# HOUSE BILL REPORT SHB 3105

#### As Amended by the Senate

- **Title**: An act relating to including alternative fuel vehicles in a strategy to reduce fuel consumption and emissions from state agency fleets.
- **Brief Description**: Allowing the director of financial management to include alternative fuel vehicles in a strategy to reduce fuel consumption and emissions from state agency fleets.
- **Sponsors**: House Committee on Ecology & Parks (originally sponsored by Representatives Rolfes, Wallace, Kenney and Ormsby).

#### **Brief History:**

#### **Committee Activity:**

Ecology & Parks: 1/26/10, 1/29/10 [DPS].

#### **Floor Activity:**

Passed House: 2/10/10, 96-0. Senate Amended. Passed Senate: 3/5/10, 48-0.

#### **Brief Summary of Substitute Bill**

- Requires state agencies, in their purchasing of light duty passenger vehicles, light duty vans, and sport utility vehicles after June 15, 2010, to purchase either petroleum-based fuel vehicles that achieve the current average fuel economy standards or ultra-low carbon fuel vehicles.
- Encourages state agencies to consider purchasing or converting to ultra-low carbon fuel vehicles.

#### HOUSE COMMITTEE ON ECOLOGY & PARKS

**Majority Report**: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Upthegrove, Chair; Rolfes, Vice Chair; Short, Ranking Minority Member; Chase, Dickerson, Dunshee, Eddy, Finn, Hudgins, Orcutt, Shea and Taylor.

**Staff**: Jaclyn Ford (786-7339).

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.

## Background:

The Director of the Department of General Administration (GA), in consultation with the Office of Financial Management (OFM) and other state agencies, are required to develop strategies to reduce fuel consumption and emissions from all classes of vehicles. State agencies must then use these strategies to:

- phase in fuel economy standards for motor pools and leased vehicles to achieve an average fuel economy standard of 36 miles per gallon (mpg) for passenger vehicle fleets by 2015;
- achieve an average fuel economy of 40 mpg for light duty passenger vehicles purchased after June 15, 2010; and
- achieve an average fuel economy standard of 27 mpg for light duty vans and sport utility vehicles (SUVs) purchased after June 15, 2010.

Beginning October 31, 2011, state agencies must report annually on their progress toward meeting the requirements to reduce fuel consumption.

The GA, in consultation with the OFM and other state agencies, must develop a separate fleet fuel economy standard for all other classes of vehicles and report the progress made toward meeting the fuel consumption and emissions goals to the Governor and Legislature by December 1, 2012.

Average fuel economy calculations must be based upon the current U.S. Environmental Protection Agency composite city and highway mpg rating.

Vehicles excluded from the agency fleet average fuel economy calculation include emergency response vehicles, passenger vans with a gross vehicle weight of 8,500 pounds or greater, vehicles that are purchased for off-pavement use, and vehicles that are driven less than 2,000 miles per year.

### Summary of Substitute Bill:

After June 15, 2010, state agencies may only purchase light duty passenger vehicles that achieve the current average fuel economy standard of 40 mpg using a petroleum-based fuel or purchase ultra-low carbon vehicles.

After June 15, 2010, state agencies may only purchase light duty vans and SUVs that achieve the current average fuel economy standard of 27 mpg using a petroleum-based fuel or purchase ultra-low carbon vehicles.

The GA should, when financially comparable over the vehicle's useful life, consider purchasing or converting to ultra-low carbon vehicles.

Definitions for "ultra-low carbon fuel vehicle" and "petroleum-based fuel source" are added.

# **EFFECT OF SENATE AMENDMENT(S)**:

<u>Clarifies that state agencies' vehicle fleets must achieve an average of 40 miles per gallon for</u> <u>new petroleum-based light duty passenger vehicles and an average of 27 miles per gallon for</u> <u>light duty vans and SUVs purchased after June 15, 2010.</u>

Appropriation: None.

Fiscal Note: Available.

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

# **Staff Summary of Public Testimony:**

(In support) This bill would expand the options for our state agencies to purchase vehicles using alternative fuels. Alternative fuel vehicles will not meet the fuel economy standards, but they emit lower carbon emissions. This bill will help incentivize alternative fuel vehicles and help those vehicles compete with petroleum fuel vehicles, and meet or beat the emission goals of the state. This bill is not a mandate; it just allows the state to consider these vehicles as part of their strategy for lowering carbon emissions from the transportation sector. The GA purchases new vehicles when the vehicles reach between 90,000 and 100,000 miles. Current law allows a mix between hybrids and non-hybrid vehicles.

(With concerns) There is no standard for lifecycle carbon intensity. It would be difficult to analyze lifecycle carbon intensity.

(Opposed) None.

**Persons Testifying**: (In support) Representative Rolfes, prime sponsor; Tom Dooley, Clean Energy; and Bryan Bazard, Department of General Administration.

(With concerns) Greg Hanon, Western States Petroleum Association.

Persons Signed In To Testify But Not Testifying: None.