



1           (2)(a) (~~Effective June 1, 2018,~~) All local government  
2 subdivisions of the state, to the extent determined practicable by  
3 the rules adopted by the department of commerce pursuant to RCW  
4 43.325.080, are required to satisfy one hundred percent of their fuel  
5 usage for operating publicly owned vessels, vehicles, and  
6 construction equipment from electricity or biofuel.

7           **(b)** The department of commerce shall convene an advisory  
8 committee of representatives of local government subdivisions,  
9 representatives from organizations representing each local government  
10 subdivision, an organization focused on environmental policy, and  
11 either (i) an electric utility or (ii) a natural gas utility, or  
12 both, to work with the department to develop the rules. The  
13 department may invite additional stakeholders to participate in the  
14 advisory committee as needed and determined by the department.

15           (~~(b)~~) **(c)** The following are exempt from this requirement: (i)  
16 Transit agencies using compressed natural gas on June 1, 2018, and  
17 (ii) engine retrofits that would void warranties. Nothing in this  
18 section is intended to require the replacement of equipment before  
19 the end of its useful life. Compressed natural gas, liquefied natural  
20 gas, or propane may be substituted for electricity or biofuel if the  
21 department of commerce determines that electricity and biofuel are  
22 not reasonably available.

23           (~~(c)~~) **(d)**(i) Rules adopted pursuant to RCW 43.325.080 must  
24 provide the authority for local government subdivisions to elect to  
25 exempt police, fire, and other emergency response vehicles, including  
26 utility vehicles frequently used for emergency response, from the  
27 fuel usage requirement in (a) of this subsection.

28           (ii) Prior to executing its authority under (~~(c)~~) **(d)**(i) of  
29 this subsection, a local government subdivision must provide notice  
30 to the department of commerce of the exemption. The notice must  
31 include the rationale for the exemption and an explanation of how the  
32 exemption is consistent with rules adopted by the department of  
33 commerce.

34           (~~(d)~~) **(e)** Before June 1, 2018, local government subdivisions  
35 purchasing vessels, vehicles, and construction equipment capable of  
36 using biodiesel must request warranty protection for the highest  
37 level of biodiesel the vessel, vehicle, or construction equipment is  
38 capable of using, up to one hundred percent biodiesel, as long as the  
39 costs are reasonably equal to a vessel, vehicle, or construction

1 equipment that is not warranted to use up to one hundred percent  
2 biodiesel.

3 (3) In order to phase in this transition for the state, all state  
4 agencies, to the extent determined practicable by the department of  
5 commerce by rules adopted pursuant to RCW 43.325.080, are required to  
6 achieve forty percent fuel usage for operating publicly owned  
7 vessels, vehicles, and construction equipment from electricity or  
8 biofuel by June 1, 2013. Compressed natural gas, liquefied natural  
9 gas, or propane may be substituted for electricity or biofuel if the  
10 department of commerce determines that electricity and biofuel are  
11 not reasonably available. The department of enterprise services, in  
12 consultation with the department of commerce, shall report to the  
13 governor and the legislature by December 1, 2013, on what percentage  
14 of the state's fuel usage is from electricity or biofuel.

15 (4) Except for cars owned or operated by the Washington state  
16 patrol, when tires on vehicles in the state's motor vehicle fleet are  
17 replaced, they must be replaced with tires that have the same or  
18 better rolling resistance as the original tires.

19 (5) By December 31, 2015, the state must, to the extent  
20 practicable, install electrical outlets capable of charging electric  
21 vehicles in each of the state's fleet parking and maintenance  
22 facilities.

23 (6) The department of transportation's obligations under  
24 subsection (3) of this section are subject to the availability of  
25 amounts appropriated for the specific purpose identified in  
26 subsection (3) of this section.

27 (7) The department of transportation's obligations under  
28 subsection (5) of this section are subject to the availability of  
29 amounts appropriated for the specific purpose identified in  
30 subsection (5) of this section unless the department receives federal  
31 or private funds for the specific purpose identified in subsection  
32 (5) of this section.

33 (8) By December 1, 2020, December 1, 2023, and December 1, 2026,  
34 the department of commerce must provide a report to the appropriate  
35 committees of the legislature and the governor on the progress toward  
36 meeting the goals of subsections (1) and (2) of this section and  
37 recommendations for administrative, legislative, or budgetary actions  
38 to ensure the goals are met. The department shall continue providing  
39 updated reports by December 1st every three years until the goals of  
40 this act are fulfilled.

1       (9) The definitions in this subsection apply throughout this  
2 section unless the context clearly requires otherwise.

3       (a) "Battery charging station" means an electrical component  
4 assembly or cluster of component assemblies designed specifically to  
5 charge batteries within electric vehicles, which meet or exceed any  
6 standards, codes, and regulations set forth by chapter 19.28 RCW and  
7 consistent with rules adopted under RCW 19.27.540.

8       (b) "Battery exchange station" means a fully automated facility  
9 that will enable an electric vehicle with a swappable battery to  
10 enter a drive lane and exchange the depleted battery with a fully  
11 charged battery through a fully automated process, which meets or  
12 exceeds any standards, codes, and regulations set forth by chapter  
13 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

14       **Sec. 102.** RCW 43.325.080 and 2011 c 353 s 5 are each amended to  
15 read as follows:

16       (1) By (~~June 1, 2010~~) July 1, 2018, the department (~~shall~~)  
17 must adopt rules to define practicability and clarify how state  
18 agencies will be evaluated in determining whether they have met the  
19 goals set out in RCW 43.19.648(1). At a minimum, the rules must  
20 address:

21       (a) Criteria for determining how the goal in RCW 43.19.648(1)  
22 will be met (~~by June 1, 2015~~);

23       (b) Factors considered to determine compliance with the goal in  
24 RCW 43.19.648(1), including but not limited to: The regional  
25 availability of fuels; vehicle costs; differences between types of  
26 vehicles, vessels, or equipment; the cost of program implementation;  
27 and cost differentials in different parts of the state; and

28       (c) A schedule for phased-in progress towards meeting the goal in  
29 RCW 43.19.648(1) that may include different schedules for different  
30 fuel applications or different quantities of biofuels.

