 88.02.640(1)(k).
- 5 **Sec. 4.** RCW 88.02.560 and 2010 c 161 s 1020 are each amended to 6 read as follows:
  - (1) An application for a vessel registration must be made by the owner or the owner's authorized representative to the department, county auditor or other agent, or subagent appointed by the director on a form furnished or approved by the department. The application must contain:
  - (a) The name and address of each owner of the vessel;
    - (b) Other information the department may require; and
- 14 (c) The signature of at least one owner.

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- 15 (2) The application for vessel registration must be accompanied by 16 the:
  - (a) Vessel registration fee required under RCW 88.02.640(1)(h);
- 18 (b) Derelict vessel and invasive species removal fee and derelict 19 vessel removal surcharge required under RCW 88.02.640(3)(b);
  - (c) Filing fee required under RCW 88.02.640(1)(d);
- 21 (d) License plate technology fee required under RCW 22 88.02.640(1)(e);
  - (e) License service fee required under RCW 88.02.640(1)(f); and
  - (f) Watercraft excise tax required under chapter 82.49 RCW.
  - (3) Upon receipt of an application for vessel registration and the required fees and taxes, the department shall assign a registration number and issue a decal for each vessel. The department shall create and issue a separate decal for each historic vessel. The registration number and decal must be issued and affixed to the vessel in a manner prescribed by the department consistent with the standard numbering system for vessels required in 33 C.F.R. Part 174. A valid decal affixed as prescribed must indicate compliance with the annual registration requirements of this chapter.
- 34 (4) Vessel registrations and decals are valid for a period of one 35 year, except that the director may extend or diminish vessel 36 registration periods and vessel decals for the purpose of staggered 37 renewal periods. For registration periods of more or less than one

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year, the department may collect prorated annual registration fees and excise taxes based upon the number of months in the registration period.

- (5) Vessel registrations are renewable every year in a manner prescribed by the department upon payment of the fees and taxes described in subsection (2) of this section. Upon renewing a vessel registration, the department shall issue a new decal to be affixed as prescribed by the department.
- (6) When the department issues either a notice to renew a vessel registration or a decal for a new or renewed vessel registration, it shall also provide information on the location of marine oil recycling tanks and sewage holding tank pumping stations. This information must be provided to the department by the state parks and recreation commission in a form ready for distribution. The form must be developed and prepared by the state parks and recreation commission with the cooperation of the department of ecology. The department, the state parks and recreation commission, and the department of ecology shall enter into a memorandum of agreement to implement this process.
- (7) A person acquiring a vessel from a dealer or a vessel already validly registered under this chapter shall, within fifteen days of the acquisition or purchase of the vessel, apply to the department, county auditor or other agent, or subagent appointed by the director for transfer of the vessel registration, and the application must be accompanied by a transfer fee as required in RCW 88.02.640(1)(k).
- NEW SECTION. Sec. 5. A new section is added to chapter 88.02 RCW to read as follows:
- A historic vessel registered under RCW 88.02.560 may only be used for participation in club activities, exhibitions, tours, parades, and occasional pleasure boating.
- **Sec. 6.** RCW 82.49.010 and 2010 c 161 s 1044 are each amended to read as follows:
- (1) An excise tax is imposed for the privilege of using a vessel upon the waters of this state, except vessels exempt under RCW 82.49.020. Except for historic vessels, the annual amount of the excise tax is one-half of one percent of fair market value, as determined under this chapter, or five dollars, whichever is greater.

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The annual amount of the excise tax for any historic vessel as defined in RCW 88.02.310 is one-quarter of one percent of fair market value, as determined under this chapter, or five dollars, whichever is greater. Violation of this subsection is a misdemeanor.

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- (2) Persons who are required under chapter 88.02 RCW to register a vessel in this state and who register the vessel in another state or foreign country and avoid the Washington watercraft excise tax are guilty of a gross misdemeanor and are liable for such unpaid excise tax. The department of revenue may assess and collect the unpaid excise tax under chapter 82.32 RCW, including the penalties and interest provided in chapter 82.32 RCW.
- 12 (3) The excise tax upon a vessel registered for the first time in 13 this state shall be imposed for a twelve-month period, including the month in which the vessel is registered, unless the director of 14 15 licensing extends or diminishes vessel registration periods for the purpose of staggered renewal periods under RCW 88.02.560. A vessel is 16 registered for the first time in this state when the vessel was not 17 registered in this state for the immediately preceding registration 18 19 year, or when the vessel was registered in another jurisdiction for the immediately preceding year. 20
- NEW SECTION. Sec. 7. Section 3 of this act expires June 30, 2012.
- NEW SECTION. Sec. 8. Section 4 of this act takes effect June 30, 2012.

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