

SENATE BILL REPORT

2ESSB 5251

As Reported by Senate Committee On:
Transportation, January 25, 2012

Title: An act relating to electric vehicle license fees.

Brief Description: Concerning electric vehicle license fees.

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

Brief History:

Committee Activity: Transportation: 2/10/11, 2/21/11 [DPS, w/oRec]; 1/24/12, 1/25/12 [DP2S, w/oRec].

SENATE COMMITTEE ON TRANSPORTATION

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

Signed by Senators Haugen, Chair; Eide, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Ericksen, Hobbs, Prentice and Shin.

Minority Report: That it be referred without recommendation.
Signed by Senator 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 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 \$0.375. 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 license fee is calculated using a formula that includes, among other factors, a

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fee based on weight and the current rate of fuel tax. The current annual license fee is \$145.63.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Second Substitute): A motor vehicle that is 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. After collections reach \$1 million, revenues within 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.

If a vehicle miles traveled tax or fee is ever enacted by the legislature the fee on electric vehicles expires.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (Recommended Second Substitute): Modified the date that the fees become effective from March 1, 2012 to February 1, 2013.

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: None.

Persons Testifying: No one.