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HOUSE BILL 1738

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State of Washington

64th Legislature

2015 Regular Session

By Representatives Orcutt, Clibborn, Hayes, Fey, Hargrove, Farrell, Zeiger, and Moscoso

1 AN ACT Relating to marine, off-road recreational vehicle, and  
2 snowmobile fuel tax refunds based on actual fuel taxes paid; amending  
3 RCW 46.09.520, 46.10.530, and 79A.25.070; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that through  
6 statutory mechanisms and voter-approved initiatives, a longstanding  
7 commitment has been in place to direct refunds from fuel tax  
8 purchases made by boaters, off-road vehicle riders, and snowmobilers  
9 into dedicated nonhighway-purpose accounts that provide  
10 infrastructure grants and operating assistance to those nonhighway  
11 users.

12 The legislature finds that the state departed from its commitment  
13 in 2003 and 2005 when motor vehicle fuel tax increases of five cents  
14 and nine and one-half cents contained no statutory direction to  
15 dedicate the refund percentage from the fourteen and one-half cents  
16 of fuel tax purchases made by boaters, off-road vehicle riders, and  
17 snowmobilers into the appropriate nonhighway-purpose user accounts.

18 The legislature intends to remedy this problem by fully restoring  
19 the refund percentages into nonhighway-purpose accounts established  
20 to benefit nonhighway users of fuel. The legislature also intends to  
21 honor its commitment when the refund amounts from nonhighway-purpose

1 fuel tax purchases are no longer necessary to repay bonded debt  
2 associated with the 2003 and 2005 motor vehicle fuel tax increases.  
3 The legislature also intends to specify that as of July 1, 2031, the  
4 state will apply the total percentage of nonhighway-purpose fuel tax  
5 refunds into the proper nonhighway user accounts for boaters, off-  
6 road vehicle riders, and snowmobilers.

7 **Sec. 2.** RCW 46.09.520 and 2013 c 225 s 608 are each amended to  
8 read as follows:

9 (1) From time to time, but at least once each year, the state  
10 treasurer must refund from the motor vehicle fund one percent of the  
11 motor vehicle fuel tax revenues collected under chapter 82.38 RCW,  
12 based on: (a) A tax rate of: ((+a)) (i) Nineteen cents per gallon of  
13 motor vehicle fuel from July 1, 2003, through June 30, 2005; ((+b))  
14 (ii) twenty cents per gallon of motor vehicle fuel from July 1, 2005,  
15 through June 30, 2007; ((+c)) (iii) twenty-one cents per gallon of  
16 motor vehicle fuel from July 1, 2007, through June 30, 2009; ((+d))  
17 (iv) twenty-two cents per gallon of motor vehicle fuel from July 1,  
18 2009, through June 30, 2011; and ((+e)) (v) twenty-three cents per  
19 gallon of motor vehicle fuel ((beginning)) from July 1, 2011, ((and  
20 thereafter)) through June 30, 2031; and (b) beginning July 1, 2031,  
21 and thereafter, the state's motor vehicle fuel tax rate in existence  
22 at the time of the fuel purchase, less proper deductions for refunds  
23 and costs of collection as provided in RCW 46.68.090.

24 (2) The treasurer must place these funds in the general fund as  
25 follows:

26 (a) Thirty-six percent must be credited to the ORV and nonhighway  
27 vehicle account and administered by the department of natural  
28 resources solely for acquisition, planning, development, maintenance,  
29 and management of ORV, nonmotorized, and nonhighway road recreation  
30 facilities, and information programs and maintenance of nonhighway  
31 roads;

32 (b) Three and one-half percent must be credited to the ORV and  
33 nonhighway vehicle account and administered by the department of fish  
34 and wildlife solely for the acquisition, planning, development,  
35 maintenance, and management of ORV, nonmotorized, and nonhighway road  
36 recreation facilities and the maintenance of nonhighway roads;

37 (c) Two percent must be credited to the ORV and nonhighway  
38 vehicle account and administered by the parks and recreation  
39 commission solely for the acquisition, planning, development,

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

3 (d) Fifty-eight and one-half percent must be credited to the  
4 nonhighway and off-road vehicle activities program account to be  
5 administered by the board for planning, acquisition, development,  
6 maintenance, and management of ORV, nonmotorized, and nonhighway road  
7 recreation facilities and for education, information, and law  
8 enforcement programs. The funds under this subsection must be  
9 expended in accordance with the following limitations:

