

### Road Usage Charge Section by Section Summaries

HB1921/SB 5726: Establishing new sources of transportation revenue based on motor vehicle use of public roadways.

Part I General Provisions	
Section 1	The legislature recognizes that funding for the transportation system is essential and that transportation funding needs are currently met through a variety of mechanisms. The legislature recognizes the need for a fair and equitable funding source to serve the long-term needs of the state and the need for stable transportation funding as fuel tax revenues decline due to increasing fuel efficiency. The legislature intends to establish a road usage licensing fee, imposing a per mile fee for the use of public roads that is phased in over time to maintain the revenue that the fuel tax generates today. The RUC must protect privacy and civil liberties, especially location data.
Section 2	A voluntary RUC program is established that places a per mile fee on vehicle usage of public roadways in the state. From July 1, 2027, to June 30, 2029, all electric and hybrid vehicles are eligible to be enrolled. From July 1, 2029, to June 30, 2031, internal combustion vehicles with a fuel economy rating of 20 miles per gallon or higher are eligible to be enrolled. Participants in the program will pay the road usage fee instead of specific electric vehicle registration fees. The fee will not exceed what the registration fees would have been. The program applies to on-road vehicles under 10,000 pounds that can exceed 35 mph. The Department of Transportation will administer the program and set payment options.
Section 3	A mandatory RUC program is established that places a per-mile fee for certain vehicles. Enrollment will be phased in beginning with electric and hybrid vehicles in 2029, followed by fuel-efficient gas-powered vehicles, beginning with those rated at 40 mpg in 2031 and gradually including those rated at 20 mpg by 2035. Vehicle owners must pay the fee at registration renewal. The Department of Transportation will oversee implementation, determine fuel economy ratings, and set payment options. The program applies to on-road vehicles under 10,000 pounds that can exceed 35 mph.
Section 4	The RUC is set at 2.6 cents per mile for both voluntary and mandatory programs. This rate will automatically adjust based on changes to the state fuel tax rate. Revenue from the fee will be used exclusively for highway preservation and maintenance and will be deposited into the designated RUC highway account.
Section 5	Funds in the RUC highway account will first be used for refunds and administrative expenses related to the program. Starting July 1, 2029, any remaining funds will be distributed monthly by the state treasurer in the same manner as certain fuel tax reserves.
Section 6	A road usage assessment is established for participants in the mandatory RUC program, adding 10% fee to the total RUCs after credits and exemptions. The assessment, collected alongside the road usage fee, is intended to support alternative transportation modes, such as rail, biking, walking and public transit. Funds from this assessment will be deposited into a dedicated road usage assessment account.
Section 7	Vehicles exempt from registration renewal but enrolled in the voluntary or mandatory RUC programs must still pay the road usage fee and assessment

	annually. Exceptions apply under certain laws, and the Department of Transportation may establish rules for implementation.
<b>Part II Implementation and Administration</b>	
<b>Section 8</b>	The Dept of Transportation will require participants in the RUC programs to report miles driver via periodic odometer readings or automated reporting methods. Private service providers may offer automated reporting, but any associated fees must be paid by vehicle owners. Participants will receive a fee credit based on fuel taxes paid, reducing their road usage fee. This credit applies only to the assessed period and is nonrefundable. All participants receive a standard deduction of 200 miles per year, with an option to claim further exemptions for non-public road usage by submitting documentation. The Department will establish rules for these processes.
<b>Section 9</b>	Exemptions from the road usage fees include vehicles used by publicly owned urban transit systems, private nonprofit transportation providers for people with special needs, privately owned urban transportation systems (with restrictions on trips beyond 25 miles), federally recognized tribes providing public transportation, government vehicles used for construction/maintenance, and firefighting equipment. Additionally, the legislature plans to address the impact of the mandatory RUC on transportation network company drivers by July 1, 2027.
<b>Section 10</b>	The Department must report to the legislature on periodic payment options for the RUC program, with stakeholder input, by June 30, 2027, and establish a task force to assess enforcement options for fee collection and submit recommendations to the legislature by June 30, 2028.
<b>Section 11</b>	The Joint Transportation Committee must oversee studies on the impact of the RUC on tribal communities, with recommendations by June 30, 2026, the effects of large and heavy passenger vehicles on road wear and safety to consider differentiated fees based on hood weight or height by January 1, 2027, the impact of RUC fee collection on off-road vehicle infrastructure funding, due January 1, 2028, and potential local revenue-generating mechanisms to complement the RUC. The governor must consult with federally recognized tribes to determine how the program will apply to them and may negotiate agreements addressing tribal immunities or preemptions.
<b>Section 12</b>	The Department must consult with the Washington State Transportation Commission to develop and execute a public outreach and education program before implementing the RUC programs. Starting January 1, 2027, the Department must provide semiannual reports to the Joint Transportation Committee on program preparations, implementation, and recommendations. The Washington State Transportation Commission must seek federal grant funding opportunities for the RUC programs as directed by the legislature.
<b>Section 13</b>	Certain government-owned and school-owned vehicles are exempt from vehicle license fees, except they still must pay the road usage fees. Vehicles owned by federally recognized tribes, private schools, and the U.S. government remain exempt from general license fees but are subject to road usage fees. The Department will assign license plates to exempt vehicles, with agencies or political subdivisions responsible for paying applicable plate fees. Tribes cannot register tribal government service vehicles under this exemption if they already

