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**HOUSE BILL 2026**

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

**By** Representatives Wicks, Fitzgibbon, Sells, Ramel, Dolan, and Macri

AN ACT Relating to implementing a per mile charge on vehicles; amending RCW 46.17.323, 46.17.324, and 42.56.330; adding new sections to chapter 46.17 RCW; adding a new section to chapter 46.08 RCW; and creating a new section.

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

NEW SECTION. **Sec.**  The legislature finds that increasing the rate of adoption of electric and hybrid vehicles is helping to reduce harmful air pollution from exhaust emissions, including greenhouse gas emissions, in the state. At the same time, the legislature also finds that a fair and equitable means of funding the statewide transportation system in the long-term is needed as vehicles become more fuel efficient. The legislature also finds that a road usage charge or per mile fee is a viable funding method that more fairly and accurately assesses road users for their use of public roads, rather than doing so through registration fees or motor vehicle fuel taxes. It is therefore the legislature's intent to establish a road usage charge program that imposes a per mile fee for the use of public roads.

The legislature further finds and declares that the road usage charge system must at all times protect individuals' privacy and civil liberties. Experience in states that collect road usage charges, in addition to the research and year-long test of road usage charging in Washington, demonstrates that mileage-based charges can be implemented in a manner that ensures data security and protects the privacy of vehicle owners. The legislature intends that the road usage charge system authorized in this act be designed and implemented in a manner that places privacy of the vehicle owner as a first principle, especially with regard to location data.

NEW SECTION. **Sec.**  A new section is added to chapter 46.17 RCW to read as follows:

(1)(a)(i) A road usage charge program is established that places a per mile fee on vehicle usage of public roadways. The department shall implement and administer the road usage charge program. The vehicles specified in this section are subject to the requirements of the road usage charge program.

(ii) The road usage charge rate is 2.5 cents per mile. This rate may be adjusted in state law based on new information and changes in legislative policy.

(iii) The electric and hybrid-electric vehicle registration renewal fees specified in RCW 46.17.323 and the transportation electrification fees specified in RCW 46.17.324 are waived for vehicles participating in the road usage charge program.

(b)(i)(A) Beginning July 1, 2025, before accepting an application for an initial annual vehicle registration or renewal for a new vehicle purchased or leased on or after July 1, 2025 that solely uses a method of propulsion that is reenergized by an external source of electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a road usage charge as specified in this section in the road usage charge program established in this section. This charge is in addition to all other fees and taxes required by law.

(B) The road usage charge due at each vehicle registration under this subsection (1)(b)(i) may not exceed the combined amount in fees required under RCW 46.17.323 and 46.17.324 that would be due if they were not waived for the vehicle as a result of its enrollment in the road usage charge program. This road usage charge cap may be adjusted in state law based on new information and changes in legislative policy.

(ii)(A) Beginning July 1, 2025, before accepting an application for an initial annual vehicle registration or renewal for a vehicle that solely uses a method of propulsion that is reenergized by an external source of electricity and that does not qualify for mandatory participation under this subsection (1)(b)(ii)(A), the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a road usage charge as specified in this section if the applicant volunteers to enroll the vehicle in the road usage charge program established in this section. This charge is in addition to all other fees and taxes required by law.

(B) In consideration of a vehicle owner's voluntary participation in the road usage charge program, the road usage charge due at each vehicle registration under this subsection (1)(b)(ii) may not exceed $50 less than the combined amount in fees required under RCW 46.17.323 and 46.17.324 that would be due if they were not waived for the vehicle as a result of its enrollment in the road usage charge program.

(iii) In addition to the vehicles specified in (b)(ii)(A) of this subsection, at least 500 electric, electric-hybrid, and internal combustion state-owned passenger or light duty truck fleet vehicles shall be included in the road usage charge program beginning July 1, 2025. These vehicles are not subject to the per mile fee specified in (a) of this subsection until July 1, 2027. The department, in consultation with the transportation commission, shall select the types of state fleet vehicles that will be included in the road usage charge program to further test the viability of a per mile fee on electric-hybrid and internal combustion engine vehicles.

(c)(i) Beginning July 1, 2026, before accepting an application for an initial annual vehicle registration or renewal for an electric-hybrid vehicle that uses at least one method of propulsion that is reenergized by an external source of electricity and an internal combustion engine, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a per mile fee as specified in this section if the applicant volunteers to enroll the vehicle in the road usage charge program established in this section. This charge is in addition to all other fees and taxes required by law.