31       (2) By June 1, (~~2015~~) 2018, the department (~~shall~~) must adopt  
32 rules to define practicability and clarify how local government  
33 subdivisions of the state will be evaluated in determining whether  
34 they have met the goals set out in RCW 43.19.648(2). At a minimum,  
35 the rules must address:

36       (a) Criteria for determining how the goal in RCW 43.19.648(2)  
37 will be met (~~by June 1, 2018~~);

38       (b) Factors considered to determine compliance with the goal in  
39 RCW 43.19.648(2), including but not limited to: The regional

1 availability of fuels; vehicle costs; differences between types of  
2 vehicles, vessels, or equipment; the cost of program implementation;  
3 and cost differentials in different parts of the state; and

4 (c) A schedule for phased-in progress towards meeting the goal in  
5 RCW 43.19.648(2) that may include different schedules for different  
6 fuel applications or different quantities of biofuels.

7 (3) A purchase by a state agency or local government is  
8 practicable when:

9 (a) A vehicle fueled by gasoline or diesel may be replaced by a  
10 vehicle fueled by a biofuel or electricity;

11 (b) The replacement vehicle meets the agency's or local  
12 government's duty standards;

13 (c) The cost of the replacement vehicle does not exceed the cost  
14 of a vehicle fueled by gasoline or diesel by more than five percent  
15 on a lifecycle basis. The lifecycle cost calculation must, at a  
16 minimum, take into account the following factors:

17 (i) Funding is provided by the state government, federal  
18 government, or other source to reduce the cost of the replacement  
19 vehicle to such a level;

20 (ii) Fuel costs, including projected increases or decreases in  
21 costs of different fuels; and

22 (iii) Maintenance savings or costs.

23 (4) By July 1, 2019, and by July 1st of each year thereafter,  
24 each state agency and each local government must submit a report to  
25 the department documenting its progress in meeting the fuel usage  
26 goals of RCW 43.19.648 (1) and (2). The department of commerce may  
27 reduce the frequency of reporting for any agency or local governments  
28 using less than fifty thousand gallons of fuel per year. The reports  
29 must describe the vehicles purchased and the reasons for purchasing  
30 gasoline or diesel fuel vehicles when it was determined that  
31 purchasing an alternative fuel or electric vehicle was not  
32 practicable.

33 **Sec. 103.** RCW 28A.160.195 and 2005 c 492 s 1 are each amended to  
34 read as follows:

35 (1) The superintendent of public instruction, in consultation  
36 with the regional transportation coordinators of the educational  
37 service districts, shall establish a minimum number of school bus  
38 categories considering the capacity and type of vehicles required by  
39 school districts in Washington. The superintendent, in consultation

1 with the regional transportation coordinators of the educational  
2 service districts, shall establish competitive specifications for  
3 each category of school bus. The categories shall be developed to  
4 produce minimum long-range operating costs, including costs of  
5 equipment and all costs in operating the vehicles. The competitive  
6 specifications shall meet federal motor vehicle safety standards,  
7 minimum state specifications as established by rule by the  
8 superintendent, ~~((and))~~ supported options as determined by the  
9 superintendent in consultation with the regional transportation  
10 coordinators of the educational service districts, and incorporate  
11 the goals for replacing gasoline and diesel fuel vehicles under RCW  
12 43.19.648(2). The superintendent may solicit and accept price quotes  
13 for a rear-engine category school bus that shall be reimbursed at the  
14 price of the corresponding front engine category.

15 (2) After establishing school bus categories and competitive  
16 specifications, the superintendent of public instruction shall  
17 solicit competitive price quotes for base buses from school bus  
18 dealers to be in effect for one year and shall establish a list of  
19 all accepted price quotes in each category obtained under this  
20 subsection. The superintendent shall also solicit price quotes for  
21 optional features and equipment.

22 (3) The superintendent shall base the level of reimbursement to  
23 school districts and educational service districts for school buses  
24 on the lowest quote for the base bus in each category. School  
25 districts and educational service districts shall be reimbursed for  
26 buses purchased only through a lowest-price competitive bid process  
27 conducted under RCW 28A.335.190 or through the state bid process  
28 established by this section. School districts and educational service  
29 districts must be reimbursed from funds appropriated from the clean  
30 energy account created in section 601 of this act for any additional  
31 costs to replace a diesel or gasoline bus with a bus powered by an  
32 alternative fuel, where the replacement contributes toward the  
33 district's compliance with the goals of RCW 43.19.648(2).

34 (4) Notwithstanding RCW 28A.335.190, school districts and  
35 educational service districts may purchase at the quoted price  
36 directly from any dealer who is on the list established under  
37 subsection (2) of this section. School districts and educational  
38 service districts may make their own selections for school buses, but  
39 shall be reimbursed at the rates determined under subsection (3) of

1 this section and RCW 28A.160.200. District-selected options shall not  
2 be reimbursed by the state.

3 (5) This section does not prohibit school districts or  
4 educational service districts from conducting their own competitive  
5 bid process.

6 (6) The superintendent of public instruction may adopt rules  
7 under chapter 34.05 RCW to implement this section.

8 **PART II**

9 **Building and Electrical Codes**

10 **Sec. 201.** RCW 19.27.540 and 2009 c 459 s 16 are each amended to  
11 read as follows:

12 The building code council (~~shall~~) must adopt rules for electric  
13 vehicle infrastructure requirements, including rules that require  
14 electric vehicle charging capability at commercial developments,  
15 multifamily housing developments, and single-family housing  
16 developments. Rules adopted by the state building code council must  
17 consider applicable national and international standards and be  
18 consistent with rules adopted under RCW 19.28.281.

19 **PART III**

20 **Shared Employer Shuttles**

21 **Sec. 301.** RCW 35.58.250 and 1965 c 7 s 35.58.250 are each  
22 amended to read as follows:

23 (1) Except in accordance with an agreement made as provided  
24 herein, upon the effective date on which the metropolitan municipal  
25 corporation commences to perform the metropolitan transportation  
26 function, no person or private corporation (~~shall~~) must operate a  
27 local public passenger transportation service within the metropolitan  
28 area with the exception of taxis, buses owned or operated by a school  
29 district or private school, buses owned or operated by any  
30 corporation or organization for use as a shared employee shuttle, and  
31 buses owned or operated by any corporation or organization solely for  
32 the purposes of the corporation or organization and for the use of  
33 which no fee or fare is charged.

34 (2) An agreement may be entered into between the metropolitan  
35 municipal corporation and any person or corporation legally operating  
36 a local public passenger transportation service wholly within or

1 partly within and partly without the metropolitan area and on said  
2 effective date under which such person or corporation may continue to  
3 operate such service or any part thereof for such time and upon such  
4 terms and conditions as provided in such agreement. Where any such  
5 local public passenger transportation service will be required to  
6 cease to operate within the metropolitan area, the commission may  
7 agree with the owner of such service to purchase the assets used in  
8 providing such service, or if no agreement can be reached, the  
9 commission shall condemn such assets in the manner provided herein  
10 for the condemnation of other properties.