	register vehicles under tribal law. Vehicles transportation school children must be inspected before receiving registration or license plates.
Section 14	Amending RCW 46.12.650 so the <i>report of sale properly filed</i> must include the mileage on the odometer of the vehicle at time of transfer, and <i>report of sale – administration</i> would require payment of road usage fees and assessments due for enrolled vehicles that would have been due at the time of renewal if not for the transfer.
Section 15	Beginning July 1, 2027, before accepting a report of sale, the applicant must pay the road usage fees and assessments due for vehicles enrolled in a voluntary or mandatory RUC program that would have been due at the time of annual vehicle registration renewal if not for the transfer of ownership.
Section 16	Amending RCW 46.17.323 (Electric vehicle registration renewal fees—Electric motorcycles) to impose a mandatory vehicles miles traveled fee or tax that applies to all vehicles that are required
Section 17	Amending RCW 46.17.324 (Transportation electrification fee) to include that the fees specified in this section are waived if the registration renewal applicant enrolled the vehicle in a voluntary or mandatory RUC program for the prior 12-month period of vehicle registration.
Part III Related Provisions	
Section 18	The only personally identifying information that may be collected under the RUC programs is personally identifying information necessary to properly calculate, report and collect road usage fees and assessments unless the vehicle owner provides express written consent. Reporting methods may only record general location data when the vehicle owner chooses a reporting method that requires location data to be collected, proper disclosure of the reporting method was made, and the vehicle owner specifically consents to the reporting of location data. Per mile reporting methods shall not report specific location data, the Department has a duty to ensure that per mile information is protected, to implement and maintain reasonable security procedures and implement and maintain a privacy policy.
Section 19	Amending RCW 46.01.030 to include that the Department is responsible for administering and recommending the improvement of the motor vehicle laws relating to road usage fee collection and road usage assessment collections.
Section 20	Amending RCW 46.01.040 to include that the Department is vested with all powers, functions, and duties with respect to road usage fees and assessments.
Section 21	Amending RCW 46.01.110 to include that the Director may adopt and enforce rules to carry out provisions related to road usage fees and assessments.
Section 22	Amending RCW 42.56.330 to include that the personally identifying information of persons who report their vehicle odometer mileage or any vehicle location information as part of a vehicle registration or renewal is exempt from disclosure and that this information may be disclosed in aggregate form if only the data does not contain personally identifying information. Personally identifying information may be released to law enforcement agencies only if the request is accompanied by a court order.
Section 23	The road usage charge highway account is created in the motor vehicle fund and all receipts from the voluntary and mandatory RUC programs must be deposited in this account. Moneys in the account may be spent only after appropriation

	and may only be used for purposes specified in RCW 46.68.070 that are also highway preservation and maintenance purposes.
Section 24	The road usage assessment account is created in the state treasury. All receipts from the assessment must be deposited into this account and moneys may only be spend after appropriation. Expenditures from the account may only be used for rail, bicycle, pedestrian and public transportation.
Section 25	Amending RCW 43.84.092 to include that the road usage charge highway account and the road usage assessment account shall receive their proportionate share of earnings based upon the account and funds average daily balance for the period.
Section 26	Amending RCW 43.84.092 to include the road usage charge highway account and the road usage assessment account as accounts that shall receive their proportionate share of earning based upon each account and funds average daily balance for the period.
Section 27	Amending RCW 46.16A.040 to include that the Department will request the mileage on the odometer of a vehicle being registered, a vehicle owner enrolling in the RUC program is required to provide the mileage on the odometer in the application for an original vehicle registration, and a vehicle owner is not required to provide mileage on the odometer for a vehicle not enrolling in the RUC program. Failure to provide mileage when required may result in denying vehicle registration or an infraction.
Section 28	Amending RCW 46.16A.110 to include that in the application to renew vehicle registration, the Department will request the mileage on the odometer, a vehicle owner enrolling in the voluntary or mandatory RUC programs is required to show mileage on the odometer in the application for an original vehicle registration, and a vehicle owner is not required to provide mileage on the odometer for a vehicle not enrolling in the RUC program. Failure to provide mileage when required may result in denying vehicle registration or an infraction. When changing ownership of a vehicle, the person taking ownership must apply for registration and pay all assessments that are due.
Section 29	Section 2 – 12 constitutes a new chapter in Title 46 RCW.
Section 30	Section 25 expires July 1, 2028.
Section 31	Sections 27 and 28 take effect July 1, 2026.
Section 32	Section 14 and 15 take effect July 1, 2027
Section 33	Section 26 takes effect July 1, 2028.