

HOUSE BILL REPORT

HB 2689

As Reported by House Committee On: Transportation

Title: An act relating to requiring an electric motorcycle registration renewal fee.

Brief Description: Requiring an electric motorcycle registration renewal fee.

Sponsors: Representatives Bergquist, Magendanz, Fitzgibbon, Walkinshaw, Kochmar, Rodne, Ryu, Gregerson and Tarleton.

Brief History:

Committee Activity:

Transportation: 2/3/14, 2/6/14 [DPS].

Brief Summary of Substitute Bill

- Reduces the existing electric motorcycle fee from \$100 to \$30 at the time of registration renewal.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Bergquist, Fitzgibbon, Habib, Kochmar, Moeller, Morris, Muri, Ortiz-Self, Riccelli, Ryu, Takko, Tarleton and Walkinshaw.

Minority Report: Do not pass. Signed by 11 members: Representatives Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Hawkins, Hayes, Johnson, Klippert, Pike, Shea, Young and Zeiger.

Staff: Jerry Long (786-7306).

Background:

For fiscal year (FY) 2014, 62 electric motorcycles will pay the \$100 electric vehicle fee implemented in 2012 (Engrossed House Bill 2660), and an estimated 69 electric motorcycles

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will pay the fee in FY 2015. The renewal fee was implemented for electric vehicles that use propulsion units powered solely by electricity. The vehicle must be designed to have the capability to drive at a speed of more than 35 miles per hour. The fee applies to vehicle registration renewals that are due on or after February 1, 2013. This fee would expire on the effective date of legislation enacted by the Legislature that imposes a vehicle-miles-traveled fee or tax. The \$100 fee is in addition to any other fees and taxes required at the time of annual registration renewal.

The fee was imposed to provide funds to mitigate the impact of vehicles on state roads and highways, and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system. Proceeds from the fee must be used for highway purposes, and must be deposited in the Motor Vehicle Fund.

If in any year the amount of proceeds from the fee collected under this section 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.

Summary of Substitute Bill:

The substitute bill reduces the existing electric motorcycle fee from \$100 to \$30 at the time of registration renewal.

Substitute Bill Compared to Original Bill:

The substitute bill changes the electric motorcycle fee from \$40 to \$30 at the time of registration renewal.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 11, 2014.

Effective Date of Substitute Bill: 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 will bring the fee into line with the amount of fuel tax an electric motorcycle would pay if the motorcycle was gas-powered and paying the fuel tax. These vehicles are not eligible for any of the vehicle energy credits. Since it rains a lot in Washington, the average electric motorcycle travels about 1,200 miles per year or about 3 percent of the time. Electric vehicle owners do not mind paying their share and encourage a road user charge.

The goal should be to encourage and help people purchase electric vehicles. Several associations such as Plug In America and the Seattle Electric Vehicle Association are supporting the advancement of electric vehicles. There are new electric motorcycles a person can commute on that can go up to 80 miles per hour and have a charge distance of 100 miles.

The bill is supported since the existing \$100 fee is excessive based on the fuel tax that would be paid.

(Opposed) None.

Persons Testifying: Representative Bergquist, prime sponsor; Representative Magendanz; Jeff Finn, Seattle Electric Vehicle Association and Plug In America; Jennifer Northern, Seattle Electric Vehicle Association, Plug In America, National Auto Association, and Electro Force Cycles; and Ted Jackson.

Persons Signed In To Testify But Not Testifying: None.