Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

2SSB 5251

Brief Description: Concerning electric vehicle license fees.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen, Swecker, Sheldon, Hobbs and White).

Brief Summary of Second Substitute Bill

• Establishes a \$100 annual fee when the registration is renewed for a motor vehicle that is powered by electricity.

Hearing Date: 2/20/12

Staff: Jerry Long (786-7306).

Background:

Generally, all motor vehicles used on public highways are required to be registered with the Department of Licensing (DOL) annually. The annual cost includes a \$30 license tab fee; a weight fee of \$10, \$20, or \$30 based on the weight of the vehicle; and various other fees totaling \$3.75.

In addition to fees paid at the time of annual registration renewal, vehicles that are powered by gasoline or diesel pay a per gallon fuel tax of 37.5 cents. Based on an analysis by the Washington State Department of Transportation in 2008, the driver of the average passenger car pays about \$204.56 in state fuel tax annually.

Vehicles that are powered by natural gas or propane pay an annual license fee in lieu of fuel tax. The annual fee is based on tonnage and for up to 10,000 pounds is \$140.63.

Summary of Bill:

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An annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity and is capable of traveling at speeds of more than 35 miles per hour must pay a \$100 fee annually when the vehicle registration is renewed. This fee is effective on vehicle registration renewals that are due on or after February 1, 2013. Proceeds from this fee are to be deposited into the Motor Vehicle Fund and used for highway purposes. If, in any year, the amount of the proceeds from the fee collected exceeds \$1 million, the excess amount over \$1 million must be distributed as follows: 70 percent to the Motor Vehicle Account, 15 percent to the Transportation Improvement Account, and 15 percent to the Rural Arterial Preservation Account.

If a vehicle miles traveled tax or fee is ever enacted by the Legislature, the fee on electric vehicles expires. The DOL must provide written notice of the expiration to affected parties, the Chief Clerk of the House of Representatives, the Secretary of the Senate, the Office of the Code Reviser, and others as deemed appropriate by the DOL.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

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