
Transportation Committee

HB 2855

Brief Description: Limiting the manner in which a road usage charge may be implemented.

Sponsors: Representatives Young, Walsh, Barkis, Eslick, Shea, Boehnke, Chambers and Volz.

Brief Summary of Bill

- Prohibits a person from being assessed a road usage charge (RUC) for motor vehicle travel while he or she is required to pay the state motor vehicle fuel excise tax.
- Restricts the use of revenue collected by the state from a RUC for motor vehicle travel exclusively to highway purposes.

Hearing Date: 2/29/20

Staff: Jennifer Harris (786-7143).

Background:

The state imposes a motor vehicle fuel excise tax of 49.4 cents per gallon. In 2012, at the Legislature's direction, the Washington State Transportation Commission (WSTC) began overseeing work to explore a road usage charge (RUC) as a potential future replacement for the state fuel tax on motor vehicles and established a 20-member RUC Steering Committee. A RUC is a fee or tax imposed on vehicle miles traveled. In 2013 and 2014, the WSTC evaluated the business case and operational aspects of a potential RUC, developed a policy framework for such a charge, evaluated projected net revenues for several operational concepts and scenarios, and explored a number of potential impacts of a RUC.

The 2016 Supplemental Transportation Budget included an appropriation for federal funding to continue the evaluation of a RUC, and directed the WSTC to conduct pilot project implementation preparation and to pursue any federal grant funding that became available to fund a RUC pilot project. In late 2016, the WSTC applied for and was awarded a federal grant to conduct a RUC pilot project as part of the first round of RUC grants awarded by the Federal Highway Administration. The RUC pilot was completed in early 2019 and final

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.

recommendation for implementation of a RUC in Washington were issued by the WSTC in January 2020.

The \$100 and \$50 registration renewal electrification fees currently in place (reduced to \$30 under Initiative 976) and applicable to electric and certain hybrid-electric vehicles lapse if a RUC is implemented.

Summary of Bill:

No person required to pay the state motor vehicle fuel excise tax may be assessed a RUC for motor vehicle travel that occurs during the same time period for which the person is required to pay the state fuel tax for motor vehicle travel.

A RUC is not prohibited to be put in place for motor vehicle travel at the same time as a state gas tax for motor vehicle travel is in place, as long as no person is required to pay both for the same period of time.

Revenue collected by the state from a RUC for motor vehicle travel is reserved exclusively for highway purposes, and must be paid into the State Treasury and placed in a special fund to be used exclusively for highway purposes. This revenue may only be used for the highway purposes permitted under the 18th Amendment of the Washington Constitution.

Appropriation: None.

Fiscal Note: Not requested.

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