11 (3) Wherever a privately owned public carrier operates wholly or  
12 partly within a metropolitan municipal corporation, the Washington  
13 utilities and transportation commission shall continue to exercise  
14 jurisdiction over such operation as provided by law.

#### 15 PART IV

#### 16 Charge Ahead Washington Program

17 NEW SECTION. **Sec. 401.** The definitions in this section apply  
18 throughout this chapter unless the context clearly requires  
19 otherwise.

20 (1) "Area median income" means the median income for the  
21 metropolitan statistical area in which a household is located or, if  
22 the household is not located within a metropolitan statistical area,  
23 for the metropolitan statistical area in closest proximity to the  
24 location of the household, as determined by the office of financial  
25 management, adjusted for household size.

26 (2) "Department" means the department of commerce.

27 (3) "Charge ahead rebate" means a rebate for the purchase of a  
28 new or used light-duty zero-emission vehicle issued through the  
29 charge ahead Washington program established under section 402 of this  
30 act.

31 (4) "High-emission passenger motor vehicle" means a motor vehicle  
32 that is:

33 (a) Designed primarily for the transportation of persons; and

34 (b) Powered by an internal combustion engine that is ten years  
35 old or older.

36 (5) "Low-income household" means a household with income less  
37 than or equal to eighty percent of the area median income.



1 (6) "Moderate income household" means a household with income  
2 less than or equal to one hundred twenty percent and greater than  
3 eighty percent of the area median income.

4 NEW SECTION. **Sec. 402.** (1) The department must establish a  
5 charge ahead Washington program to provide for charge ahead rebates  
6 to low-income households and moderate-income households that  
7 voluntarily retire or scrap high-emission passenger motor vehicles  
8 and replace those motor vehicles with new or used light-duty zero-  
9 emission vehicles. The director of the department may hire or  
10 contract with a third-party nonprofit organization to implement and  
11 serve as the administrator of the program required by this section.

12 (2) The department may:

13 (a) Specify design features for the program; and

14 (b) Establish procedures to:

15 (i) Prioritize available moneys to specific income levels or  
16 geographic areas; and

17 (ii) Limit the number of charge ahead rebates available subject  
18 to funds appropriated for the charge ahead Washington program.

19 (3) An eligible purchaser or lessee of a new or used light-duty  
20 zero-emission vehicle may apply for a charge ahead rebate for a  
21 portion of the purchase price or may choose to assign the charge  
22 ahead rebate to a vehicle dealer or lessor.

23 (4) Rebates under the charge ahead Washington program must be  
24 made from moneys credited to or deposited in the clean energy account  
25 created in section 601 of this act. A rebate may not be made until  
26 there are sufficient moneys available in the clean energy account to  
27 make the rebate.

28 (5) The department must prescribe the rebate application  
29 procedure for purchasers and lessees. All rebate applications must  
30 include a declaration under penalty of perjury.

31 (6) Charge ahead rebates must be in an amount up to five thousand  
32 dollars, but not less than one thousand two hundred fifty dollars.

33 (7) To be eligible for a charge ahead rebate, a person requesting  
34 a rebate under the program must:

35 (a) Be a member of a low-income household or a moderate-income  
36 household.

37 (b) Reside in a census tract that has been identified by the  
38 department of health as having elevated concentrations of air  
39 contaminants commonly attributable to motor vehicle emissions, such

1 as particulate matter, benzene and nitrogen oxides, relative to other  
2 areas of the state.

3 (c) Document that the person will scrap or otherwise render  
4 inoperable a high-emission passenger motor vehicle that, on the date  
5 of the rebate application, is registered as operable and has been  
6 continuously registered for the last two years.

7 (d) Purchase or lease a new or used light-duty zero-emission  
8 vehicle. A lease must have a minimum term of twenty-four months.

9 (e) Provide proof of an intent to use the light-duty zero-  
10 emission vehicle primarily on the public highways of this state,  
11 which may be satisfied by providing proof of registration of the  
12 vehicle in Washington.

13 (f) Submit an application for a charge ahead rebate to the  
14 administrator of the program within six months of the date of  
15 purchase or six months from the date the lease begins.

16 (g) Retain registration of the light-duty zero-emission vehicle  
17 for a minimum of twenty-four consecutive months following the date of  
18 purchase or following the date the lease begins.

19 (8) A person that receives a charge ahead rebate may not make or  
20 allow any modifications to the vehicle's emissions control systems,  
21 hardware, software calibrations, or hybrid system.

22 (9) If a charge ahead rebate recipient intends to sell the  
23 vehicle, or otherwise terminate the vehicle lease before the end of  
24 twenty-four months, the charge ahead rebate recipient shall notify  
25 the administrator of the program of the recipient's intent to sell  
26 the vehicle or terminate a lease and must reimburse the administrator  
27 for the entire charge ahead rebate amount.

28 (10) Charge ahead rebate recipients may be requested to  
29 participate in ongoing research efforts.

30 (11) The administrator of the program must work to ensure timely  
31 payment of charge ahead rebates with a goal of paying rebates within  
32 sixty days of receiving an application for a charge ahead rebate.

33 (12) In establishing the charge ahead Washington program, the  
34 department shall provide opportunities for public comment by low-  
35 income households, moderate-income households, and community based  
36 organizations that are located in areas of this state that have  
37 elevated concentrations of air contaminants attributable to motor  
38 vehicle emissions, relative to other areas of the state. The  
39 department must use the comments received pursuant to this subsection

1 to inform, evaluate, and strengthen the design of the program in  
2 order to increase the usage of light-duty zero-emission vehicles.

3 (13) The administrator of the program must, throughout the course  
4 of implementing the program, conduct community outreach to low-income  
5 households, moderate-income households, and community based  
6 organizations that are located in areas of this state that have  
7 elevated concentrations of air contaminants attributable to motor  
8 vehicle emissions, relative to other areas of the state, in order to:

9 (a) Solicit feedback on program implementation; and

10 (b) Take steps to ensure that the program is promoted  
11 effectively.

12 (14) A vehicle dealer may advertise the charge ahead Washington  
13 program on the premises owned or operated by the vehicle dealer. If  
14 no money is available from the program or the program otherwise  
15 changes, a vehicle dealer who advertises the program may not be held  
16 liable for advertising false or misleading information.

