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HOUSE BILL 2379

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State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Seaquist, Van De Wege, and Angel

Read first time 04/17/09. Referred to Committee on State Government & Tribal Affairs.

1            AN ACT Relating to preserving the maritime heritage of the state of  
2 Washington; amending RCW 82.49.010, 88.02.010, and 88.02.053; adding a  
3 new section to chapter 27.34 RCW; adding a new section to chapter 88.02  
4 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            NEW SECTION.    **Sec. 1.** The legislature finds and declares that the  
7 maritime heritage of the state of Washington is worthy of preservation,  
8 both through the restoration and preservation of historic vessels and  
9 the maintaining of historic vessels still in use.

10           NEW SECTION.    **Sec. 2.** A new section is added to chapter 27.34 RCW  
11 to read as follows:

12           (1) The Washington state historical society, after consultation  
13 with maritime heritage stakeholders, must establish a competitive grant  
14 program and process to solicit proposals for a maritime historic vessel  
15 restoration and preservation program for funding from the maritime  
16 historic restoration and preservation account established in RCW  
17 88.02.053.

1 (2) The Washington state historical society must adopt policies  
2 governing project eligibility and evaluation criteria.

3 (3) Application for funding of specific projects may be made to the  
4 Washington state historical society by local governments, public  
5 development authorities, nonprofit corporations, tribal governments,  
6 and other entities, as determined by the Washington state historical  
7 society.

8 (4) The Washington state historical society must evaluate and rank  
9 applications in consultation with a citizen advisory committee using  
10 objective criteria, and must establish a ranked biennial project list.  
11 The list must include a description of each project, the amount of  
12 recommended state funding, and documentation of nonstate funds to be  
13 used for the project.

14 (5) The Washington state historical society must also establish  
15 policies for funding of emergent needs as identified by the United  
16 States coast guard and may establish a level of reserves that will be  
17 held to meet such emergent needs.

18 (6) The Washington state historical society may not sign contracts  
19 or otherwise financially obligate funds under this section until the  
20 legislature has appropriated funds specifically for the program. In  
21 contracts for grants authorized under this section, the Washington  
22 state historical society must include provisions requiring that capital  
23 improvements be held by the grantee for a specified period of time  
24 appropriate to the amount of the grant and that facilities be used for  
25 the express purpose of the grant. If the grantee is found to be out of  
26 compliance with provisions of the contract, the grantee must repay to  
27 the maritime historic restoration and preservation account the  
28 principal amount of the grant plus interest calculated at the rate of  
29 interest on state of Washington general obligation bonds issued most  
30 closely to the date of authorization of the grant.

31 (7) The amount of state funding may not exceed fifty percent of the  
32 total cost of the project. The nonstate portion of the total project  
33 cost may include cash, the value of real property when acquired solely  
34 for the purpose of the project, and in-kind contributions.

35 (8) The total amount of recommended state funding for projects on  
36 a biennial project list may not exceed the biennial balance of the  
37 maritime historic restoration and preservation account.

1       **Sec. 3.** RCW 82.49.010 and 2000 c 229 s 5 are each amended to read  
2 as follows:

3       (1) An excise tax is imposed for the privilege of using a vessel  
4 upon the waters of this state, except vessels exempt under RCW  
5 82.49.020. Except for historic vessels, the annual amount of the  
6 excise tax is one-half of one percent of fair market value, as  
7 determined under this chapter, or five dollars, whichever is greater.  
8 The annual amount of the excise tax for any historic vessel as defined  
9 in RCW 88.02.010 is one-quarter of one percent of fair market value, as  
10 determined under this chapter, or five dollars, whichever is greater.  
11 Violation of this subsection is a misdemeanor.

12       (2) Persons who are required under chapter 88.02 RCW to register a  
13 vessel in this state and who register the vessel in another state or  
14 foreign country and avoid the Washington watercraft excise tax are  
15 guilty of a gross misdemeanor and are liable for such unpaid excise  
16 tax. The department of revenue may assess and collect the unpaid  
17 excise tax under chapter 82.32 RCW, including the penalties and  
18 interest provided in chapter 82.32 RCW.

19       (3) The excise tax upon a vessel registered for the first time in  
20 this state shall be imposed for a twelve-month period, including the  
21 month in which the vessel is registered, unless the director of  
22 licensing extends or diminishes vessel registration periods for the  
23 purpose of staggered renewal periods under RCW 88.02.050. A vessel is  
24 registered for the first time in this state when the vessel was not  
25 registered in this state for the immediately preceding registration  
26 year, or when the vessel was registered in another jurisdiction for the  
27 immediately preceding year. The excise tax on vessels required to be  
28 registered in this state on June 30, 1983, shall be paid by June 30,  
29 1983.

30       **Sec. 4.** RCW 88.02.010 and 1983 c 7 s 14 are each amended to read  
31 as follows:

32       Unless the context clearly requires otherwise, the definitions in  
33 this section apply throughout this chapter.