(ii) In consideration of a vehicle owner's voluntary participation in the road usage charge program, the road usage charge due at each vehicle registration under this subsection (1)(c) may not exceed $50 less than the combined amount in fees required under RCW 46.17.323 and 46.17.324 that would be due if they were not waived for the vehicle as a result of its enrollment in the road usage charge program.

(d)(i)(A) Beginning July 1, 2027, before accepting an application for an initial annual vehicle registration or renewal for a vehicle that uses an internal combustion engine as its method of propulsion, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a per mile fee as specified in this section if the applicant volunteers to enroll the vehicle in the road usage charge program established in this section. This charge is in addition to all other fees and taxes required by law.

(B) The annual per mile fee due for a vehicle participating in the road usage charge program at the time of initial annual vehicle registration or renewal under this subsection (1)(d)(i) is reduced by a fee credit in the amount of the motor vehicle fuel tax imposed under chapter 82.38 RCW that is determined by the department to correspond, either constructively or in actuality, to the vehicle's annual motor vehicle fuel usage. The department shall adopt methodologies used to determine constructive annual motor vehicle fuel usage by vehicles, as well as requirements for the determination of actual fuel usage by vehicles, by rule.

(ii) In addition to the vehicles specified in this subsection, at least 500 electric, electric-hybrid, and internal combustion state-owned passenger or light duty truck fleet vehicles shall be included in the road usage charge program beginning July 1, 2027. These vehicles are subject to the per mile fee specified in (a) of this subsection. The department, in consultation with the transportation commission, shall select the types of state fleet vehicles that will be added to the road usage charge program to further testing of the viability of a per mile fee.

(e) By December 1, 2024, after consultation with the transportation commission on lessons learned from Washington's road usage charge pilot and research, the department must adopt rules to implement the portions of the road usage charge program specified in (b) and (c) of this subsection (1).

(2) The department shall offer vehicle owners one or more methods of reporting miles driven, one of which shall be based on submittal of periodic odometer mileage. The department may also offer vehicle owners the option of one or more automated methods of reporting miles driven. The department may certify one or more private sector service providers to provide the automated methods of reporting miles driven.

(3) The department shall offer periodic payment options to participants in the road usage charge program.

(4) The department may retain third-party professional services in implementing the road usage charge program.

(5) The department, in consultation with the transportation commission, shall design and execute a public outreach and education program to be carried out prior to implementation of the road usage charge program under subsection (1) of this section.

(6) The department shall annually review the road usage charge program and report to the legislature on its performance, including in meeting its policy goals as specified in state law, and offer recommendations as needed for program enhancements.

(7) The transportation commission, in collaboration with the department, shall assess approaches to implementing a per mile fee discount for low-income vehicle owners and report its findings and recommendations to the transportation committees of the legislature by January 10, 2024, as part of the commission's report on the results of its federal research program.

(8) By January 1, 2029, the joint transportation committee shall evaluate the road usage charge program in consultation with the department to assess requirements for full implementation of the program in the state and provide a report to the transportation committees of the legislature. The evaluation must include an assessment of the potential revenue impacts of full implementation in place of the motor vehicle fuel tax. The evaluation must also incorporate relevant findings from the department's annual reviews of the road usage charge program under subsection (6) of this section.

(9) This section only applies to a vehicle that is designed to have the capability to drive at a speed of more than 35 miles per hour and that has a gross vehicle weight rating of 10,000 pounds or less.

(10) Proceeds from the per mile fee imposed under this section must be used for transportation purposes and must be deposited in the road usage charge account created in section 7 of this act.

**Sec.**  RCW 46.17.323 and 2015 3rd sp.s. c 44 s 203 are each amended to read as follows:

(1) Before accepting an application for an annual vehicle registration renewal for a vehicle that both (a) uses at least one method of propulsion that is capable of being reenergized by an external source of electricity and (b) is capable of traveling at least ((~~thirty~~)) 30 miles using only battery power, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a ((~~one hundred dollar~~)) $100 fee in addition to any other fees and taxes required by law. The ((~~one hundred dollar~~)) $100 fee is due only at the time of annual registration renewal.

