

SENATE BILL REPORT

SB 5085

As Reported by Senate Committee On:
Transportation, February 22, 2021

Title: An act relating to modifying certain alternative fuel vehicles fees.

Brief Description: Modifying certain alternative fuel vehicles fees.

Sponsors: Senators Rolfes and Lovelett.

Brief History:

Committee Activity: Transportation: 2/18/21, 2/22/21 [DPS].

Brief Summary of First Substitute Bill

- Lowers the additional annual electric vehicles fees on electric motorcycles from \$150 to \$30.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5085 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Cleveland, Das, Fortunato, Hawkins, Lovelett, Nguyen, Nobles, Padden, Randall, Sheldon, Wilson, C. and Wilson, J.

Staff: Bryon Moore (786-7726)

Background: Electric Vehicle Fees. In addition to any other fees due at annual vehicle registration renewal, an electric or hybrid vehicle using at least one method of propulsion capable of being reenergized by an external source of electricity and is capable of traveling at least 30 miles using only battery power, powered by electricity, are subject to two electric vehicle fees that total \$150. The first fee is \$100 and is deposited into the Motor Vehicle Fund, up to \$1 million annually. If in any year the amount collected exceeds \$1 million, the

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

excess amount is distributed as follows: 70 percent to the Motor Vehicle Fund; 15 percent to the Transportation Improvement Account; and 15 percent to the Rural Arterial Trust Account. The second fee is \$50. The first \$1 million raised by the fee must be deposited into the Multimodal Transportation Account. Any remaining amounts must be deposited into the Motor Vehicle Fund. The \$1 million threshold was reached in November 2017, and fee revenues from the \$50 fee are currently deposited into the Motor Vehicle Fund. The vehicles these fees apply to include electric motorcycles.

Transportation Electrification Fee and Hybrid Transportation Electrification Vehicle Fee.

An annual \$75 transportation electrification fee is imposed at the time of vehicle registration renewal on an electric or hybrid vehicle using at least one method of propulsion capable of being reenergized by an external source of electricity and is capable of traveling at least 30 miles using only battery power.

An annual \$75 hybrid vehicle transportation electrification fee is imposed on hybrid and alternative fuel vehicles that do not pay the electric vehicle fee or the transportation electrification fee. This fee is collected at the time of vehicle registration renewal.

Revenues collected from the transportation electrification fee and the hybrid vehicle transportation electrification fees are deposited in the Electric Vehicle Account until July 1, 2025, after which time, revenues will be deposited in the Motor Vehicle Fund.

Summary of Bill (First Substitute): Electric Motorcycles. Beginning November 1, 2021, the additional electric vehicles fees for electric motorcycles is lowered from \$150 to \$30. The additional fee for electric motorcycles is deposited into the Motor Vehicle Fund.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (First Substitute):

- Removes provisions that repealed the \$75 transportation electrification fee and the \$75 hybrid vehicle transportation electrification fee.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on November 1, 2021.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* None.

Persons Testifying: No one.

Persons Signed In To Testify But Not Testifying: No one.