10 (i) Not more than thirty percent may be expended for education,  
11 information, and law enforcement programs under this chapter;

12 (ii) Not less than seventy percent may be expended for ORV,  
13 nonmotorized, and nonhighway road recreation facilities. Except as  
14 provided in (d)(iii) of this subsection, of this amount:

15 (A) Not less than thirty percent, together with the funds the  
16 board receives under RCW 46.68.045, may be expended for ORV  
17 recreation facilities;

18 (B) Not less than thirty percent may be expended for nonmotorized  
19 recreation facilities. Funds expended under this subsection  
20 (2)(d)(ii)(B) are known as Ira Spring outdoor recreation facilities  
21 funds; and

22 (C) Not less than thirty percent may be expended for nonhighway  
23 road recreation facilities;

24 (iii) The board may waive the minimum percentage cited in (d)(ii)  
25 of this subsection due to insufficient requests for funds or projects  
26 that score low in the board's project evaluation. Funds remaining  
27 after such a waiver must be allocated in accordance with board  
28 policy.

29 (3) On a yearly basis an agency may not, except as provided in  
30 RCW 46.68.045, expend more than ten percent of the funds it receives  
31 under this chapter for general administration expenses incurred in  
32 carrying out this chapter.

33 (4) During the 2009-2011 fiscal biennium, the legislature may  
34 appropriate such amounts as reflect the excess fund balance in the  
35 NOVA account to the department of natural resources to install  
36 consistent off-road vehicle signage at department-managed recreation  
37 sites, and to implement the recreation opportunities on department-  
38 managed lands in the Reiter block and Ahtanum state forest, and to  
39 the state parks and recreation commission. The legislature finds that  
40 the appropriation of funds from the NOVA account during the 2009-2011

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

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

9 From time to time, but at least once each four years, the  
10 department shall determine the amount of moneys paid to it as motor  
11 vehicle fuel tax that is tax on snowmobile fuel. Such determination  
12 shall use one hundred thirty-five gallons as the average yearly fuel  
13 usage per snowmobile, the number of registered snowmobiles during the  
14 calendar year under determination, and: (1) A fuel tax rate of:  
15 ~~((+1))~~ (a) Nineteen cents per gallon of motor vehicle fuel from July  
16 1, 2003, through June 30, 2005; ((+2)) (b) twenty cents per gallon  
17 of motor vehicle fuel from July 1, 2005, through June 30, 2007;  
18 ~~((+3))~~ (c) twenty-one cents per gallon of motor vehicle fuel from  
19 July 1, 2007, through June 30, 2009; ((+4)) (d) twenty-two cents per  
20 gallon of motor vehicle fuel from July 1, 2009, through June 30,  
21 2011; and ((+5)) (e) twenty-three cents per gallon of motor vehicle  
22 fuel ((beginning)) from July 1, 2011, ((and thereafter)) through June  
23 30, 2031; and (2) beginning July 1, 2031, and thereafter, the state's  
24 motor vehicle fuel tax rate in existence at the time of the fuel  
25 purchase.

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

28 Upon expiration of the time limited by RCW 82.36.330 for claiming  
29 of refunds of tax on marine fuel, the state of Washington shall  
30 succeed to the right to such refunds. The director of licensing,  
31 after taking into account past and anticipated claims for refunds  
32 from and deposits to the marine fuel tax refund account, shall  
33 request the state treasurer to transfer monthly from the marine fuel  
34 tax refund account an amount equal to the proportion of the moneys in  
35 the account representing: (1) A motor vehicle fuel tax rate of:  
36 ~~((+1))~~ (a) Nineteen cents per gallon of motor vehicle fuel from July  
37 1, 2003, through June 30, 2005; ((+2)) (b) twenty cents per gallon  
38 of motor vehicle fuel from July 1, 2005, through June 30, 2007;

1 (~~(3)~~) (c) twenty-one cents per gallon of motor vehicle fuel from  
2 July 1, 2007, through June 30, 2009; (~~(4)~~) (d) twenty-two cents per  
3 gallon of motor vehicle fuel from July 1, 2009, through June 30,  
4 2011; and (~~(5)~~) (e) twenty-three cents per gallon of motor vehicle  
5 fuel (~~(beginning)~~) from July 1, 2011, (~~(and thereafter)~~) through June  
6 30, 2031; and (2) beginning July 1, 2031, and thereafter, the state's  
7 motor vehicle fuel tax rate in existence at the time of the fuel  
8 purchase, to the recreation resource account and the remainder to the  
9 motor vehicle fund.

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