

SENATE BILL 5771

State of Washington

68th Legislature

2023 Regular Session

By Senators Mullet and Braun

Read first time 04/21/23. Referred to Committee on Transportation.

1 AN ACT Relating to providing consumer relief for the climate
2 commitment act; amending RCW 46.17.350, 46.17.355, and 70A.65.100;
3 and declaring an emergency.

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

5 **Sec. 1.** RCW 46.17.350 and 2019 c 44 s 4 are each amended to read
6 as follows:

7 (1) Before accepting an application for a vehicle registration,
8 the department, county auditor or other agent, or subagent appointed
9 by the director shall require the applicant, unless specifically
10 exempt, to pay the following vehicle license fee by vehicle type:

11	VEHICLE TYPE	INITIAL	RENEWAL	DISTRIBUTED
12		FEE	FEE	UNDER
13	(a) Auto stage, six seats or	\$ 30.00	\$ 30.00	RCW 46.68.030
14	less			
15	(b) Camper	\$ 4.90	\$ 3.50	RCW 46.68.030
16	(c) Commercial trailer	\$ 34.00	\$ 34.00	RCW 46.68.035
17	(d) For hire vehicle, six	\$ 30.00	\$ 30.00	RCW 46.68.030
18	seats or less			

1	(e) Mobile home (if	\$ 30.00	\$ 30.00	RCW 46.68.030
2	registered)			
3	(f) Moped	\$ 30.00	\$ 30.00	RCW 46.68.030
4	(g) Motor home	\$ 30.00	\$ 30.00	RCW 46.68.030
5	(h) Motorcycle	\$ 30.00	\$ 30.00	RCW 46.68.030
6	(i) Off-road vehicle	\$ 18.00	\$ 18.00	RCW 46.68.045
7	(j) Passenger car	\$ 30.00	\$ 30.00	RCW 46.68.030
8	(k) Private use single-axle	\$ 15.00	\$ 15.00	RCW 46.68.035
9	trailer			
10	(l) Snowmobile	\$ 50.00	\$ 50.00	RCW 46.68.350
11	(m) Snowmobile, vintage	\$ 12.00	\$ 12.00	RCW 46.68.350
12	(n) Sport utility vehicle	\$ 30.00	\$ 30.00	RCW 46.68.030
13	(o) Tow truck	\$ 30.00	\$ 30.00	RCW 46.68.030
14	(p) Trailer, over 2000	\$ 30.00	\$ 30.00	RCW 46.68.030
15	pounds			
16	(q) Travel trailer	\$ 30.00	\$ 30.00	RCW 46.68.030
17	(r) Wheeled all-terrain	\$ 12.00	\$ 12.00	RCW 46.09.540
18	vehicle, on-road use			
19	(s) Wheeled all-terrain	\$ 18.00	\$ 18.00	RCW 46.09.510
20	vehicle, off-road use			

21 (2) The vehicle license fee required in subsection (1) of this
22 section is in addition to the filing fee required under RCW
23 46.17.005, and any other fee or tax required by law.

24 (3) The following vehicle types are exempt from the vehicle
25 license fees under this section for vehicle registrations that are
26 due or become due on or after the effective date of this section
27 through June 30, 2025:

28 (a) For hire vehicle, six seats or less;

29 (b) Moped;

30 (c) Motor home;

31 (d) Motorcycle;

32 (e) Passenger car;

33 (f) Sport utility vehicle; and

34 (g) Tow truck.

1 **Sec. 2.** RCW 46.17.355 and 2015 3rd sp.s. c 44 s 201 are each
2 amended to read as follows:

3 (1)(a) For vehicle registrations that are due or become due
4 before July 1, 2016, in lieu of the vehicle license fee required
5 under RCW 46.17.350 and before accepting an application for a vehicle
6 registration for motor vehicles described in RCW 46.16A.455, the
7 department, county auditor or other agent, or subagent appointed by
8 the director shall require the applicant, unless specifically exempt,
9 to pay the following license fee by weight:

