

(5) Present a method of measuring potential ridership of eligible students within the formula utilizing factors which account for the variations associated with student demand on the district's transportation system;

(6) Compare the distribution of pupil transportation resources utilizing eligible student data, eligible student data modified by the student demand factor specified in (5) above, and eligible students actually transported plus ten percent, with an analysis of the fiscal and program implications of each distribution method; and

(7) Present options for a continued phase-in of the eligible student allocation formula, with a description of the fiscal impact on school districts.

The report shall be submitted to the senate and house committees on education no later than December 15, 1982.

All data collected by the superintendent and requested by the committees on ways and means or education of the house or senate pertaining to the funding of pupil transportation shall be delivered to the legislative evaluation and accountability program (LEAP) as soon as possible in a machine readable form acceptable to the LEAP committee.

NEW SECTION. Sec. 5. Section 13, chapter 265, Laws of 1981 (uncodified) is hereby repealed.

NEW SECTION. Sec. 6. Sections 2 and 3 of this amendatory act shall take effect September 1, 1982.

NEW SECTION. Sec. 7. If any provision of this amendatory act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate March 30, 1982.

Passed the House March 30, 1982.

Approved by the Governor April 6, 1982.

Filed in Office of Secretary of State April 6, 1982.

CHAPTER 25

[Engrossed Substitute Senate Bill No. 3946]

AIRCRAFT FUEL TAX—APPROPRIATION

AN ACT Relating to the taxation of aircraft fuel; amending section 1, chapter 10, Laws of 1967 ex. sess. as last amended by section 229, chapter 158, Laws of 1979 and RCW 82.42.010; amending section 2, chapter 10, Laws of 1967 ex. sess. as amended by section 2, chapter 254, Laws of 1969 ex. sess. and RCW 82.42.020; amending section 3, chapter 10, Laws of 1967 ex. sess. and RCW 82.42.030; amending section 4, chapter 10, Laws of 1967 ex. sess. as amended by section 3, chapter 254, Laws of 1969 ex. sess. and RCW 82.42.040; amending section 7, chapter 10, Laws of 1967 ex. sess. as amended by section 4, chapter 156, Laws of 1971 ex. sess. and RCW 82.42.070; amending section 8, chapter 10, Laws of 1967 ex. sess. and RCW 82.42.080; amending section 9, chapter 10, Laws of 1967 ex. sess. and RCW 82.42.090; amending section 5, chapter 156, Laws of 1971 ex. sess. and RCW 82.42.110; adding a new section to chapter 82.42 RCW; making an appropriation; prescribing penalties; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 1, chapter 10, Laws of 1967 ex. sess. as last amended by section 229, chapter 158, Laws of 1979 and RCW 82.42.010 are each amended to read as follows:

For the purposes of this chapter:

- (1) "Department" means the department of licensing;
- (2) "Director" means the director of licensing;
- (3) "Person" means every natural person, firm, partnership, association, or private or public corporation;
- (4) "Aircraft" means every contrivance now known or hereafter invented, used or designed for navigation of or flight in the air, operated or propelled by the use of aircraft fuel;
- (5) "Aircraft fuel" means gasoline and any other inflammable liquid, by whatever name such liquid is known or sold, the chief use of which is as fuel for the propulsion of aircraft, except gas or liquid, the chief use of which as determined by the director, is for purposes other than the propulsion of aircraft;
- (6) "Dealer" means any person engaged in the retail sale of aircraft fuel;
- (7) "Distributor" means any person engaged in the sale of aircraft fuel to any dealer and shall include any dealer from whom the tax hereinafter imposed has not been collected;
- (8) "Weighted average retail sales price of aircraft fuel" means the average retail sales price excluding any federal excise tax of the several grades of aircraft fuel sold by dealers throughout the state (less any state excise taxes on the sale, distribution, or use thereof) weighted to reflect the quantities sold at each price;
- (9) "Fiscal half-year" means a six-month period ending June 30th or December 31st;
- (10) "Local service commuter" means an air taxi operator who operates at least five round-trips per week between two or more points; publishes flight schedules which specify the times, days of the week, and points between which it operates; and whose aircraft has a maximum capacity of sixty passengers or eighteen thousand pounds of useful load.