17 (15) An organization that the department has hired or contracted  
18 with to implement and serve as the administrator of the program may  
19 offer expanded financing mechanisms for program participants,  
20 including but not limited to a loan or loan-loss reserve credit  
21 enhancement program, to increase consumer access to new or used  
22 light-duty zero-emission vehicles.

23 (16) The department may adopt rules as necessary to carry out the  
24 provisions of this section.

25 (17) The department must periodically audit the charge ahead  
26 Washington program established in this section to determine whether  
27 the program is being implemented and administered according to this  
28 section. By September 15th of each even-numbered year, the department  
29 shall provide a report to the legislature that includes at a minimum:

30 (a) The amount of money spent on rebates under subsection (4) of  
31 this section;

32 (b) An analysis of the effectiveness of the rebate program  
33 established under this section;

34 (c) Recommendations, which may include recommendations for  
35 legislation, on ways to improve the charge ahead Washington program  
36 established under this section; and

37 (d) The results of any audits conducted under this subsection.

38 **PART V**

39 **Electric and Alternative Vehicle Sales Tax Credits**

1        NEW SECTION.        **Sec. 501.**        This section is the tax preference  
2 performance statement for the tax preferences contained in sections  
3 502 and 503, chapter . . . , Laws of 2018 (sections 502 and 503 of  
4 this act). The performance statement is only intended to be used for  
5 subsequent evaluation of the tax preference. It is not intended to  
6 create a private right of action by any party or be used to determine  
7 eligibility for preferential tax treatment.

8        (1) The legislature categorizes the tax preference as one  
9 intended to induce certain designated behavior by taxpayers, as  
10 indicated in RCW 82.32.808(2)(a).

11        (2) It is the legislature's specific public policy objective to  
12 increase the use of clean alternative fuel vehicles in Washington. It  
13 is the legislature's intent to make permanent the existing sales and  
14 use tax exemption on certain clean alternative fuel vehicles in order  
15 to reduce the price charged to customers for clean alternative fuel  
16 vehicles.

17        (3) To measure the effectiveness of the tax preferences in  
18 sections 502 and 503, chapter . . . , Laws of 2018 (sections 502 and  
19 503 of this act) in achieving the public policy objectives described  
20 in subsection (2) of this section, the joint legislative audit and  
21 review committee must evaluate the number of clean alternative fuel  
22 vehicles titled in the state in calendar year 2023.

23        (4) In order to obtain the data necessary to perform the review  
24 in subsection (3) of this section, the department of licensing must  
25 provide data needed for the joint legislative audit and review  
26 committee analysis. In addition to the data source described under  
27 this subsection, the joint legislative audit and review committee may  
28 use any other data it deems necessary.

29        **Sec. 502.**        RCW 82.04.4496 and 2017 c 116 s 1 are each amended to  
30 read as follows:

31        (1)(a) A person who is taxable under this chapter is allowed a  
32 credit against the tax imposed in this chapter according to the gross  
33 vehicle weight rating of the vehicle and the incremental cost of the  
34 vehicle purchased above the purchase price of a comparable  
35 conventionally fueled vehicle. The credit is limited, as set forth in  
36 the table below, to the lesser of the incremental cost amount or the  
37 maximum credit amount per vehicle purchased, and subject to a maximum  
38 annual credit amount per vehicle class.

Gross Vehicle Weight	Incremental Cost Amount	Maximum Credit Amount Per Vehicle	Maximum Annual Credit Per Vehicle Class
Up to 14,000 pounds	<del>((50))</del> <u>100%</u> of incremental cost	\$25,000	<del>((2,000,000))</del> <u>\$20,000,000</u>
14,001 to 26,500 pounds	<del>((50))</del> <u>100%</u> of incremental cost	<del>((50,000))</del> <u>\$40,000</u>	<del>((2,000,000))</del> <u>\$10,000,000</u>
Above 26,500 pounds	<del>((50))</del> <u>100%</u> of incremental cost	<del>((100,000))</del> <u>\$50,000</u>	<del>((2,000,000))</del> <u>\$10,000,000</u>

(b) On September 1st of each year any unused credits from any weight class identified in the table in (a) of this subsection must be made available to applicants applying for credits under any other weight class listed.

(c) Any unused credits from any weight class identified in the table in (a) of this subsection at the end of each year must be made available for construction or conversion of off-road equipment, including construction equipment, rail equipment, aircraft, or vessels. The department must convene a work group including representatives of the construction industry, rail carriers, aircraft manufacturers or operators, and vessel manufacturers or operators to determine how to provide awards that cover the incremental cost of alternative fuel conversions or construction.

(d) The credit provided in this subsection (1) is available for the lease of a vehicle. The credit amount for a leased vehicle is equal to the credit in this subsection (1) multiplied by the lease reduction factor. The person claiming the credit for a leased vehicle must be the lessee as identified in the lease contract.

(e) Every four years, the department must review the credits claimed, incremental costs of alternative fuel vehicles, and recommend changes to the incentive levels for each class of vehicle to the legislature in order to promote cost-efficient conversions.

(2) A person who is taxable under this chapter is allowed, subject to the maximum annual credit per vehicle class in subsection (1)(a) of this section, a credit against the tax imposed in this chapter for the lesser of ~~((twenty-five))~~ fifty thousand dollars or ~~((thirty))~~ one hundred percent of the costs of converting a commercial vehicle to be principally powered by a clean alternative fuel with a United States environmental protection agency certified conversion.

1 (3) The total credits under this section may not exceed the  
2 lesser of two hundred fifty thousand dollars or twenty-five vehicles  
3 per person per calendar year.

4 (4) A person may not receive credit under this section for  
5 amounts claimed as credits under chapter 82.16 RCW.

6 (5) Credits are available on a first-in-time basis. The  
7 department must disallow any credits, or portion thereof, that would  
8 cause the total amount of credits claimed under this section, and RCW  
9 82.16.0496, during any calendar year to exceed six million dollars.  
10 The department must provide notification on its web site monthly on  
11 the amount of credits that have been applied for, the amount issued,  
12 and the amount remaining before the statewide annual limit is  
13 reached. In addition, the department must provide written notice to  
14 any person who has applied to claim tax credits in excess of the  
15 limitation in this subsection.

16 (6) For the purposes of the limits provided in this section, a  
17 credit must be counted against such limits for the calendar year in  
18 which the credit is earned.