34       (1) (~~"Vessel" means every watercraft used or capable of being used~~  
35 ~~as a means of transportation on the water, other than a seaplane.~~

36       (2) ~~"Owner" means a person who has a lawful right to possession of~~

1 ~~a vessel by purchase, exchange, gift, lease, inheritance, or legal~~  
2 ~~action whether or not the vessel is subject to a security interest.~~

3 ~~(3))~~ "Collector" means the owner of one or more vessels who  
4 collects, purchases, acquires, trades, or disposes of the vessels or  
5 their parts for the collector's personal use, to preserve, restore, and  
6 maintain the boat for hobby or historical purposes.

7 (2) "Dealer" means a person, partnership, association, or  
8 corporation engaged in the business of selling vessels at wholesale or  
9 retail in this state.

10 ~~((4))~~ (3) "Department" means the department of licensing.

11 (4) "Historic vessel" means any vessel that is at least sixty years  
12 old and is only being used for participation in club activities,  
13 exhibitions, tours, parades, and occasional pleasure boating, but does  
14 not include vessels that are used for commercial or rental purposes.

15 (5) "Owner" means a person who has a lawful right to possession of  
16 a vessel by purchase, exchange, gift, lease, inheritance, or legal  
17 action whether or not the vessel is subject to a security interest.

18 (6) "Vessel" means every watercraft used or capable of being used  
19 as a means of transportation on the water, other than a seaplane.

20 **Sec. 5.** RCW 88.02.053 and 1996 c 3 s 2 are each amended to read as  
21 follows:

22 (1) The maritime historic restoration and preservation account is  
23 created in the custody of the state treasurer. ~~((All receipts from the~~  
24 ~~voluntary donations made simultaneously with the registration of~~  
25 ~~vessels under chapter 88.02 RCW shall be deposited into this account.~~  
26 ~~These deposits are not public funds and are not subject to allotment~~  
27 ~~procedures under chapter 43.88 RCW.))~~ Moneys in the account may be  
28 spent only after appropriation and only for the purposes of the Grays  
29 Harbor historical seaport or its corporate successor, the Steamer  
30 Virginia V foundation or its corporate successor, or the maritime  
31 historic vessel restoration and preservation program created in section  
32 2 of this act.

33 (2) At the end of each fiscal year, the state treasurer shall pay  
34 from this account to the department of licensing an amount equal to the  
35 reasonable administrative expenses of that agency for that fiscal year  
36 for collecting the voluntary donations and transmitting them to the

1 state treasurer and shall pay to the state treasurer an amount equal to  
2 the reasonable administrative expenses of that agency for that fiscal  
3 year for maintaining the account and disbursing funds from the account.

4 (3) At the end of each fiscal year, the Washington state  
5 (~~treasurer~~) historical society shall pay one-half of the balance of  
6 the funds in the account (~~after payment of the administrative costs~~  
7 ~~provided in subsection (2) of this section,~~) from donations made  
8 pursuant to RCW 88.02.052 to the Grays Harbor historical seaport or its  
9 corporate successor and the remainder of the funds in the account from  
10 the donations made pursuant to RCW 88.02.050 to the Steamer Virginia V  
11 foundation or its corporate successor.

12 (4) If either the Grays Harbor historical seaport and its corporate  
13 successors or the Steamer Virginia V foundation and its corporate  
14 successors legally ceases to exist, the (~~state treasurer shall, at the~~  
15 ~~end of each fiscal year, pay the balance of the funds in the account to~~  
16 ~~the remaining organization~~) Washington state historical society shall  
17 retain those funds that would have been transferred.

18 (5) If both the Grays Harbor historical seaport and its corporate  
19 successors and the Steamer Virginia V foundation and its corporate  
20 successors legally cease to exist, the (~~department of licensing shall~~  
21 ~~discontinue the collection of the voluntary donations in conjunction~~  
22 ~~with the registration of vessels under RCW 88.02.052, and the balance~~  
23 ~~of the funds in the account escheat to the state. If funds in the~~  
24 ~~account escheat to the state, one half of the fund balance shall be~~  
25 ~~provided to the office of archaeology and historic preservation and the~~  
26 ~~remainder shall be deposited into the parks renewal and stewardship~~  
27 ~~account.~~

28 (~~The secretary of state, the directors of the state historical~~  
29 ~~societies, the director of the office of archaeology and historic~~  
30 ~~preservation within the department of community, trade, and economic~~  
31 ~~development, and two members representing the recreational boating~~  
32 ~~community appointed by the secretary of state, shall review the success~~  
33 ~~of the voluntary donation program for maritime historic restoration and~~  
34 ~~preservation established under RCW 88.02.052 and report their findings~~  
35 ~~to the appropriate legislative committees by January 31, 1998. The~~  
36 ~~findings must include the progress of the program and the potential to~~  
37 ~~expand the voluntary funding to other historic vessels~~) entire account

1 balance will be available for the maritime historic vessel preservation  
2 and restoration program established in section 2 of this act.

3 NEW SECTION. **Sec. 6.** A new section is added to chapter 88.02 RCW  
4 to read as follows:

5 A historic vessel registered under RCW 88.02.050 may only be used  
6 for participation in club activities, exhibitions, tours, parades, and  
7 occasional pleasure boating.

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