H-2749.3

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SECOND SUBSTITUTE HOUSE BILL 1918**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 67th Legislature 2022 Regular Session**

**By** House Finance (originally sponsored by Representatives Macri, Valdez, Berry, Ryu, Simmons, Peterson, Goodman, Ramel, Kloba, Bateman, Harris-Talley, and Pollet)

AN ACT Relating to reducing emissions from outdoor power equipment; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; and providing expiration dates.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 82.08 RCW to read as follows:

(1) Beginning January 1, 2023, the tax imposed by RCW 82.08.020 does not apply to the sale of zero emission outdoor power equipment.

(2) Each seller of outdoor power equipment is encouraged to notify potential customers of the effective zero percent sales tax rate established in this section for zero emission outdoor power equipment.

(a) A seller of outdoor power equipment in a physical location, including a store or booth, is encouraged to satisfy this subsection by affixing a notice, label, or sign to the outdoor power equipment or in a prominent manner adjacent to the product, in arial font and at least 14 point type.

(b) A seller of outdoor power equipment that uses an electronic place, including an internet website or dedicated sales software application, is encouraged to satisfy this subsection through a prominent notice that appears both in any electronic spaces advertising or displaying the product, and at the time of payment.

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

(a) "Battery" means a secondary battery or storage cell that can be charged, discharged into a load, and recharged many times; and includes one of several different combinations of electrode materials and electrolytes.

(b) "Battery pack" means a group of any number of secondary or rechargeable batteries within a casing and used as a power source for outdoor power equipment.

(c) "Fuel cell" means an electrochemical reaction that generates electric energy by combining atoms of hydrogen and oxygen in the presence of a catalyst.

(d) "Outdoor power equipment" means vegetation cutting equipment, leaf blowers, leaf shredders, leaf vacuums, soil tillers, soil cultivators, augers, mulchers, edgers, wood chippers, stump grinders, pressure washers, snow blowers, tampers, compactors, and other equipment designed or marketed for use in an outdoor setting in the management of vegetation, landscaped outdoor spaces, or built spaces.

(e) "Vegetation cutting equipment" includes lawn mowers, riding lawn mowers, hedge trimmers, string trimmers, brush cutters, chainsaws, pole trimmers, pole saws, and log splitters.

(f) "Zero emission outdoor power equipment" means outdoor power equipment that is powered by a source that does not produce exhaust gas other than water, and that is powered by an engine that produces a gross horsepower of less than 25 horsepower at or below 19 kilowatts or is designed to produce less than 25 horsepower. "Zero emission outdoor power equipment" includes, but is not limited to, equipment powered by batteries, battery packs, fuel cells, or electricity through an electric power cord. "Zero emission outdoor power equipment" also includes lawnmowers powered solely by human effort.

(4) This section expires January 1, 2033.

NEW SECTION. **Sec.**  A new section is added to chapter 82.12 RCW to read as follows:

(1) Beginning January 1, 2023, the tax imposed by RCW 82.12.020 does not apply to the use of zero emission outdoor power equipment.

(2) The definitions in section 1 of this act apply to this section.

(3) This section expires January 1, 2033.

NEW SECTION. **Sec.**  This section is the tax preference performance statement for the tax preferences contained in sections 1 and 2, chapter . . ., Laws of 2022 (sections 1 and 2 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes these tax preferences as intended to induce certain designated behavior by taxpayers, as indicated by RCW 82.32.808(2)(a).

(2) It is the legislature's specific public policy objective to encourage the use of zero emission outdoor power equipment. It is the legislature's intent to support, through tax policy, reductions in greenhouse gas and conventional air pollutant emissions associated with outdoor power equipment usage.

(3) To measure the effectiveness of these tax preferences in achieving the specific public policy objective described in subsection (2) of this section, the joint legislative audit and review committee must review, at minimum, and to the extent practicable and that such data is available:

(a) The amount of benefit to taxpayers in each county of the state as a result of the tax preferences established in sections 1 and 2 of this act; and

(b) The amount of the tax preferences applied to each type or category of zero emission outdoor power equipment.

(4) The joint legislative audit and review committee may use any other data it deems necessary in performing the evaluation under this section.

**--- END ---**