Sec. 2. Section 2, chapter 10, Laws of 1967 ex. sess. as amended by section 2, chapter 254, Laws of 1969 ex. sess. and RCW 82.42.020 are each amended to read as follows:

There is hereby levied, and there shall be collected by every distributor of aircraft fuel, an excise tax ~~((of two cents))~~ at the rate computed under section 3 of this 1982 act on each gallon of aircraft fuel sold, delivered or used in this state: PROVIDED HOWEVER, That such aircraft fuel excise tax shall not apply to fuel for aircraft that both operate from a private, non-state-funded airfield during at least ninety-five percent of the aircraft's

normal use and are used principally for the application of pesticides, herbicides, or other agricultural chemicals: PROVIDED FURTHER, That there shall be collected from every consumer or user of aircraft fuel either the use tax imposed by RCW 82.12.020, as amended, or the retail sales tax imposed by RCW 82.08.020, as amended, collection procedure to be as prescribed by law and/or rule or regulation of the department of revenue. The taxes imposed by this chapter shall be collected and paid to the state but once in respect to any aircraft fuel.

NEW SECTION. Sec. 3. There is added to chapter 82.42 RCW a new section to read as follows:

(1) During the fifth month of each fiscal half-year ending June 30th and December 31st of each year, the department of licensing shall compute an aircraft fuel tax rate to the nearest one-half cent per gallon of aircraft fuel by multiplying three percent times the weighted average retail sales price of aircraft fuel, per gallon, sold within the state in the third month of the fiscal half-year. The department shall determine the weighted average retail sales price of aircraft fuel by state-wide sampling and survey techniques designed to reflect these prices for the third month of the fiscal half-year. The department shall establish reasonable guidelines for its sampling and survey methods.

(2) The excise tax rate computed under subsection (1) of this section shall apply to the sale, distribution, or use of aircraft fuel beginning the fiscal half-year following computation of the rate and shall remain in effect for each succeeding fiscal half-year until a subsequent computation requires a change in the rate. For the first fiscal half-year after June 30, 1982, the aircraft fuel tax shall be five cents per gallon.

Sec. 4. Section 3, chapter 10, Laws of 1967 ex. sess. and RCW 82.42-.030 are each amended to read as follows:

The provision of RCW 82.42.020 imposing the payment of an excise tax ~~((of two cents))~~ on each gallon of aircraft fuel sold, delivered or used in this state shall not apply to aircraft fuel used for the following purposes: (1) The operation of aircraft when such use is by any air carrier or supplemental air carrier operating under a certificate of public convenience and necessity under the provisions of the Federal Aviation Act of 1958, Public Law 85-726, as amended; (2) the operation of aircraft for testing or experimental purposes; ~~((and))~~ (3) the operation of aircraft when such operation is for the training of crews in Washington State for purchasers of aircraft who are certified air carriers; and (4) the operation of aircraft in the operations of a local service commuter: PROVIDED, That the director's determination as to a particular activity for which aircraft fuel is used as being an exemption under this section, or otherwise, shall be final.

Sec. 5. Section 4, chapter 10, Laws of 1967 ex. sess. as amended by section 3, chapter 254, Laws of 1969 ex. sess. and RCW 82.42.040 are each amended to read as follows:

The director shall by rule and regulation adopted as provided in chapter 34.04 RCW (Administrative Procedure Act) set up the necessary administrative procedure for collection by the department of the (~~two cents per gallon~~) aircraft fuel excise tax as provided for in RCW 82.42.020, placing the responsibility of collection of said tax upon every distributor of aircraft fuel within the state; he may require the licensing of every distributor of aircraft fuel and shall require such a corporate surety bond or security of any distributor or person not otherwise bonded under provisions of chapter 82.36 RCW as is provided for distributors of motor vehicle fuel under RCW 82.36.060; he shall provide such forms and may require such reports or statements as in his determination shall be necessary for the proper administration of this chapter. The director may require such records to be kept, and for such periods of time, as deemed necessary for the administration of this chapter, which records shall be available at all times for the director or his representative who may require a statement under oath as to the contents thereof.

Sec. 6. Section 7, chapter 10, Laws of 1967 ex. sess. as amended by section 4, chapter 156, Laws of 1971 ex. sess. and RCW 82.42.070 are each amended to read as follows:

The provisions of RCW 82.42.020 requiring the payment of (~~a two cents per gallon~~) an aircraft fuel excise tax on aircraft fuel shall not apply to aircraft fuel imported into the state in interstate or foreign commerce and intended to be sold while in interstate or foreign commerce, nor to aircraft fuel exported from this state, nor to aircraft fuel sold to the United States government or any agency thereof: PROVIDED, That exemptions granted under this section shall be null and void unless full conformance is made with the requisite administrative procedure set forth for procuring such exemptions under rules and regulations of the director promulgated under the provisions of this chapter. Except as provided in RCW 82.42.030, nothing in this chapter shall be construed to exempt the state or any political subdivision thereof from the payment of the (~~two cents per gallon~~) aircraft excise fuel tax provided in RCW 82.42.020. When setting up rules and regulations as provided for in RCW 82.42.040, the director shall provide for such refund procedure as deemed necessary to carry out the provisions of this chapter, and full compliance with such provisions shall be essential before receipt of any refund thereunder.