19 (7) To claim a credit under this section a person must  
20 electronically file with the department all returns, forms, and any  
21 other information required by the department, in an electronic format  
22 as provided or approved by the department. No refunds may be granted  
23 for credits under this section.

24 (8) To claim a credit under this section, the person applying  
25 must:

26 (a) Complete an application for the credit which must include:

27 (i) The name, business address, and tax identification number of  
28 the applicant;

29 (ii) A quote or unexecuted copy of the purchase requisition or  
30 order for the vehicle;

31 (iii) The type of alternative fuel to be used by the vehicle;

32 (iv) The incremental cost of the alternative fuel system;

33 (v) The anticipated delivery date of the vehicle;

34 (vi) The estimated annual fuel use of the vehicle in the  
35 anticipated duties;

36 (vii) The gross weight of each vehicle;

37 (viii) For leased vehicles, a copy of the lease contract that  
38 includes the gross capitalized cost, residual value, and name of the  
39 lessee; and

1 (ix) Any other information deemed necessary by the department to  
2 support administration or reporting of the program.

3 (b) Within fifteen days of notice of credit availability from the  
4 department, provide notice of intent to claim the credit including:

5 (i) A copy of the order for the vehicle, including the total cost  
6 for the vehicle;

7 (ii) The anticipated delivery date of the vehicle, which must be  
8 within one year of acceptance of the credit; and

9 (iii) Any other information deemed necessary by the department to  
10 support administration or reporting of the program.

11 (c) Provide final documentation within fifteen days of receipt of  
12 the vehicle, including:

13 (i) A copy of the final invoice for the vehicle;

14 (ii) A copy of the factory build sheet or equivalent  
15 documentation;

16 (iii) The vehicle identification number of each vehicle;

17 (iv) The incremental cost of the alternative fuel system;

18 (v) Attestations signed by both the seller and purchaser of each  
19 vehicle attesting that the incremental cost of the alternative fuel  
20 system includes only the costs necessary for the vehicle to run on  
21 alternative fuel and no other vehicle options, equipment, or costs;  
22 and

23 (vi) Any other information deemed necessary by the department to  
24 support administration or reporting of the program.

25 (9) A person applying for credit under subsection (8) of this  
26 section may apply for multiple vehicles on the same application, but  
27 the application must include the required information for each  
28 vehicle included in the application.

29 (10) To administer the credits, the department must, at a  
30 minimum:

31 (a) Provide notification on its web site monthly of the amount of  
32 credits that have been applied for, claimed, and the amount remaining  
33 before the statewide annual limit is reached;

34 (b) Within fifteen days of receipt of the application, notify  
35 persons applying of the availability of tax credits in the year in  
36 which the vehicles applied for are anticipated to be delivered;

37 (c) Within fifteen days of receipt of the notice of intent to  
38 claim the tax credit, notify the applicant of the approval, denial,  
39 or missing information in their notice; and

1 (d) Within fifteen days of receipt of final documentation, review  
2 the documentation and notify the person applying of the acceptance of  
3 their final documentation.

4 (11) If a person fails to supply the information as required in  
5 subsection (8) of this section, the department must deny the  
6 application.

7 (12)(a) Taxpayers are only eligible for a credit under this  
8 section based on:

9 (i) Sales or leases of new commercial vehicles and qualifying  
10 used commercial vehicles with propulsion units that are principally  
11 powered by a clean alternative fuel; or

12 (ii) Costs to modify a commercial vehicle, including sales of  
13 tangible personal property incorporated into the vehicle and labor or  
14 service expenses incurred in modifying the vehicle, to be principally  
15 powered by a clean alternative fuel.

16 (b) A credit is earned when the purchaser or the lessee takes  
17 receipt of the qualifying commercial vehicle or the conversion is  
18 complete.

19 (13) A credit earned during one calendar year may be carried over  
20 to be credited against taxes incurred in the subsequent calendar  
21 year, but may not be carried over a second year.

22 (14)(a) Beginning November 25, 2015, and on the 25th of February,  
23 May, August, and November of each year thereafter, the department  
24 must notify the state treasurer of the amount of credits taken under  
25 this section as reported on returns filed with the department during  
26 the preceding calendar quarter ending on the last day of December,  
27 March, June, and September, respectively.

28 (b) On the last day of March, June, September, and December of  
29 each year, the state treasurer, based upon information provided by  
30 the department, must transfer a sum equal to the dollar amount of the  
31 credit provided under this section from the multimodal transportation  
32 account to the general fund.

33 (15) The definitions in this subsection apply throughout this  
34 section unless the context clearly requires otherwise.

35 (a) "Auto transportation company" means any corporation or person  
36 owning, controlling, operating, or managing any motor propelled  
37 vehicle, used in the business of transporting persons for  
38 compensation over public highways within the state of Washington,  
39 between fixed points or over a regular route.



1 (b) "Clean alternative fuel" means electricity, dimethyl ether,  
2 hydrogen, methane, natural gas, liquefied natural gas, compressed  
3 natural gas, or propane.

4 (c) "Commercial vehicle" means any commercial vehicle that is  
5 purchased by a private business and that is used exclusively in the  
6 provision of commercial services or the transportation of  
7 commodities, merchandise, produce, refuse, freight, animals, or  
8 passengers, and that is displaying a Washington state license plate.  
9 All commercial vehicles that provide transportation to passengers  
10 must be operated by an auto transportation company.

11 (d) "Gross capitalized cost" means the agreed upon value of the  
12 commercial vehicle and including any other items a person pays over  
13 the lease term that are included in such cost.

14 (e) "Lease reduction factor" means the vehicle gross capitalized  
15 cost less the residual value, divided by the gross capitalized cost.

16 (f) "Qualifying used commercial vehicle" means vehicles that:

17 (i) Have an odometer reading of less than four hundred fifty  
18 thousand miles;

19 (ii) Are less than ten years past their original date of  
20 manufacture;

21 (iii) Were modified after the initial purchase with a United  
22 States environmental protection agency certified conversion that  
23 would allow the propulsion units to be principally powered by a clean  
24 alternative fuel; and

25 (iv) Are being sold for the first time after modification.

26 (g) "Residual value" means the lease-end value of the vehicle as  
27 determined by the lessor, at the end of the lease term included in  
28 the lease contract.

29 (16) Credits may be earned under this section from January 1,  
30 2016, through January 1, (~~2021~~) 2030, except for credits for leased  
31 vehicles, which may be earned from July 1, 2016, through January 1,  
32 2021.

33 (17) Credits earned under this section may not be used after  
34 January 1, (~~2022~~) 2030.