(2) This section only applies to a vehicle that is designed to have the capability to drive at a speed of more than ((~~thirty-five~~)) 35 miles per hour.

(3)(a) The fee under this section is 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, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.

(b) If in any year the amount of proceeds from the fee collected under this section exceeds ((~~one million dollars~~)) $1,000,000, the excess amount over ((~~one million dollars~~)) $1,000,000 must be deposited as follows:

(i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;

(ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and

(iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

(4)(a) In addition to the fee established in subsection (1) of this section, before accepting an application for an annual vehicle registration renewal for a vehicle that both (i) uses at least one method of propulsion that is capable of being reenergized by an external source of electricity and (ii) is capable of traveling at least ((~~thirty~~)) 30 miles using only battery power, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a ((~~fifty dollar~~)) $50 fee.

(b) The fee required under (a) of this subsection must be distributed as follows:

(i) The first ((~~one million dollars~~)) $1,000,000 raised by the fee must be deposited into the multimodal transportation account created in RCW 47.66.070; and

(ii) Any remaining amounts must be deposited into the motor vehicle fund created in RCW 46.68.070.

(5) This section applies to annual vehicle registration renewals until the effective date of enacted legislation that imposes a mandatory vehicle miles traveled fee or tax to apply to all vehicles that are required to pay fees under this section.

(6) Beginning July 1, 2025, participants in the road usage charge program described in section 2 of this act are exempt from the fees specified in this section.

**Sec.**  RCW 46.17.324 and 2019 c 287 s 23 are each amended to read as follows:

To realize the environmental benefits of electrification of the transportation system it is necessary to support the adoption of electric vehicles and other electric technology in the state by incentivizing the purchase of these vehicles, building out the charging infrastructure, developing greener transit options, and supporting clean alternative fuel infrastructure. Therefore, it is the intent of the legislature to support these activities through the imposition of new transportation electrification fees in this section.

(1) A vehicle that both (a) uses at least one method of propulsion that is capable of being reenergized by an external source of electricity and (b) is capable of traveling at least ((~~thirty~~)) 30 miles using only battery power, is subject to an annual ((~~seventy-five dollar~~)) $75 transportation electrification fee to be collected by the department, county auditor, or other agent or subagent appointed by the director, in addition to any other fees and taxes required by law. For administrative efficiencies, the transportation electrification fee must be collected at the same time as vehicle registration renewals and may only be collected for vehicles that are renewing an annual vehicle registration.

(2) Beginning October 1, 2019, in lieu of the fee in subsection (1) of this section for a hybrid or alternative fuel vehicle that is not required to pay the fees established in RCW 46.17.323 (1) and (4), for reasons other than participation in the road usage charge program established in section 2 of this act, the department, county auditor, or other agent or subagent appointed by the director must require that the applicant for the annual vehicle registration renewal of such hybrid or alternative fuel vehicle pay a ((~~seventy-five dollar~~)) $75 hybrid vehicle transportation electrification fee, in addition to any other fees and taxes required by law.

(3) The fees required under this section must be deposited in the electric vehicle account created in RCW 82.44.200, until July 1, 2025, when the fee must be deposited in the motor vehicle account.

(4) This section only applies to a vehicle that is designed to have the capability to drive at a speed of more than ((~~thirty-five~~)) 35 miles per hour.

(5) Beginning July 1, 2025, participants in the road usage charge program described in section 2 of this act are exempt from the fees specified in this section.

NEW SECTION. **Sec.**  A new section is added to chapter 46.08 RCW to read as follows:

(1) The per mile system established to collect the per mile fee under section 2 of this act may not involve the collection of any personally identifying information beyond what is necessary to properly calculate, report, and collect the per mile fee, unless the vehicle owner provides his or her express written consent for the collection of additional information.

(2) Per mile reporting methods may record or report general location data under the following circumstances: (a) The vehicle owner chooses that specific reporting method; (b) proper disclosure of the reporting method was made pursuant to rules adopted by the transportation commission; and (c) the vehicle owner specifically consents to the reporting of general location data.

(3) Per mile reporting methods shall not report specific location data to the department or any subdivision of the state, including travel patterns, origins, destinations, waypoint locations, or times of travel unless a vehicle owner specifically consents to the recording or reporting of such location data.

