# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Transportation Committee**

### **ESSB 5251**

Brief Description: Concerning electric vehicle license fees.

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

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

- Establishes a \$100 annual fee for electric vehicles that are capable of speeds of more than 35 miles per hour for vehicle registrations that are due on or after March 1, 2012.
- Establishes the distribution of the fee to various transportation accounts to be used for highway purposes.
- Establishes an expiration date for the \$100 fee, if the State of Washington ever imposes a vehicle miles traveled fee or tax.

Hearing Date: 4/11/11

**Staff**: Jerry Long (786-7306).

#### Background:

Generally, all passenger motor vehicles used on public highways are required to be registered annually with the Department of Licensing. The annual cost includes a \$30 license fee; a weight fee of \$10, \$20, or \$30 based on the weight of the vehicle; and smaller fees totaling \$3.75. Motor vehicles that use motor vehicle fuel pay the state's fuel tax of 37.5 cents per gallon. The funds are restricted in use by the State of Washington's Constitution and must be deposited to the transportation funds to be used for highway purposes.

#### **Summary of Bill**:

In addition to all other fees, motor vehicles that are powered solely by electricity and are capable of being driven at a speed of more than 35 miles per hour must pay a \$100 fee when the vehicle

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is registered and annually when the registration is renewed. The fee applies to registrations that are due on or after March 1, 2012.

The fee provides funds to mitigate the impact of vehicles on state roads and highways. Proceeds from the fee must be used for highway purposes and be deposited in the Motor Vehicle Fund. If, in any one year, the amount of the proceeds from the fee collected exceeds \$1 million, the excess amount over \$1 million must be deposited 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.

If the State of Washington in the future imposes a vehicle miles traveled fee or tax, the \$100 registration fee for electric vehicles would expire on the effective date of that legislation. If the \$100 fee expires, the bill requires the Department of Licensing (DOL) to provide written notice to effected parties, the Chief Clerk of the House of Representatives, the Secretary of the Senate, the Office of the Code Reviser, and other parties deemed appropriate by the DOL.

**Appropriation**: None.

Fiscal Note: Available.

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