

# SENATE BILL REPORT

## SB 5648

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As Reported By Senate Committee On:  
Environment, Energy & Water, February 15, 2001

**Title:** An act relating to providing sales and use tax exemptions for energy efficient lights and household appliances.

**Brief Description:** Providing sales and use tax exemptions for energy efficient lights and household appliances.

**Sponsors:** Senators Eide, Fairley, Fraser, Costa, Haugen, Hale, Regala, Rasmussen, Kastama, McDonald, Winsley, Kohl-Welles, Shin, Prentice, Long, Patterson, Franklin, Constantine, Roach, Oke and T. Sheldon; by request of Governor Locke.

**Brief History:**

**Committee Activity:** Environment, Energy & Water: 2/8/01, 2/15/01 [DPS-WM].  
Ways & Means: 2/26/01.

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### SENATE COMMITTEE ON ENVIRONMENT, ENERGY & WATER

**Majority Report:** That Substitute Senate Bill No. 5648 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Fraser, Chair; Regala, Vice Chair; Eide, Hale, Honeyford, Jacobsen, McDonald and Morton.

**Staff:** Jim Metropulos (786-7784)

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** David Schumacher (786-7474)

**Background:** The sales tax is paid on each retail sale of most articles of tangible property and certain services. The use tax is imposed on the use of articles of tangible personal property when the sale or acquisition has not been subject to the sales tax. Major items exempt from tax include food for human consumption, prescription drugs, motor vehicle fuel, utility services, professional services, certain business services, and items that become a component part of another product for sale.

It is suggested that sales and use tax exemptions on energy efficient lighting and appliances would spur energy conservation.

**Summary of Substitute Bill:** Sales and use taxes do not apply to lighting, clothes washers, dishwashers, central air conditioners, room air conditioners, furnaces, boilers, and programmable thermostats purchased after the effective date of this act but before July 1, 2003, that meet or exceed energy efficiency requirements under the Energy Star Program.

**Substitute Bill Compared to Original Bill:** The substitute bill adds programmable thermostats, central air conditioners, room air conditioners, furnaces and boilers to the list of Energy Star Products eligible for a sales and use tax exemption.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The state should encourage the purchase of energy efficient products. The exemption should not encourage fuel switching. Heating systems and cooling systems should be included in the bill. The exemption should include drain heat recovery systems. The exemption should include gas-fired appliances.

**Testimony Against:** None.

**Testified:** Danny Miller, Richard Gowin, Performance HTG & A/C (pro w/amend.); Al Nixon, Gensco (pro w/amend.); Tom St. Louis, TR Strong Building Systems Co. (pro w/amend.); David Danner, Governor's Office (pro); Liz Klumpp, Office of Trade and Economic Dev. (pro); Darrell Logue, Northwest Hearth Products Assn. (pro w/amend.); Peter Fluetsch, Sunset Air; Kristen Sawin, AWB (pro).