	WEIGHT	SCHEDULE	SCHEDULE
		A	B
12	4,000 pounds	\$ 38.00	\$ 38.00
13	6,000 pounds	\$ 48.00	\$ 48.00
14	8,000 pounds	\$ 58.00	\$ 58.00
15	10,000 pounds	\$ 60.00	\$ 60.00
16	12,000 pounds	\$ 77.00	\$ 77.00
17	14,000 pounds	\$ 88.00	\$ 88.00
18	16,000 pounds	\$ 100.00	\$ 100.00
19	18,000 pounds	\$ 152.00	\$ 152.00
20	20,000 pounds	\$ 169.00	\$ 169.00
21	22,000 pounds	\$ 183.00	\$ 183.00
22	24,000 pounds	\$ 198.00	\$ 198.00
23	26,000 pounds	\$ 209.00	\$ 209.00
24	28,000 pounds	\$ 247.00	\$ 247.00
25	30,000 pounds	\$ 285.00	\$ 285.00
26	32,000 pounds	\$ 344.00	\$ 344.00
27	34,000 pounds	\$ 366.00	\$ 366.00
28	36,000 pounds	\$ 397.00	\$ 397.00
29	38,000 pounds	\$ 436.00	\$ 436.00
30	40,000 pounds	\$ 499.00	\$ 499.00
31	42,000 pounds	\$ 519.00	\$ 609.00
32	44,000 pounds	\$ 530.00	\$ 620.00
33	46,000 pounds	\$ 570.00	\$ 660.00
34	48,000 pounds	\$ 594.00	\$ 684.00

1	50,000 pounds	\$ 645.00	\$ 735.00
2	52,000 pounds	\$ 678.00	\$ 768.00
3	54,000 pounds	\$ 732.00	\$ 822.00
4	56,000 pounds	\$ 773.00	\$ 863.00
5	58,000 pounds	\$ 804.00	\$ 894.00
6	60,000 pounds	\$ 857.00	\$ 947.00
7	62,000 pounds	\$ 919.00	\$ 1,009.00
8	64,000 pounds	\$ 939.00	\$ 1,029.00
9	66,000 pounds	\$ 1,046.00	\$ 1,136.00
10	68,000 pounds	\$ 1,091.00	\$ 1,181.00
11	70,000 pounds	\$ 1,175.00	\$ 1,265.00
12	72,000 pounds	\$ 1,257.00	\$ 1,347.00
13	74,000 pounds	\$ 1,366.00	\$ 1,456.00
14	76,000 pounds	\$ 1,476.00	\$ 1,566.00
15	78,000 pounds	\$ 1,612.00	\$ 1,702.00
16	80,000 pounds	\$ 1,740.00	\$ 1,830.00
17	82,000 pounds	\$ 1,861.00	\$ 1,951.00
18	84,000 pounds	\$ 1,981.00	\$ 2,071.00
19	86,000 pounds	\$ 2,102.00	\$ 2,192.00
20	88,000 pounds	\$ 2,223.00	\$ 2,313.00
21	90,000 pounds	\$ 2,344.00	\$ 2,434.00
22	92,000 pounds	\$ 2,464.00	\$ 2,554.00
23	94,000 pounds	\$ 2,585.00	\$ 2,675.00
24	96,000 pounds	\$ 2,706.00	\$ 2,796.00
25	98,000 pounds	\$ 2,827.00	\$ 2,917.00
26	100,000 pounds	\$ 2,947.00	\$ 3,037.00
27	102,000 pounds	\$ 3,068.00	\$ 3,158.00
28	104,000 pounds	\$ 3,189.00	\$ 3,279.00
29	105,500 pounds	\$ 3,310.00	\$ 3,400.00

30 (b) For vehicle registrations that are due or become due on or
31 after July 1, 2016, in lieu of the vehicle license fee required under
32 RCW 46.17.350 and before accepting an application for a vehicle
33 registration for motor vehicles described in RCW 46.16A.455, the

1 department, county auditor or other agent, or subagent appointed by
2 the director shall require the applicant, unless specifically exempt,
3 to pay the following license fee by weight:

4	WEIGHT	SCHEDULE	SCHEDULE
5		A	B
6	4,000 pounds	\$ 53.00	\$ 53.00
7	6,000 pounds	\$ 73.00	\$ 73.00
8	8,000 pounds	\$ 93.00	\$ 93.00
9	10,000 pounds	\$ 93.00	\$ 93.00
10	12,000 pounds	\$ 81.00	\$ 81.00
11	14,000 pounds	\$ 88.00	\$ 88.00
12	16,000 pounds	\$ 100.00	\$ 100.00
13	18,000 pounds	\$ 152.00	\$ 152.00
14	20,000 pounds	\$ 169.00	\$ 169.00
15	22,000 pounds	\$ 183.00	\$ 183.00
16	24,000 pounds	\$ 198.00	\$ 198.00
17	26,000 pounds	\$ 209.00	\$ 209.00
18	28,000 pounds	\$ 247.00	\$ 247.00
19	30,000 pounds	\$ 285.00	\$ 285.00
20	32,000 pounds	\$ 344.00	\$ 344.00
21	34,000 pounds	\$ 366.00	\$ 366.00
22	36,000 pounds	\$ 397.00	\$ 397.00
23	38,000 pounds	\$ 436.00	\$ 436.00
24	40,000 pounds	\$ 499.00	\$ 499.00
25	42,000 pounds	\$ 519.00	\$ 609.00
26	44,000 pounds	\$ 530.00	\$ 620.00
27	46,000 pounds	\$ 570.00	\$ 660.00
28	48,000 pounds	\$ 594.00	\$ 684.00
29	50,000 pounds	\$ 645.00	\$ 735.00
30	52,000 pounds	\$ 678.00	\$ 768.00
31	54,000 pounds	\$ 732.00	\$ 822.00
32	56,000 pounds	\$ 773.00	\$ 863.00
33	58,000 pounds	\$ 804.00	\$ 894.00

