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SENATE BILL 6586

State of Washington 66th Legislature 2020 Regular Session

By Senators Saldaña, Hobbs, Liias, and Conway

Read first time 01/23/20. Referred to Committee on Transportation.

AN ACT Relating to implementing a per mile charge on electric and hybrid vehicles; adding a new section to chapter 46.17 RCW; creating a new section; repealing RCW 46.17.324; and providing effective dates.

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

NEW SECTION. Sec. 1. 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 there is a need to ensure that the greater adoption of electric and hybrid vehicles does not reduce funds to maintain and improve transportation infrastructure and that there is a need for fairness in how these funds are generated. The legislature also finds that a road usage charge or per mile fee system appears to be a viable method to ensure these goals are achieved. It is therefore the legislature's intent to impose a per mile fee to mitigate the impact of increased electric and hybrid vehicles on state roads and highways and to allow further evaluation of the feasibility of transitioning from a revenue collection system based on fuel taxes to a per mile funding system.

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- NEW SECTION. Sec. 2. A new section is added to chapter 46.17
 RCW to read as follows:
 - (1) By December 1, 2021, the department and the transportation commission must collaborate to develop an implementation plan for imposing a per mile fee on electric and hybrid vehicles pursuant to subsection (2) of this section and that incorporates the ongoing work of the transportation commission in evaluating a road usage charge. The plan must include, but is not limited to:
 - (a) Different mileage reporting options;

- (b) Recommended fee methods and rates for achieving cost efficiency, fairness, minimal administrative cost, payment compliance, consumer choice, and preserving individual privacy;
 - (c) Alternatives in the payment method to allow for monthly or quarterly payment rather than payment on an annual basis;
 - (d) Any recommended statutory changes, including suggested offsets or rebates to the per mile fee to recognize other taxes and fees paid by electric and hybrid vehicle owners;
 - (e) Specific recommendations to better align the system with other vehicle-related charges and potentially establish the framework for broader implementation of a per mile funding system, including analysis of the preferred method for addressing eighteenth amendment restriction considerations; and
 - (f) A recommended implementation and governance structure whereby the department is the operator of the per mileage payment system, but the transportation commission serves in a policy role that ensures independent oversight and reporting to the legislature and appropriate public input.
- (2) Beginning January 1, 2024, the following vehicles will be subject to a per mile fee:
 - (a) An electric or hybrid vehicle that uses at least one method of propulsion that is capable of being reenergized by an external source of electricity and is capable of traveling at least thirty miles using only battery power; or
- (b) A vehicle that uses a hybrid electrical and internal combustion engine.
 - (3) (a) Before accepting an initial application or annual vehicle registration renewal for a vehicle specified in subsection (2) of this section, the department, county auditor, or other agent or subagent appointed by the director must require the applicant to pay

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- a fee as specified in this section. This fee is in addition to all other fees and taxes required by law.
 - (b) The rate of the per mile fee is as follows:

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- (i) Three and one-half cents per mile for an electric or hybrid vehicle that uses at least one method of propulsion that is capable of being reenergized by an external source of electricity and is capable of traveling at least thirty miles using only battery power;
- 8 (ii) Two cents per mile for a vehicle that uses a hybrid 9 electrical and internal combustion engine.
- 10 (4) This section only applies to a vehicle that is designed to 11 have the capability to drive at a speed of more than thirty-five 12 miles per hour.
- 13 (5) Proceeds from the fee must be used for preservation and 14 maintenance and must be deposited in the motor vehicle fund created 15 in RCW 46.68.070.
- NEW SECTION. Sec. 3. RCW 46.17.324 (Transportation electrification fee) and 2019 c 287 s 23 are each repealed.
- NEW SECTION. Sec. 4. Sections 1 and 2 of this act take effect 19 July 1, 2020.
- NEW SECTION. Sec. 5. Section 3 of this act takes effect July 1, 2024.

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