
SENATE BILL 5444

State of Washington

67th Legislature

2021 Regular Session

By Senators Saldaña, Hobbs, Nguyen, and Nobles

Read first time 02/10/21. Referred to Committee on Transportation.

1 AN ACT Relating to implementing a per mile charge on electric and
2 hybrid vehicles; amending RCW 46.17.323, 46.17.324, and 42.56.330;
3 adding a new section to chapter 46.17 RCW; adding a new section to
4 chapter 46.08 RCW; creating a new section; repealing RCW 46.17.323;
5 and providing an effective date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that increasing the
8 rate of adoption of electric and hybrid vehicles is helping to reduce
9 harmful air pollution from exhaust emissions, including greenhouse
10 gas emissions, in the state. At the same time, the legislature also
11 finds that there is a need to ensure that the greater adoption of
12 electric and hybrid vehicles does not reduce funds to maintain and
13 improve transportation infrastructure and that there is a need for
14 fairness in how these funds are generated. The legislature also finds
15 that a road usage charge or per mile fee system appears to be a
16 viable method to ensure these goals are achieved. It is therefore the
17 legislature's intent to impose a per mile fee to mitigate the impact
18 of increased electric and hybrid vehicles on state roads and highways
19 and to allow further evaluation of the feasibility of transitioning
20 from a revenue collection system based on fuel taxes to a per mile
21 funding system.

1 The legislature further finds and declares that the per mile
2 funding system must at all times recognize and respect an
3 individual's interests in privacy, information use, and civil
4 liberties. Experience in states that collect road usage charges, as
5 well as the research and year-long test of road usage charging in
6 Washington, demonstrates that mileage-based charges can be
7 implemented in a way that ensures data security and protects the
8 privacy of vehicle owners. The legislature intends that the per mile
9 funding system authorized in this act be designed and implemented in
10 a manner that places privacy of the vehicle owner as a first
11 principle, especially with regard to location data. Detailed travel
12 locations or patterns must not be disclosed, and legal and technical
13 safeguards must protect personal information.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 46.17
15 RCW to read as follows:

16 (1) By December 1, 2022, the department and the transportation
17 commission must collaborate to develop an implementation plan for the
18 voluntary early adoption program pursuant to subsection (3) of this
19 section and imposing a per mile fee on electric and hybrid vehicles
20 pursuant to subsection (2) of this section. This plan must
21 incorporate the ongoing work of the transportation commission in
22 evaluating a road usage charge, including coordinating with federal
23 grant-funded research and development to continue in parallel with
24 these activities. The plan must include, but is not limited to:

25 (a) Different mileage reporting methods;

26 (b) Recommended payment collection means and rates for achieving
27 cost efficiency, fairness, minimal administrative cost, payment
28 compliance, consumer choice, and preserving individual privacy;

29 (c) Options for collaborating with other states or countries in
30 the development and administration of the per mile funding system;

31 (d) Evaluation and comparison of the benefits and costs of
32 allowing for payment plan options and annual payment;

33 (e) Any recommended statutory changes, including suggested
34 offsets or rebates to the per mile fees. These offsets or rebates
35 will not be utilized in the per mile funding system until approved by
36 the legislature;

37 (f) Specific recommendations to better align the system with
38 other vehicle-related charges and potentially establish the framework
39 for broader implementation of a per mile funding system, including

1 analysis of the preferred method for addressing eighteenth amendment
2 restriction considerations;

3 (g) A recommended implementation and governance structure, and
4 transition plan with the department as the designated lead agency to
5 operate and administer the per mile funding system;

6 (h) A recommendation on the best agency to be lead for public
7 outreach and education;

8 (i) Recommendations for augmenting vehicle owner privacy in light
9 of new and emerging mileage reporting methods or technologies, and
10 proposed rules to be adopted by the commission related to extend
11 privacy protections in a per mile funding system; and

12 (j) Detailed information on the recommended periodic review and
13 evaluation process to best ensure the per mile funding system is
14 achieving the policy and revenue goals established by the
15 legislature.

