## HOUSE BILL 1204

State of Washington 67th Legislature 2021 Regular Session

By Representatives Macri and Chopp

AN ACT Relating to the electrification of transportation; adding new sections to chapter 47.01 RCW; adding a new section to chapter 46.01 RCW; and creating a new section.

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

5 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that:

6 (a) Electric passenger vehicles are being widely deployed in a 7 broad array of makes and models.

8 (b) Electric vehicles, battery technology, and grid technology 9 are already sufficiently advanced for the gradual transition to a 10 fully electric fleet of passenger vehicles.

(c) Washington state is capable of developing its abundant and inexpensive sources of electrical energy to supply the energy needed for a gradual transition to a fully electric fleet of passenger vehicles.

(d) The transition to electric vehicles will allow electric vehicle batteries to act as a balancing and storage resource for the electrical grid, increase utilization rates of wind and solar energy, and provide backup power in the event of power outages.

(e) The transition to electric vehicles will spur job creation
 and economic development in areas including: Charging infrastructure;
 software development; grid upgrade and management; battery, vehicle,

and charging equipment manufacturing; education; training; and
 research and development.

3 (f) The transition to electric vehicles will save the citizens of 4 Washington billions of dollars in vehicle maintenance costs each 5 year.

6 (g) The transition to electric vehicles will reduce the dripping 7 of toxic liquids such as gasoline, motor oil, and transmission fluid 8 on Washington roadways and thereby reduce accidents caused by oil-9 slicked roadways, reduce threats to chinook salmon, orcas, and other 10 marine life, and reduce funds spent on stormwater pollution 11 mitigation.

(h) The transition to electric vehicles will reduce volumes of petroleum and motor oil released at fueling stations, thereby reducing the escape of toxic vapors during fueling and also reducing soil and water contamination, all of which pose threats to health and safety, especially in the vicinity of the fueling stations.

17 (i) The transition to electric vehicles will increase the 18 utilization of the excess capacity of the state's electric grid, 19 thereby driving down electric rates for all utility customers.

(j) Electric vehicles benefit from a network effect, whereby the utility of drivers' electric vehicles increases as more electric vehicles come onto the roads, including increased utilization of utility generating assets and stronger market signals to charging station developers.

(k) For all Washington citizens to fully enjoy the benefits of an electrified transportation system, electric vehicles must become the principal mode of transportation in the state.

(1) Exercising a leadership role in the deployment of electric
 vehicles will benefit Washington's economy, communities, technology
 centers, financial institutions, and businesses.

31 (2)It is the intent of the legislature that the state transportation commission develop a plan and rules to ensure that all 32 33 2030 model year and later passenger and light duty vehicles sold or registered in the state be electric, in a manner that maximizes 34 equity and a just transition for all those impacted by the change, 35 minimizes costs and maximizes benefits for Washington's economy, 36 37 improves and modernizes Washington's energy infrastructure, and 38 maintains electric system reliability.

<u>NEW SECTION.</u> Sec. 2. The definitions in this section apply
 throughout sections 3 and 4 of this act unless the context clearly
 requires otherwise.

4 (1) "2030 requirement" refers to the requirement that all 5 privately owned and publicly owned passenger and light duty vehicles 6 of model year 2030 or later registered in Washington state be 7 electric vehicles.

8 (2) "Commission" refers to the Washington state transportation 9 commission.

10 (3) "Electric vehicles" are vehicles that use energy stored in 11 rechargeable battery packs or in hydrogen and which rely solely on 12 electric motors for propulsion.

13 (4) "Passenger and light duty vehicles" are on-road motor 14 vehicles with a scale weight of up to 10,000 pounds and three or more 15 wheels. Emergency services vehicles are not "passenger and light duty 16 vehicles" for the purposes of this act.

17 (5) "Transition period" refers to the period beginning January 1,18 2022, and ending December 31, 2040.

19 <u>NEW SECTION.</u> Sec. 3. (1) On or before September 1, 2023, the 20 commission shall complete a scoping plan for achieving the 2030 21 requirement.