1	60,000 pounds	\$ 857.00	\$ 947.00
2	62,000 pounds	\$ 919.00	\$ 1,009.00
3	64,000 pounds	\$ 939.00	\$ 1,029.00
4	66,000 pounds	\$ 1,046.00	\$ 1,136.00
5	68,000 pounds	\$ 1,091.00	\$ 1,181.00
6	70,000 pounds	\$ 1,175.00	\$ 1,265.00
7	72,000 pounds	\$ 1,257.00	\$ 1,347.00
8	74,000 pounds	\$ 1,366.00	\$ 1,456.00
9	76,000 pounds	\$ 1,476.00	\$ 1,566.00
10	78,000 pounds	\$ 1,612.00	\$ 1,702.00
11	80,000 pounds	\$ 1,740.00	\$ 1,830.00
12	82,000 pounds	\$ 1,861.00	\$ 1,951.00
13	84,000 pounds	\$ 1,981.00	\$ 2,071.00
14	86,000 pounds	\$ 2,102.00	\$ 2,192.00
15	88,000 pounds	\$ 2,223.00	\$ 2,313.00
16	90,000 pounds	\$ 2,344.00	\$ 2,434.00
17	92,000 pounds	\$ 2,464.00	\$ 2,554.00
18	94,000 pounds	\$ 2,585.00	\$ 2,675.00
19	96,000 pounds	\$ 2,706.00	\$ 2,796.00
20	98,000 pounds	\$ 2,827.00	\$ 2,917.00
21	100,000 pounds	\$ 2,947.00	\$ 3,037.00
22	102,000 pounds	\$ 3,068.00	\$ 3,158.00
23	104,000 pounds	\$ 3,189.00	\$ 3,279.00
24	105,500 pounds	\$ 3,310.00	\$ 3,400.00

25 (2) Schedule A applies to vehicles either used exclusively for
26 hauling logs or that do not tow trailers. Schedule B applies to
27 vehicles that tow trailers and are not covered under Schedule A.

28 (3) If the resultant gross weight is not listed in the table
29 provided in subsection (1) of this section, it must be increased to
30 the next higher weight.

31 (4) The license fees provided in subsection (1) of this section
32 and the freight project fee provided in subsection (6) of this
33 section are in addition to the filing fee required under RCW
34 46.17.005 and any other fee or tax required by law.

1 (5) The license fee based on declared gross weight as provided in
2 subsection (1) of this section must be distributed under RCW
3 46.68.035.

4 (6) For vehicle registrations that are due or become due on or
5 after July 1, 2016, in addition to the license fee based on declared
6 gross weight as provided in subsection (1) of this section, the
7 department, county auditor or other agent, or subagent appointed by
8 the director must require an applicant with a vehicle with a declared
9 gross weight of more than 10,000 pounds, unless specifically exempt,
10 to pay a freight project fee equal to (~~fifteen~~) 15 percent of the
11 license fee provided in subsection (1) of this section, rounded to
12 the nearest whole dollar, which must be distributed under RCW
13 46.68.035.

14 (7) For vehicle registrations that are due or become due on or
15 after July 1, 2022, in addition to the license fee based on declared
16 gross weight as provided in subsection (1) of this section, the
17 department, county auditor or other agent, or subagent appointed by
18 the director must require an applicant with a vehicle with a declared
19 gross weight of less than or equal to 12,000 pounds, unless
20 specifically exempt, to pay an additional weight fee of (~~ten~~
21 ~~dollars~~) \$10, which must be distributed under RCW 46.68.035.

22 (8) For vehicle registrations that are due or become due on or
23 after the effective date of this section through June 30, 2025, the
24 license fee based on declared gross weight as provided in subsection
25 (1) of this section must be lowered by \$30.

