

How does it work?

The AQS would be a one-time charge on the sale of new vehicles, or a one-time charge on the remaining life of a vehicle being retitled in Washington for the first time.

There would be no charge for the purchase of a used vehicle. The charge would vary based on a vehicle's estimated lifetime greenhouse gas pollution, calculated from the car's EPA combined fuel economy rating and the associated estimated carbon emissions of the vehicle based on 150,000 miles of useful life.



Calculate fuel usage, based on EPA combined fuel economy

Example: An average new vehicle gets 24 mpg, using 6,250 gallons to drive over its 150,000 mile lifetime



Calculate lifetime emissions (or remaining lifetime emissions for retitled vehicle)

Example: 6,250 gallons of gas leads to 55 tons of emissions



Apply a one-time surcharge at time of purchase (starts at \$20/ton and escalates over time)

Example: Average new car would pay \$1,100



Washington is in urgent need of transportation funding.

Statewide demand for mobility options and congestion relief continues to climb, while funds for these options are currently limited. The Air Quality Surcharge will help fill this gap by:

- » ***Raising almost two billion dollars over the next five years***
- » ***Encouraging cleaner vehicle purchases and spurring electric vehicle adoption***
- » ***Staying flexible and easy to implement***
- » ***Impacting only a small portion of Washingtonians who tend to be more affluent***

AIR QUALITY SURCHARGE

CLEANER AIR AND SUSTAINABLE FUNDING

WA LEG 2022



EFFECTIVE, PROGRESSIVE, & CLIMATE- FRIENDLY

Progressive revenue source

The AQS would only impact a small number of Washingtonians each year, only applying to purchasers of new vehicles, who are more affluent than average—the average new car purchaser has an income equal to the 80th percentile or above in Washington. Plus, it doesn't adversely impact rural or suburban drivers who must drive more because the fee would be based on average vehicle lifetimes. This source of progressive revenue will be substantial for the next few decades and will be easy to adjust and implement.

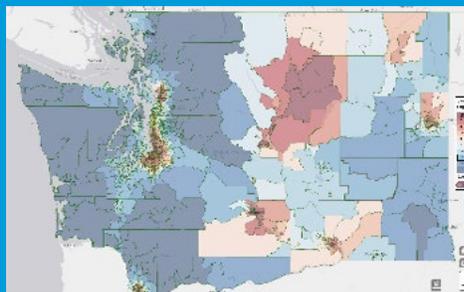
Climate protection

Washington has made a lot of progress, but is still not on track to meet our greenhouse gas reduction targets and the transportation sector is our state's largest source of GHG pollution. The AQS will incentivize efficient, cleaner vehicles at the point a purchase is being made, helping reduce GHG emissions in the transportation sector and supporting the broader electric vehicle industry.

Cleaner air

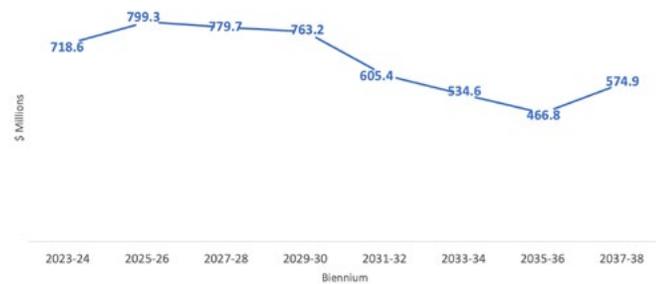
The AQS would promote cleaner vehicles and help clean our air. 1,100 Washingtonians die each year due to outdoor air pollution. Fossil fuel-powered vehicles produce harmful air pollution, including particulate matter and nitrous oxide, that worsen our health and the climate crisis. These harms can easily be seen along roadways.

Shown at right, PM 2.5 pollution can be found throughout the state in both urban and rural areas.



PC: Unsplash

AQS REVENUE ESTIMATE



Air Quality Surcharge Projected Revenue

Though vehicles will become more efficient over time and sales of electric vehicles will grow, we will still see revenue from the AQS over the next decade. The AQS creates an immediate incentive to purchase more efficient, less polluting vehicles, cutting Washington's greenhouse gas emissions and contributing to air quality improvements through reduced particulate matter, nitrous oxide, and other pollutants. The AQS fee should increase over time to account for the increasing societal impacts of pollution and for inflation.

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