(4) The department and any per mile account manager has an affirmative public duty regarding the collection of the per mile fee under section 2 of this act to:

(a) Ensure that per mile information is protected with reasonable operational, administrative, technical, and physical safeguards to ensure its confidentiality and integrity;

(b) Implement and maintain reasonable security procedures and practices in order to protect per mile information from unauthorized access, destruction, use, modification, or disclosure; and

(c) Implement and maintain a usage and privacy policy to ensure that the collection of per mile information is consistent with respect for individuals' privacy and civil liberties.

(5) Per mile system data retained beyond the period of time necessary to ensure proper mileage account payment must have all personally identifying information removed and may only be used for public purposes.

(6) For the purposes of this section:

(a) "General location data" means information about whether a vehicle has traveled on taxable roadways within the state of Washington.

(b) "Personally identifying information" means any information that identifies or describes a person including, but not limited to, travel pattern data, address, telephone number, email address, photograph, bank account information, or credit card number. "Personally identifying information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

(c) "Public purposes" means research, testing, and information gathering that advances the safety of the motoring public and the adequate preservation, maintenance, and upkeep of public roadways.

(d) "Specific location data" means information about the origin, destination, waypoint, or travel patterns of vehicles.

(e) "Vehicle owner" has the same meaning as in RCW 46.04.380.

**Sec.**  RCW 42.56.330 and 2017 c 333 s 6 are each amended to read as follows:

The following information relating to public utilities and transportation is exempt from disclosure under this chapter:

(1) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 or 81.77.210 that a court has determined are confidential under RCW 80.04.095 or 81.77.210;

(2) The addresses, telephone numbers, electronic contact information, and customer-specific utility usage and billing information in increments less than a billing cycle of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order;

(3) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing program or service. Participants' names, general locations, and point of contact may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides;

(4) The personally identifying information of current or former participants or applicants in a paratransit or other transit service operated for the benefit of persons with disabilities or elderly persons;

(5) The personally identifying information of persons who acquire and use transit passes or other fare payment media including, but not limited to, stored value smart cards and magnetic strip cards, except that an agency may disclose personally identifying information to a person, employer, educational institution, or other entity that is responsible, in whole or in part, for payment of the cost of acquiring or using a transit pass or other fare payment media for the purpose of preventing fraud. As used in this subsection, "personally identifying information" includes acquisition or use information pertaining to a specific, individual transit pass or fare payment media.

(a) Information regarding the acquisition or use of transit passes or fare payment media may be disclosed in aggregate form if the data does not contain any personally identifying information.

(b) Personally identifying information may be released to law enforcement agencies if the request is accompanied by a court order;

(6) Any information obtained by governmental agencies that is collected by the use of a motor carrier intelligent transportation system or any comparable information equipment attached to a truck, tractor, or trailer; however, the information may be given to other governmental agencies or the owners of the truck, tractor, or trailer from which the information is obtained. As used in this subsection, "motor carrier" has the same definition as provided in RCW 81.80.010;

(7) The personally identifying information of persons who acquire and use transponders or other technology to facilitate payment of tolls. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. For these purposes aggregate data may include the census tract of the account holder as long as any individual personally identifying information is not released. Personally identifying information may be released to law enforcement agencies only for toll enforcement purposes. Personally identifying information may be released to law enforcement agencies for other purposes only if the request is accompanied by a court order;

(8) The personally identifying information of persons who acquire and use a driver's license or identicard that includes a radio frequency identification chip or similar technology to facilitate border crossing. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. Personally identifying information may be released to law enforcement agencies only for United States customs and border protection enforcement purposes. Personally identifying information may be released to law enforcement agencies for other purposes only if the request is accompanied by a court order; ((~~and~~))

(9) Personally identifying information included in safety complaints submitted under chapter 81.61 RCW; and

(10) The personally identifying information of persons, as defined in section 5 of this act, who report their vehicle odometer mileage, including any vehicle location information, in relation to a per mile fee imposed under section 2 of this act, or similar mileage tax, collected by or on behalf of the state of Washington. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. Personally identifying information may be released to law enforcement agencies only if the request is accompanied by a court order.

NEW SECTION. **Sec.**  A new section is added to chapter 46.17 RCW to read as follows:

The road usage charge account is created in the state treasury. All receipts from the road usage charge program established in section 2 of this act must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for transportation purposes.

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