35 (18) This section expires January 1, (~~2022~~) 2030.

36 **Sec. 503.** RCW 82.08.809 and 2016 sp.s. c 32 s 2 are each amended  
37 to read as follows:

38 (1)(a) Except as provided in subsection (4) of this section, the  
39 tax levied by RCW 82.08.020 does not apply to sales of new or used

1 passenger cars, light duty trucks, ~~((and))~~ medium duty passenger  
2 vehicles, medium duty trucks, and heavy duty trucks, which (i) are  
3 exclusively powered by a clean alternative fuel or (ii) use at least  
4 one method of propulsion that is capable of being reenergized by an  
5 external source of electricity and are capable of traveling at least  
6 thirty miles using only battery power and predominately travel within  
7 the state of Washington over their useable lifetime.

8 (b) Beginning with sales made or lease agreements signed on or  
9 after July 1, 2016, the exemption in this section is only applicable  
10 for:

11 (i) New or used passenger cars, light duty trucks, and medium  
12 duty passenger vehicles for up to thirty-two thousand dollars of a  
13 vehicle's selling price or the total lease payments made plus the  
14 selling price of the leased vehicle ((if the original lessee  
15 purchases the leased vehicle before the expiration of the exemption  
16 as described in subsection (6) of this section)); and

17 (ii) New or used medium and heavy duty trucks for up to one  
18 hundred twenty-five thousand dollars of the vehicle's selling price  
19 or the total lease payments made plus the selling price of the leased  
20 vehicle.

21 (2) The seller must keep records necessary for the department to  
22 verify eligibility under this section.

23 (3) As used in this section, "clean alternative fuel" means  
24 natural gas, propane, hydrogen, or electricity, when used as a fuel  
25 in a motor vehicle that meets the California motor vehicle emission  
26 standards in Title 13 of the California code of regulations,  
27 effective January 1, 2005, and the rules of the Washington state  
28 department of ecology.

29 (4)(a) A sale, other than a lease, of a vehicle identified in  
30 subsection (1)(a) of this section made on or after July 15, 2015, and  
31 before July 1, 2016, is not exempt from sales tax as described under  
32 subsection (1) of this section if the selling price of the vehicle  
33 plus trade-in property of like kind exceeds thirty-five thousand  
34 dollars.

35 (b) A sale, other than a lease, of a vehicle identified in  
36 subsection (1)(a) of this section made on or after July 1, 2016,  
37 ~~((and before the expiration of the exemption as described in~~  
38 ~~subsection (6) of this section,))~~ is not exempt from sales tax as  
39 described under subsection (1)(b) of this section if, at the time of  
40 sale, the lowest manufacturer's suggested retail price, as determined

1 in rule by the department of licensing pursuant to chapter 34.05 RCW,  
2 for the base model is more than (~~forty two thousand five hundred~~  
3 ~~dollars~~);

4 (i) Fifty thousand dollars for passenger cars, light duty trucks,  
5 and medium duty passenger vehicles; or

6 (ii) One hundred fifty thousand dollars for medium and heavy duty  
7 trucks.

8 (c) For leased vehicles for which the lease agreement was signed  
9 before July 1, 2015, lease payments are exempt from sales tax as  
10 described under subsection (1)(a) of this section regardless of the  
11 vehicle's fair market value at the inception of the lease.

12 (d) For leased vehicles identified in subsection (1)(a) of this  
13 section for which the lease agreement is signed on or after July 15,  
14 2015, and before July 1, 2016, lease payments are not exempt from  
15 sales tax if the fair market value of the vehicle being leased  
16 exceeds thirty-five thousand dollars at the inception of the lease.  
17 For the purposes of this subsection (4), "fair market value" has the  
18 same meaning as "value of the article used" in RCW 82.12.010.

19 (e) For leased vehicles identified in subsection (1)(a) of this  
20 section for which the lease agreement is signed on or after July 1,  
21 2016, (~~and before the expiration of the exemption as described in~~  
22 ~~subsection (6) of this section,~~) lease payments are not exempt from  
23 sales tax as described under subsection (1)(b) of this section if, at  
24 the inception of the lease, the lowest manufacturer's suggested  
25 retail price, as determined in rule by the department of licensing  
26 pursuant to chapter 34.05 RCW, for the base model is more than  
27 (~~forty two thousand five hundred dollars~~);

28 (i) Fifty thousand dollars for passenger cars, light duty trucks,  
29 and medium duty passenger vehicles; or

30 (ii) One hundred fifty thousand dollars for medium and heavy duty  
31 trucks.

32 (f) The department of licensing must maintain and publish a list  
33 of all vehicle models qualifying for the sales tax exemption under  
34 this section (~~until the expiration of the exemption as described in~~  
35 ~~subsection (6) of this section~~).

36 (5)(a) On the last day of January, April, July, and October of  
37 each year until the department receives notice from the department of  
38 licensing under subsection (6)(b) of this section that the cumulative  
39 number of seven thousand five hundred qualifying vehicles has been  
40 reached, the state treasurer, based upon information provided by the

1 department, must transfer from the multimodal transportation account  
2 to the general fund a sum equal to the dollar amount that would  
3 otherwise have been deposited into the general fund during the prior  
4 calendar quarter but for the exemption provided in this section.

5 (b) Once the cumulative number of seven thousand five hundred  
6 qualifying vehicles under subsection (6)(b) of this section has been  
7 reached, on the last day of January, April, July, and October of each  
8 year, the state treasurer, based upon information provided by the  
9 department, must transfer from the clean energy account created in  
10 section 601 of this act to the general fund a sum equal to the dollar  
11 amount that would otherwise have been deposited into the general fund  
12 during the prior calendar quarter but for the exemption provided in  
13 this section.

14 (c) Information provided by the department to the state treasurer  
15 must be based on the best available data, except that the department  
16 may provide estimates of taxes exempted under this section until such  
17 time as retailers are able to report such exempted amounts on their  
18 tax returns. For purposes of this section, the first transfer for the  
19 calendar quarter after July 15, 2015, must be calculated assuming  
20 only those revenues that should have been deposited into the general  
21 fund beginning July 1, 2015.