(2) In developing the scoping plan, the commission shall consult with appropriate state agencies with jurisdiction over passenger and light duty vehicles.

(3) In developing the scoping plan, the commission may assume 25 that the technology available through 2030 is substantially similar 26 27 to the state of the art of vehicle technology as it exists at the time of the writing of the plan. In developing its cost-analysis 28 framework, the commission may rely on reasonable assumptions 29 30 regarding the cost of implementing electric vehicle technology based 31 on anticipated economies of scale, technology learning curves, and other generally accepted cost estimating techniques. 32

33 (4) The scoping plan must include, without limitation, the 34 following elements with regard to the 2030 requirement:

35 (a) Predicted number of new and used electric vehicles and 36 internal combustion engine vehicles registered in Washington each 37 year during the transition period;

(b) Electric vehicle charging infrastructure needed to provideconvenient fueling of electric vehicles during the transition period,

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1 and predicted yearly investments required to build out such charging
2 infrastructure;

3 (c) An analysis of the electrical generation, transmission, and 4 distribution upgrades and build-out required to provide fueling of 5 electric vehicles in Washington during the transition period, and 6 predicted yearly and aggregate investment required to implement said 7 upgrades;

8 (d) An analysis of how the grid can be optimized through 9 utilization of control strategies for smart charging and discharging 10 of electric vehicles during the transition period;

(e) An analysis of yearly job gains and losses during the transition period that would result from the 2030 requirement;

(f) An analysis of the effect of the 2030 requirement during the transition period on state transportation revenues, and recommendations as to alternative sources of revenues to replace gas tax revenues;

(g) Analysis of impacts of the 2030 requirement on equity, especially including disadvantaged and low-income communities, communities of color, and rural communities, and strategies for maximizing equity in implementation of the 2030 requirement; and

21 (h) A just transition strategy for those negatively impacted by 22 the 2030 requirement.

(5) The commission shall conduct a series of public workshops to provide interested parties an opportunity to comment on the scoping plan, especially including disadvantaged and low-income communities, and communities of color.

(6) The commission shall update its scoping plan for achievingthe 2030 requirement in 2025 and 2028.

(7) The commission shall submit copies of its scoping plan, and the 2025 and 2028 updates to the scoping plan, to the standing committees of the legislature with jurisdiction over transportation issues, consistent with RCW 43.01.036.

33 <u>NEW SECTION.</u> Sec. 4. (1) On or before January 1, 2025, the 34 commission, in coordination with appropriate state agencies, shall 35 adopt regulations, consistent with the scoping plan created pursuant 36 to section 3 of this act, that require that all passenger and light 37 duty vehicles of model year 2030 or later sold or registered in 38 Washington state be electric vehicles.

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1 (2) In adopting regulations pursuant to this section, in 2 furtherance of achieving the 2030 requirement for ensuring new 3 vehicles sold in the state are electric vehicles, the commission 4 shall:

5 (a) Design the regulations in a manner that maximizes equity and 6 total benefits to the state of Washington, while minimizing costs and 7 risks;

8 (b) Minimize the administrative burden of implementing and 9 complying with these regulations;

10 (c) Rely upon the best available economic and scientific 11 information and its assessment of existing and projected 12 technological capabilities when adopting the regulations required by 13 this section;

(d) Consult with the utilities and transportation commission, investor-owned utilities, public utility districts, and municipal utilities in the development of the regulations insofar as they affect electricity providers in order to minimize duplicative or inconsistent regulatory requirements; and

19 (e) Revise rules adopted pursuant to this section and adopt 20 additional rules to accelerate or otherwise facilitate the intent of 21 this chapter.

22 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 46.01 23 RCW to read as follows:

The department shall not register vehicles that are not in compliance with section 4 of this act and implementing rules adopted by the transportation commission, unless said vehicle was purchased by a resident of another state prior to becoming a resident of the state of Washington.

29 <u>NEW SECTION.</u> Sec. 6. Sections 2 through 4 of this act are each 30 added to chapter 47.01 RCW.

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