16 (2)(a) Beginning July 1, 2026, before accepting an application
17 for an annual vehicle registration renewal for a vehicle that both
18 (i) uses at least one method of propulsion that is capable of being
19 reenergized by an external source of electricity and (ii) is capable
20 of traveling at least 30 miles using only battery power, the
21 department, county auditor or other agent, or subagent appointed by
22 the director must require the applicant to pay a per mile fee as
23 specified in this section. This fee is in addition to all other fees
24 and taxes required by law.

25 (b) The rate of the per mile fee is as follows:

26 (i) From July 1, 2026, through June 30, 2029, two cents per mile
27 driven; and

28 (ii) On July 1, 2029, and thereafter, two and one-half cents per
29 mile driven.

30 (3)(a) By July 1, 2025, the department, in consultation with the
31 transportation commission, must establish a voluntary early adoption
32 program that allows the registered owner of an electric or hybrid
33 vehicle that uses at least one method of propulsion that is capable
34 of being reenergized by an external source of electricity and is
35 capable of traveling at least 30 miles using only battery power to
36 start paying a per mile fee earlier than the mandatory participation
37 date of July 1, 2026.

38 (b) Except as otherwise specified in this subsection (3),
39 participants in the voluntary early adoption program must pay two

1 cents per mile driven in addition to all other fees and taxes
2 required by law.

3 (c) For active participants in the voluntary early adoption
4 program, the department must waive payment of the electric vehicle
5 registration renewal fees as specified in RCW 46.17.323 and the
6 transportation electrification fee as specified in RCW 46.17.324(1).

7 (d) Besides the vehicles specified in (a) of this subsection, the
8 voluntary early adoption program must include participation of at
9 least five hundred electric, hybrid, and internal combustion state-
10 owned passenger or light duty truck fleet vehicles. These vehicles
11 are not subject to the per mile fee specified in (b) of this
12 subsection. The department, in consultation with the transportation
13 commission, shall establish the types of state fleet vehicles for
14 participation to further test the viability of a per mile fee on the
15 full range of vehicles that may be subject to a per mile fee in
16 future years. The voluntary early adoption program as it specifically
17 relates to state-owned fleet vehicles may be initiated as early as
18 July 1, 2024, based on the technical capability of the department to
19 implement the program for these vehicles.

20 (e) By January 1, 2024, after consultation with the
21 transportation commission on lessons learned from Washington's road
22 usage charge pilot and research, the department must adopt rules to
23 implement the voluntary early adoption program specified in this
24 subsection (3), which must include procedures for recoupment of any
25 waived fees if the participant is not actively participating in the
26 voluntary early adoption program.

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

30 (5) Proceeds from the per mile fee imposed under this section
31 must be used for preservation and maintenance and must be deposited
32 in the motor vehicle fund created in RCW 46.68.070.

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

35 (1) Before accepting an application for an annual vehicle
36 registration renewal for a vehicle that both (a) uses at least one
37 method of propulsion that is capable of being reenergized by an
38 external source of electricity and (b) is capable of traveling at
39 least thirty miles using only battery power, the department, county

1 auditor or other agent, or subagent appointed by the director must
2 require the applicant to pay a one hundred dollar fee in addition to
3 any other fees and taxes required by law. The one hundred dollar fee
4 is due only at the time of annual registration renewal.

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

8 (3) (a) The fee under this section is imposed to provide funds to
9 mitigate the impact of vehicles on state roads and highways and for
10 the purpose of evaluating the feasibility of transitioning from a
11 revenue collection system based on fuel taxes to a road user
12 assessment system, and is separate and distinct from other vehicle
13 license fees. Proceeds from the fee must be used for highway
14 purposes, and must be deposited in the motor vehicle fund created in
15 RCW 46.68.070, subject to (b) of this subsection.

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

19 (i) Seventy percent to the motor vehicle fund created in RCW
20 46.68.070;

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

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

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

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

35 (i) The first one million dollars raised by the fee must be
36 deposited into the multimodal transportation account created in RCW
37 47.66.070; and

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

1 (5) This section applies to annual vehicle registration renewals
2 until the effective date of enacted legislation that imposes a
3 vehicle miles traveled fee or tax. However, for purposes of this
4 subsection, the establishment of the voluntary early adoption program
5 described in section 2(3) of this act does not constitute legislation
6 that imposes a vehicle miles traveled fee or tax.