22 ~~(6)(a) ((The exemption under this section expires, effective with~~  
23 ~~sales of vehicles delivered to the buyer or leased vehicles for which~~  
24 ~~the lease agreement was signed, after the last day of the calendar~~  
25 ~~month immediately following the month the department receives notice~~  
26 ~~from the department of licensing under subsection (7)(b) of this~~  
27 ~~section. All leased vehicles that qualified for the exemption before~~  
28 ~~the expiration of the exemption must continue to receive the~~  
29 ~~exemption as described under subsection (1)(b) of this section on~~  
30 ~~lease payments due through the remainder of the lease.~~

31 ~~(b) Upon receiving notice from the department of licensing under~~  
32 ~~subsection (7)(b) of this section, the department must provide notice~~  
33 ~~as soon as is practicable on its web site of the expiration date of~~  
34 ~~the exemption under this section.~~

35 ~~(c) For purposes of this subsection, even if the department of~~  
36 ~~licensing provides the department with notice under subsection (7)(b)~~  
37 ~~of this section before the end of the fifth working day of the month~~  
38 ~~notice is required, the notice is deemed to have been received by the~~  
39 ~~department at the end of the fifth working day of the month notice is~~  
40 ~~required.~~

1 ~~(d) If, by the end of the fifth working day of May 2019, the~~  
2 ~~department has not received notice from the department of licensing~~  
3 ~~under subsection (7)(b) of this section, the exemption under this~~  
4 ~~section expires effective with sales of vehicles delivered to the~~  
5 ~~buyer or leased vehicles for which the lease agreement was signed~~  
6 ~~after June 30, 2019.~~

7 ~~(e) Nothing in this subsection (6) may be construed to affect the~~  
8 ~~validity of any exemption properly allowed by a seller under this~~  
9 ~~section before the expiration of the exemption as described in (a) of~~  
10 ~~this subsection and reported to the department on returns filed after~~  
11 ~~the expiration of the exemption.~~

12 ~~(f) Nothing in this subsection (6) may be construed to allow an~~  
13 ~~exemption under this section for the purchase of a qualifying vehicle~~  
14 ~~by the original lessee of the vehicle after the expiration of the~~  
15 ~~exemption as provided in (a) of this subsection.~~

16 ~~(7)(a))~~ By the end of the fifth working day of each month,  
17 ~~((until the expiration of the exemption as described in subsection~~  
18 ~~(6) of this section,))~~ the department of licensing must determine the  
19 cumulative number of qualifying vehicles titled on or after July 15,  
20 2015, and provide notice of the cumulative number of these vehicles  
21 to the department.

22 (b) The department of licensing must notify the department once  
23 the cumulative number of qualifying vehicles titled in the state on  
24 or after July 15, 2015, equals or exceeds seven thousand five  
25 hundred.

26 ~~((8))~~ (7) By the last day of July 2016, and every six months  
27 thereafter ~~((until the expiration of the exemption as described in~~  
28 ~~subsection (6) of this section,))~~ based on the best available data,  
29 the department must report the following information to the  
30 transportation committees of the legislature: The cumulative number  
31 of qualifying vehicles titled in the state on or after July 15, 2015,  
32 as reported to it by the department of licensing; and the dollar  
33 amount of all state retail sales and use taxes exempted on or after  
34 July 15, 2015, under this section and RCW 82.12.809.

35 ~~((9))~~ (8) For purposes of this section, "qualifying vehicle"  
36 means a vehicle qualifying for the exemption under this section or  
37 RCW 82.12.809 in which the sale was made or the lease agreement was  
38 signed on or after July 15, 2015.

1       **Sec. 504.** RCW 82.08.816 and 2009 c 459 s 4 are each amended to  
2 read as follows:

3       (1) The tax imposed by RCW 82.08.020 does not apply to:

4       (a) The sale of batteries for electric vehicles when purchased  
5 separately from a vehicle;

6       (b) The sale of or charge made for labor and services rendered in  
7 respect to installing, repairing, altering, or improving electric  
8 vehicle batteries when purchased separately from a vehicle;

9       (c) The sale of or charge made for labor and services rendered in  
10 respect to installing, constructing, repairing, or improving electric  
11 vehicle infrastructure; and

12       (d) The sale of tangible personal property that will become a  
13 component of electric vehicle infrastructure during the course of  
14 installing, constructing, repairing, or improving electric vehicle  
15 infrastructure.

16       (2) Sellers may make tax exempt sales under this section only if  
17 the buyer provides the seller with an exemption certification in a  
18 form and manner prescribed by the department. The seller must retain  
19 a copy of the certificate for the seller's files.

20       (3) The definitions in this subsection apply throughout this  
21 section unless the context clearly requires otherwise.

22       (a) "Battery charging station" means an electrical component  
23 assembly or cluster of component assemblies designed specifically to  
24 charge batteries within electric vehicles, which meet or exceed any  
25 standards, codes, and regulations set forth by chapter 19.28 RCW and  
26 consistent with rules adopted under RCW 19.27.540.

27       (b) "Battery exchange station" means a fully automated facility  
28 that will enable an electric vehicle with a swappable battery to  
29 enter a drive lane and exchange the depleted battery with a fully  
30 charged battery through a fully automated process, which meets or  
31 exceeds any standards, codes, and regulations set forth by chapter  
32 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

33       (c) "Electric vehicle infrastructure" means structures,  
34 machinery, and equipment necessary and integral to support an  
35 electric vehicle, including battery charging stations, rapid charging  
36 stations, and battery exchange stations.

37       (d) "Rapid charging station" means an industrial grade electrical  
38 outlet that allows for faster recharging of electric vehicle  
39 batteries through higher power levels, which meets or exceeds any

1 standards, codes, and regulations set forth by chapter 19.28 RCW and  
2 consistent with rules adopted under RCW 19.27.540.

3 (4) This section expires January 1, 2020.

4 **Sec. 505.** RCW 82.12.809 and 2016 sp.s. c 32 s 3 are each amended  
5 to read as follows:

6 (1)(a) Except as provided in subsection (4) of this section, the  
7 provisions of this chapter do not apply in respect to the use of new  
8 or used passenger cars, light duty trucks, ~~((and))~~ medium duty  
9 passenger vehicles, medium duty trucks, and heavy duty trucks, which  
10 (i) are exclusively powered by a clean alternative fuel or (ii) use  
11 at least one method of propulsion that is capable of being  
12 reenergized by an external source of electricity and are capable of  
13 traveling at least thirty miles using only battery power and  
14 predominately travel within the state of Washington over their  
15 useable lifetime.