Sec. 7. Section 8, chapter 10, Laws of 1967 ex. sess. and RCW 82.42-.080 are each amended to read as follows:

Any person violating any provision of this chapter or any rule or regulation of the director promulgated hereunder, or making any false statement, or concealing any material fact in any report, statement, record or

claim, or who commits any act with intent to avoid payment of the ((two cents per gallon)) aircraft fuel excise tax imposed by this chapter, or who conspires with another person with intent to interfere with the orderly collection of such tax due and owing under this chapter, shall be guilty of a misdemeanor.

Sec. 8. Section 9, chapter 10, Laws of 1967 ex. sess. and RCW 82.42-.090 are each amended to read as follows:

All moneys collected by the director from the ((two cents per gallon)) aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account of the state general fund, hereby created. Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund.

Sec. 9. Section 5, chapter 156, Laws of 1971 ex. sess. and RCW 82.42-.110 are each amended to read as follows:

Every person other than a distributor who acquires any aircraft fuel within this state upon which payment of tax is required under the provisions of this chapter, or imports such aircraft fuel into this state and sells, delivers, or in any manner uses it in this state shall, if the tax has not been paid, be subject to the provisions of RCW 82.42.040 provided for distributors and shall pay a tax ((of two cents)) at the rate computed under section 3 of this 1982 act for each gallon thereof so sold, delivered, or used in the manner provided for distributors. The proceeds of the tax imposed by this section shall be distributed in the manner provided for the distribution of the aircraft fuel tax in RCW 82.42.090. For failure to comply with the terms of this chapter, such person shall be subject to the same penalties imposed upon distributors. The director shall pursue against such persons the same procedure and remedies for audits, adjustments, collection, and enforcement of this chapter as is provided with respect to distributors. Nothing herein shall be construed as classifying such persons as distributors.

NEW SECTION. Sec. 10. There is appropriated from the aeronautics account of the state general fund to the department of transportation for the biennium ending June 30, 1983, the sum of \$773,000, or so much thereof as may be necessary, for management and support of the aeronautics division, state fund grants to local airports, development and maintenance of a state-wide airport system plan, maintenance of state-owned emergency airports, and the search and rescue program.

NEW SECTION. Sec. 11. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 12. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1982.

Passed the Senate March 30, 1982.

Passed the House March 30, 1982.

Approved by the Governor April 6, 1982.

Filed in Office of Secretary of State April 6, 1982.

CHAPTER 26

[Engrossed Senate Bill No. 4748]

BEER AND WINE INSTRUCTION

AN ACT Relating to beer and wine; amending section 30, chapter 62, Laws of 1933 ex. sess. as last amended by section 2, chapter 182, Laws of 1981 and RCW 66.28.040; amending section 90, chapter 62, Laws of 1933 ex. sess. as last amended by section 7, chapter ... (Engrossed Substitute House Bill No. 1063), Laws of 1982 and RCW 66.28.010; and adding a new section to chapter 66.28 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. There is added to chapter 66.28 RCW a new section to read as follows:

A brewery, winery, or wholesaler may, without charge, instruct licensees and their employees, or conduct courses of instruction for licensees and their employees, on the subject of beer or wine, including but not limited to, the history, nature, values, and characteristics of beer or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling beer or wine. The brewery, winery, or wholesaler may furnish beer or wine and such other equipment, materials, and utensils as may be required for use in connection with the instruction or courses of instruction. The instruction or courses of instruction may be given at the premises of the brewery, winery, or wholesaler, at the premises of a retail licensee, or elsewhere.

Sec. 2. Section 30, chapter 62, Laws of 1933 ex. sess. as last amended by section 2, chapter 182, Laws of 1981 and RCW 66.28.040 are each amended to read as follows:

No brewer, wholesaler, distiller, winery, importer, rectifier, or other manufacturer of liquor shall, within the state, by himself, his clerk, servant, or agent, give to any person any liquor; but nothing in this section nor in RCW 66.28.010 or 66.28.025 shall prevent a brewer, wholesaler, winery, or importer from furnishing samples of beer or wine to authorized licensees for the purpose of negotiating a sale, in accordance with regulations adopted by the liquor control board, provided that the samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210; nothing in this section shall prevent the furnishing of samples of liquor to the board for the purpose of negotiating the sale of liquor to the state liquor control board; nothing in