26 **Sec. 3.** RCW 70A.65.100 and 2022 c 181 s 3 are each amended to
27 read as follows:

28 (1) Except as provided in RCW 70A.65.110, 70A.65.120, and
29 70A.65.130, the department shall distribute allowances through
30 auctions as provided in this section and in rules adopted by the
31 department to implement these sections. An allowance is not a
32 property right.

33 (2)(a) The department shall hold a maximum of four auctions
34 annually, plus any necessary reserve auctions. An auction may include
35 allowances from the annual allowance budget of the current year and
36 allowances from the annual allowance budgets from prior years that
37 remain to be distributed. The department must transmit to the
38 environmental justice council an auction notice at least 60 days
39 prior to each auction, as well as a summary results report and a

1 postauction public proceeds report within 60 days after each auction.
2 The department must communicate the results of the previous calendar
3 year's auctions to the environmental justice council on an annual
4 basis beginning in 2024.

5 (b) The department must make future vintage allowances available
6 through parallel auctions at least twice annually in addition to the
7 auctions through which current vintage allowances are exclusively
8 offered under (a) of this subsection.

9 (3) The department shall engage a qualified, independent
10 contractor to run the auctions. The department shall also engage a
11 qualified financial services administrator to hold the bid
12 guarantees, evaluate bid guarantees, and inform the department of the
13 value of bid guarantees once the bids are accepted.

14 (4) Auctions are open to covered entities, opt-in entities, and
15 general market participants that are registered entities in good
16 standing. The department shall adopt by rule the requirements for a
17 registered entity to register and participate in a given auction.

18 (a) Registered entities intending to participate in an auction
19 must submit an application to participate at least 30 days prior to
20 the auction. The application must include the documentation required
21 for review and approval by the department. A registered entity is
22 eligible to participate only after receiving a notice of approval by
23 the department.

24 (b) Each registered entity that elects to participate in the
25 auction must have a different representative. Only a representative
26 with an approved auction account is authorized to access the auction
27 platform to submit an application or confirm the intent to bid for
28 the registered entity, submit bids on behalf of the registered entity
29 during the bidding window, or to download reports specific to the
30 auction.

31 (5) The department may require a bid guarantee, payable to the
32 financial services administrator, in an amount greater than or equal
33 to the sum of the maximum value of the bids to be submitted by the
34 registered entity.

35 (6) To protect the integrity of the auctions, a registered entity
36 or group of registered entities with a direct corporate association
37 are subject to auction purchase and holding limits. The department
38 may impose additional limits if it deems necessary to protect the
39 integrity and functioning of the auctions:

1 (a) A covered entity or an opt-in entity may not buy more than 10
2 percent of the allowances offered during a single auction;

3 (b) A general market participant may not buy more than four
4 percent of the allowances offered during a single auction and may not
5 in aggregate own more than 10 percent of total allowances to be
6 issued in a calendar year;

7 (c) No registered entity may buy more than the entity's bid
8 guarantee; and

9 (d) No registered entity may buy allowances that would exceed the
10 entity's holding limit at the time of the auction.

11 (7)(a) For fiscal year 2023, upon completion and verification of
12 the auction results, the financial services administrator shall
13 notify winning bidders and transfer the auction proceeds to the state
14 treasurer for deposit as follows: (i) \$127,341,000 must first be
15 deposited into the carbon emissions reduction account created in RCW
16 70A.65.240; and (ii) the remaining auction proceeds to the climate
17 investment account created in RCW 70A.65.250 and the air quality and
18 health disparities improvement account created in RCW 70A.65.280.

19 (b) For fiscal year 2024, upon completion and verification of the
20 auction results, the financial services administrator shall notify
21 winning bidders and transfer the auction proceeds to the state
22 treasurer for deposit as follows: (i) \$356,697,000 must first be
23 deposited into the carbon emissions reduction account created in RCW
24 70A.65.240; (ii) a sum equal to the dollar amount that would
25 otherwise have been deposited into the motor vehicle fund but for the
26 exemptions in RCW 46.17.350 and 46.17.355 must then be deposited to
27 the motor vehicle fund; and (~~(ii)~~) (iii) the remaining auction
28 proceeds to the climate investment account created in RCW 70A.65.250
29 and the air quality and health disparities improvement account
30 created in RCW 70A.65.280.

31 (c) For fiscal year 2025, upon completion and verification of the
32 auction results, the financial services administrator shall notify
33 winning bidders and transfer the auction proceeds to the state
34 treasurer for deposit as follows: (i) \$366,558,000 must first be
35 deposited into the carbon emissions reduction account created in RCW
36 70A.65.240; (ii) a sum equal to the dollar amount that would
37 otherwise have been deposited into the motor vehicle fund but for the
38 exemptions in RCW 46.17.350 and 46.17.355 must then be deposited to
39 the motor vehicle fund; and (~~(ii)~~) (iii) the remaining auction
40 proceeds to the climate investment account created in RCW 70A.65.250

1 and the air quality and health disparities improvement account
2 created in RCW 70A.65.280.