7 (6) Beginning July 1, 2025, participants in the voluntary early
8 adoption program described in section 2(3) of this act are exempt
9 from the fees specified in this section.

10 **Sec. 4.** RCW 46.17.324 and 2019 c 287 s 23 are each amended to
11 read as follows:

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

21 (1) ((A)) Until July 1, 2026, a vehicle that both (a) uses at
22 least one method of propulsion that is capable of being reenergized
23 by an external source of electricity and (b) is capable of traveling
24 at least thirty miles using only battery power, is subject to an
25 annual seventy-five dollar transportation electrification fee to be
26 collected by the department, county auditor, or other agent or
27 subagent appointed by the director, in addition to any other fees and
28 taxes required by law. For administrative efficiencies, the
29 transportation electrification fee must be collected at the same time
30 as vehicle registration renewals and may only be collected for
31 vehicles that are renewing an annual vehicle registration.

32 (2) Beginning October 1, 2019, and until July 1, 2026, in lieu of
33 the fee in subsection (1) of this section for a hybrid or alternative
34 fuel vehicle that is not required to pay the fees established in RCW
35 46.17.323 (1) and (4), the department, county auditor, or other agent
36 or subagent appointed by the director must require that the applicant
37 for the annual vehicle registration renewal of such hybrid or
38 alternative fuel vehicle pay a seventy-five dollar hybrid vehicle
39 transportation electrification fee, in addition to any other fees and

1 taxes required by law. However, the fee imposed under this subsection
2 does not apply to applicants participating in the voluntary early
3 adoption program described in section 2(3) of this act.

4 (3) Beginning July 1, 2026, the department, county auditor, or
5 other agent or subagent appointed by the director must require that
6 an applicant for the annual vehicle registration renewal for vehicles
7 specified in this subsection to pay a \$75 hybrid vehicle
8 transportation electrification fee, in addition to any other fees and
9 taxes required by law. This fee applies to:

10 (a) An electric or hybrid vehicle that uses at least one method
11 of propulsion that is capable of being reenergized by an external
12 source of electricity, but is not capable of traveling at least 30
13 miles using only battery power; or

14 (b) A hybrid electric and gasoline vehicle that is not a plug-in
15 hybrid.

16 (4) The fees required under this section must be deposited in the
17 electric vehicle account created in RCW 82.44.200, until July 1,
18 2025, when the fee must be deposited in the motor vehicle account.

19 ((4)) (5) This section only applies to a vehicle that is
20 designed to have the capability to drive at a speed of more than
21 thirty-five miles per hour.

22 (6) Beginning July 1, 2025, participants in the voluntary early
23 adoption program described in section 2(3) of this act are exempt
24 from the fees specified in subsection (1) of this section.

25 NEW SECTION. Sec. 5. A new section is added to chapter 46.08
26 RCW to read as follows:

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

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

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

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

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

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

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

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

22 (6) For the purposes of this section:

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

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

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

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

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

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

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

5 (1) Records filed with the utilities and transportation
6 commission or attorney general under RCW 80.04.095 or 81.77.210 that
7 a court has determined are confidential under RCW 80.04.095 or
8 81.77.210;

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

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

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

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

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

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

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

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

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

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

36 (10) The personally identifying information of persons, as
37 defined in section 5 of this act, who report their vehicle odometer
38 mileage, including any vehicle location information, in relation to a
39 per mile fee imposed under section 2 of this act, or similar mileage
40 tax, collected by or on behalf of the state of Washington. This

1 information may be disclosed in aggregate form as long as the data
2 does not contain any personally identifying information. Personally
3 identifying information may be released to law enforcement agencies
4 only if the request is accompanied by a court order.

5 NEW SECTION. **Sec. 7.** The following acts or parts of acts, as
6 now existing or hereafter amended, are each repealed, effective July
7 1, 2026: RCW 46.17.323 (Electric vehicle registration renewal fees)
8 and 2021 c ... s 3 (section 3 of this act), 2015 3rd sp.s. c 44 s
9 203, (2020 c 1 s 5 (Initiative Measure No. 976)), & 2012 c 74 s 10.

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