16 (b) Beginning with purchases made or lease agreements signed on  
17 or after July 1, 2016, the exemption in this section is only  
18 applicable for:

19 (i) New or used passenger cars, light duty trucks, and medium  
20 duty passenger vehicles for up to thirty-two thousand dollars of a  
21 vehicle's purchase price or the total lease payments made plus the  
22 purchase price of the leased vehicle ~~((if the original lessee~~  
23 ~~purchases the leased vehicle before the expiration of the exemption~~  
24 ~~as described in RCW 82.08.809(6))~~); and

25 (ii) New or used medium and heavy duty trucks for up to one  
26 hundred twenty-five thousand dollars of the vehicle's selling price  
27 or the total lease payments made plus the selling price of the leased  
28 vehicle.

29 (2) The definitions in RCW 82.08.809 apply to this section.

30 (3) A taxpayer is not liable for the tax imposed in RCW 82.12.020  
31 on the use(~~(, on or after the expiration of the exemption as~~  
32 ~~described in RCW 82.08.809(6),)~~) of a passenger car, light duty  
33 truck, or medium duty passenger vehicle that is exclusively powered  
34 by a clean alternative fuel or uses at least one method of propulsion  
35 that is capable of being reenergized by an external source of  
36 electricity and is capable of traveling at least thirty miles using  
37 only battery power, if the taxpayer used such vehicle in this state  
38 ~~((before the expiration of the exemption as described in RCW~~

1 ~~82.08.809(6),~~) and the use was exempt under this section from the  
2 tax imposed in RCW 82.12.020.

3 (4)(a) For vehicles identified in subsection (1)(a) of this  
4 section purchased on or after July 1, 2016, (~~and before the~~  
5 ~~expiration of the exemption as described in RCW 82.08.809(6),~~) or  
6 for leased vehicles identified in subsection (1)(a) of this section  
7 for which the lease agreement was signed on or after July 1, 2016,  
8 (~~and before the expiration of the exemption as described in RCW~~  
9 ~~82.08.809(6),~~) a vehicle is not exempt from use tax as described  
10 under subsection (1)(b) of this section if, at the time the tax is  
11 imposed for purchased vehicles or at the inception of the lease for  
12 leased vehicles, the lowest manufacturer's suggested retail price, as  
13 determined in rule by the department of licensing pursuant to chapter  
14 34.05 RCW, for the base model is more than (~~forty two thousand five~~  
15 ~~hundred dollars~~):

16 (i) Fifty thousand dollars for passenger cars, light duty trucks,  
17 and medium duty passenger vehicles; or

18 (ii) One hundred fifty thousand dollars for medium and heavy duty  
19 trucks.

20 (b) For vehicles identified in subsection (1)(a) of this section  
21 purchased on or after July 15, 2015, and before July 1, 2016, or for  
22 leased vehicles identified in subsection (1)(a) of this section for  
23 which the lease agreement was signed on or after July 15, 2015, and  
24 before July 1, 2016, a vehicle is not exempt from use tax if the fair  
25 market value of the vehicle exceeds thirty-five thousand dollars at  
26 the time the tax is imposed for purchased vehicles, or at the  
27 inception of the lease for leased vehicles.

28 (c) For leased vehicles for which the lease agreement was signed  
29 before July 1, 2015, lease payments are exempt from use tax as  
30 described under subsection (1)(a) of this section regardless of the  
31 vehicle's fair market value at the inception of the lease.

32 (5)(a) On the last day of January, April, July, and October of  
33 each year until the department receives notice from the department of  
34 licensing under RCW 82.08.809(6)(b) that the cumulative number of  
35 seven thousand five hundred qualifying vehicles has been reached, the  
36 state treasurer, based upon information provided by the department,  
37 must transfer from the multimodal transportation account to the  
38 general fund a sum equal to the dollar amount that would otherwise  
39 have been deposited into the general fund during the prior calendar  
40 quarter but for the exemption provided in this section.



1 (b) Once the cumulative number of seven thousand five hundred  
2 qualifying vehicles under RCW 82.08.809(6)(b) has been reached, on  
3 the last day of January, April, July, and October of each year, the  
4 state treasurer, based upon information provided by the department,  
5 must transfer from the clean energy account created in section 601 of  
6 this act to the general fund a sum equal to the dollar amount that  
7 would otherwise have been deposited into the general fund during the  
8 prior calendar quarter but for the exemption provided in this  
9 section.

10 (c) Information provided by the department to the state treasurer  
11 must be based on the best available data. For purposes of this  
12 section, the first transfer for the calendar quarter after July 15,  
13 2015, must be calculated assuming only those revenues that should  
14 have been deposited into the general fund beginning July 1, 2015.

15 ~~((6)(a) The exemption provided under this section does not apply~~  
16 ~~to the use of new passenger cars, light duty trucks, and medium duty~~  
17 ~~passenger vehicles, or lease payments due on such vehicles, if the~~  
18 ~~date of sale of the vehicle from the seller to the buyer occurred or~~  
19 ~~the lease agreement was signed after the expiration of the exemption~~  
20 ~~as provided in RCW 82.08.809(6).~~

21 ~~(b) All leased vehicles that qualified for the exemption before~~  
22 ~~the expiration of the exemption must continue to receive the~~  
23 ~~exemption as described under subsection (1)(b) of this section on~~  
24 ~~lease payments due through the remainder of the lease.~~

25 ~~(c) Nothing in this subsection (6) may be construed to allow an~~  
26 ~~exemption under this section for the purchase of a qualifying vehicle~~  
27 ~~by the original lessee of the vehicle after the expiration of the~~  
28 ~~exemption.))~~

29 **PART VI**

30 **Clean Energy Account**

31 NEW SECTION. Sec. 601. The clean energy account is created in  
32 the state treasury. Moneys in the account may be spent only after  
33 appropriation. Expenditures from the account may only be used for  
34 alternative fuel vehicle incentives.

35 **PART VII**

36 **Miscellaneous Provisions**

1        NEW SECTION.    **Sec. 701.**    The provisions of RCW 82.32.805(1)(a) do  
2    not apply to this act.

3        NEW SECTION.    **Sec. 702.**    Sections 401, 402, and 601 of this act  
4    constitute a new chapter in Title 70 RCW.

5        NEW SECTION.    **Sec. 703.**    If any provision of this act or its  
6    application to any person or circumstance is held invalid, the  
7    remainder of the act or the application of the provision to other  
8    persons or circumstances is not affected.

9        NEW SECTION.    **Sec. 704.**    Sections 503 and 505 of this act are  
10   necessary for the immediate preservation of the public peace, health,  
11   or safety, or support of the state government and its existing public  
12   institutions, and take effect immediately.

--- END ---