3 (d) For fiscal years 2026 through 2037, upon completion and
4 verification of the auction results, the financial services
5 administrator shall notify winning bidders and transfer the auction
6 proceeds to the state treasurer for deposit as follows: (i)
7 \$359,117,000 per year must first be deposited into the carbon
8 emissions reduction account created in RCW 70A.65.240; and (ii) the
9 remaining auction proceeds to the climate investment account created
10 in RCW 70A.65.250 and the air quality and health disparities
11 improvement account created in RCW 70A.65.280.

12 (e) The deposits into the carbon emissions reduction account
13 pursuant to (a) through (d) of this subsection must not exceed
14 \$5,200,000,000 over the first 16 fiscal years and any remaining
15 auction proceeds must be deposited into the climate investment
16 account created in RCW 70A.65.250 and the air quality and health
17 disparities improvement account created in RCW 70A.65.280.

18 (f) For fiscal year 2038 and each year thereafter, upon
19 completion and verification of the auction results, the financial
20 services administrator shall notify winning bidders and transfer the
21 auction proceeds to the state treasurer for deposit as follows: (i)
22 50 percent of the auction proceeds to the carbon emissions reduction
23 account created in RCW 70A.65.240; and (ii) the remaining auction
24 proceeds to the climate investment account created in RCW 70A.65.250
25 and the air quality and health disparities improvement account
26 created in RCW 70A.65.280.

27 (8) The department shall adopt by rule provisions to guard
28 against bidder collusion and minimize the potential for market
29 manipulation. A registered entity may not release or disclose any
30 bidding information including: Intent to participate or refrain from
31 participation; auction approval status; intent to bid; bidding
32 strategy; bid price or bid quantity; or information on the bid
33 guarantee provided to the financial services administrator. The
34 department may cancel or restrict a previously approved auction
35 participation application or reject a new application if the
36 department determines that a registered entity has:

37 (a) Provided false or misleading facts;

38 (b) Withheld material information that could influence a decision
39 by the department;

40 (c) Violated any part of the auction rules;

1 (d) Violated registration requirements; or

2 (e) Violated any of the rules regarding the conduct of the
3 auction.

4 (9) Records containing the following information are confidential
5 and are exempt from public disclosure in their entirety:

6 (a) Bidding information as identified in subsection (8) of this
7 section;

8 (b) Information contained in the secure, online electronic
9 tracking system established by the department pursuant to RCW
10 70A.65.090(6);

11 (c) Financial, proprietary, and other market sensitive
12 information as determined by the department that is submitted to the
13 department pursuant to this chapter;

14 (d) Financial, proprietary, and other market sensitive
15 information as determined by the department that is submitted to the
16 independent contractor or the financial services administrator
17 engaged by the department pursuant to subsection (3) of this section;
18 and

19 (e) Financial, proprietary, and other market sensitive
20 information as determined by the department that is submitted to a
21 jurisdiction with which the department has entered into a linkage
22 agreement pursuant to RCW 70A.65.210, and which is shared with the
23 department, the independent contractor, or the financial services
24 administrator pursuant to a linkage agreement.

25 (10) Any cancellation or restriction approved by the department
26 under subsection (8) of this section may be permanent or for a
27 specified number of auctions and the cancellation or restriction
28 imposed is not exclusive and is in addition to the remedies that may
29 be available pursuant to chapter 19.86 RCW or other state or federal
30 laws, if applicable.

31 (11) The department shall design allowance auctions so as to
32 allow, to the maximum extent practicable, linking with external
33 greenhouse gas emissions trading programs in other jurisdictions and
34 to facilitate the transfer of allowances when the state's program has
35 entered into a linkage agreement with other external greenhouse gas
36 emissions trading programs. The department may conduct auctions
37 jointly with linked jurisdictions.

38 (12) In setting the number of allowances offered at each auction,
39 the department shall consider the allowances in the marketplace due
40 to the marketing of allowances issued as required under RCW

1 70A.65.110, 70A.65.120, and 70A.65.130 in the department's
2 determination of the number of allowances to be offered at auction.
3 The department shall offer only such number of allowances at each
4 auction as will enhance the likelihood of achieving the goals of RCW
5 70A.45.020.

6 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of
8 the state government and its existing public institutions, and takes
9 effect July 1, 2023.

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