

HOUSE BILL REPORT

SHB 1633

As Reported by House Committee On:
Transportation

Title: An act relating to making permanent the posting of fuel tax rate information at fuel pumps.

Brief Description: Making permanent the posting of fuel tax rate information at fuel pumps.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Goehner, Entenman, Orcutt, Barkis, Boehnke, Steele, Chapman, Mead, Eslick and Van Werven).

Brief History:

Committee Activity:

Transportation: 2/4/19, 2/6/19 [DPS], 1/15/20 [DP2S].

Brief Summary of Second Substitute Bill

- Makes permanent the posting of state and federal fuel tax rate information by fuel pump inspectors at the time of fuel pump inspection that was required by a 2017-19 Transportation Budget proviso.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 31 members: Representatives Fey, Chair; Wylie, 1st Vice Chair; Slatter, 2nd Vice Chair; Valdez, 2nd Vice Chair; Barkis, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Young, Assistant Ranking Minority Member; Boehnke, Chambers, Chapman, Dent, Doglio, Duerr, Dufault, Entenman, Eslick, Goehner, Gregerson, Irwin, Kloba, Lovick, McCaslin, Mead, Orcutt, Ortiz-Self, Paul, Ramos, Riccelli, Shewmake, Van Werven and Volz.

Staff: Jennifer Harris (786-7143).

Background:

Fuel Taxes.

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.

Fuel is taxed by the gallon at rates set by federal, state, and local law. The federal tax rate is 18.4 cents per gallon for gasoline and 24.4 cents per gallon for diesel fuel. The state fuel tax rate is 49.4 cents per gallon. Counties and regional transportation investment districts are permitted to levy an additional fuel tax for local transportation purposes up to 10 percent of the state fuel tax rate. A local fuel tax must be approved by a majority of the jurisdiction's voters.

Fuel Pump Inspections.

The Washington State Department of Agriculture (WSDA) conducts periodic inspections of fuel pumps as part of its Weights and Measures Program, with the exception of fuel pumps located in the City of Seattle. The City of Seattle conducts its own fuel weights and measures program.

Washington State Department of Agriculture inspectors inspect fuel pumps for accuracy, labeling, safety, and to verify that they meet other technical requirements. At the conclusion of an inspection, if the device has met all requirements, the inspector applies a sticker that indicates the device has been approved that includes the month and year of inspection.

The WSDA is required to inspect a sufficient number of weighing and measuring instruments and devices every biennium to ensure weight and measurement requirements are enforced. The WSDA fuel pump inspection program goal is to inspect each fuel pump every three years.

The City of Seattle fuel pump inspections are similarly conducted.

Fuel Tax Rate Posting.

A bill proviso for the WSDA in the 2017-19 Transportation Budget, Engrossed Senate Bill 5096, required the WSDA to produce a fuel tax sticker for display on motor fuel pumps that provides information on federal and state fuel tax rates. The sticker was required to display the rate of each tax, in cents per gallon, for each type of fuel. The WSDA was required to include this notice on motor fuel pumps.

During the 2017-19 biennium, the WSDA was required to distribute fuel tax stickers to all individuals who conduct fuel pump inspections, including WSDA employees and local government employees. Government employees who conduct fuel pump inspections were required to display the fuel tax stickers on fuel pumps or to verify that fuel tax stickers were being displayed on fuel pumps at the time of inspection. Fuel tax stickers had to: (1) be displayed on each face of the motor fuel pump on which the price of the fuel sold from the pump is displayed; and (2) be displayed in a clear, conspicuous, and prominent manner.

Also during that time, the WSDA was required to provide fuel tax stickers by mail to fuel pump owners who requested them for each motor fuel pump for which a sticker was requested, and was required to update fuel tax stickers on an annual basis when one or more fuel tax rates had changed. Fuel tax stickers had to be replaced at the time of inspection if the sticker had been updated with new fuel tax rate information.

This fuel tax rate notification requirement expired at the end of the 2017-19 biennium, on June 30, 2019.

Summary of Second Substitute Bill:

The requirements for the mandatory posting of fuel tax rates on fuel pumps established in a 2017-19 Transportation Budget proviso are made permanent.

Second Substitute Bill Compared to Substitute Bill:

The second substitute bill removes the emergency clause that would have had the bill take effect on July 1, 2019, when the pilot program included in the 2017-19 Transportation Budget expired. In its place, it adds an effective date of 90 days after adjournment of the session in which the bill is passed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

See House Bill Report in 2019 Legislative Session.

Persons Testifying: See House Bill Report in 2019 Legislative Session.

Persons Signed In To Testify But Not Testifying: See House Bill Report in 2019 Legislative Session.