

# SENATE BILL REPORT

## SB 5251

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As Reported by Senate Committee On:  
Transportation, February 21, 2011

**Title:** An act relating to electric vehicle license fees.

**Brief Description:** Imposing an additional vehicle license fee on electric vehicles.

**Sponsors:** Senators Haugen, Swecker, Sheldon, Hobbs and White.

**Brief History:**

**Committee Activity:** Transportation: 2/10/11, 2/21/11 [DPS, w/oRec].

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** That Substitute Senate Bill No. 5251 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; White, Vice Chair; King, Ranking Minority Member; Delvin, Hobbs, Nelson, Ranker, Sheldon, Shin and Swecker.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Fain, Assistant Ranking Minority Member; Ericksen and Hill.

**Staff:** Amanda Cecil (786-7429)

**Background:** Generally, all motor vehicles used on public highways are required to be registered with the Department of Licensing 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 several smaller fees totaling \$3.75.

**Summary of Bill (Recommended Substitute):** In addition to all other fees, motor vehicles powered solely by electricity must pay a \$100 fee when the vehicle is registered and annually when the registration is renewed. Proceeds from this fee are to be deposited into the Motor Vehicle Fund and used for highway purposes. After collections reach \$1 million, revenues with the motor vehicle fund 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.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (Recommended Substitute):** Provides an exemption for vehicles that do not travel faster than 35 miles per hour.

Makes the fee effective on vehicle registrations that are due on or after March 1, 2012.

Establishes a distribution of revenues within the motor vehicle fund, after collections reach \$1 million: 70 percent to the motor vehicle account, 15 percent to the transportation improvement account, and 15 percent to the rural arterial preservation account.

The fee is repealed if a vehicle miles traveled tax or fee is imposed.

**Appropriation:** None.

**Fiscal Note:** Available.

[OFM requested ten-year cost projection pursuant to I-960.]

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony on Original Bill:** PRO: Electric cars are very expensive and not everyone can afford them but everyone else has to pay for their use of the system. This is a good way for electric vehicles to pay their fair share. Most of the miles driven by electric vehicles are local and it might be logical if some of the funds were made available for cities.

CON: Electric vehicles should pay their fair share but this bill is inequitable. It should be based on miles traveled and weight instead of being a flat fee. This is the wrong signal to send to manufactures because it will drive up the cost. This fee is too high for electric vehicles because of their energy efficiency. This bill does not consider the benefit of electric vehicles.

**Persons Testifying:** PRO: Tom Brandt; Ashley Probart, Association of Washington Cities.

CON: Dan Davids, Plug-in America; Thomas Saxton, Steven Lough, Seattle Electric Vehicle Association; Jeff Finn; Dwight C. Baker; Steve Marshall; Nancy West; Dean West; Stanely Lee, Tacoma Electric Vehicle Association; Ray Carter, MC Electric Vehicles; Miguel Perez-Gibson.