

SENATE BILL REPORT

SB 6240

As of January 23, 2026

Title: An act relating to allocating a portion of hazardous substance tax revenues derived from aviation fuel to aircraft noise and air quality mitigation.

Brief Description: Allocating a portion of hazardous substance tax revenues derived from aviation fuel to aircraft noise and air quality mitigation.

Sponsors: Senators Orwall, Hasegawa, Saldaña and Wilson, C..

Brief History:

Committee Activity: Ways & Means: 1/26/26.

Brief Summary of Bill

- Creates the state aircraft noise and air quality mitigation account to receive a portion of hazardous substance tax revenue from aviation fuel.
- Requires the account to be used by the Department of Commerce to establish a grant program to fund mitigation strategies within aviation-impacted communities related to aviation-related air quality impacts and aviation-related noise impacts.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Tianyi Lan (786-7432)

Background: Aviation Fuel. Aircraft fuel is gasoline or any other inflammable liquid that is chiefly used as a fuel for the propulsion of aircraft. Aviation gasoline and jet fuel are two common aircraft fuels sold in Washington. Washington applies the sales and use tax, hazardous substance tax (HST), petroleum products tax, and aircraft fuel excise tax to aviation fuels. In certain cases, oil spill taxes also apply to aviation fuels.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Hazardous Substance Tax. The hazardous substance tax (HST) is a tax on the first possession of hazardous substances in Washington. The HST applies to petroleum products, certain pesticides, and certain chemicals.

The HST rate on petroleum products measured on a per barrel basis is \$1.48 per barrel for fiscal year 2026. The per barrel rate is adjusted annually by inflation. The HST rate on non-petroleum hazardous substances is 0.7 percent of the wholesale value of the substance.

At the beginning of each biennium, the Motor Vehicle Fund receives the first \$50 million from HST taxes for transportation stormwater activities and projects. The following accounts receive portions of HST taxes after the deposits into the Motor Vehicle Fund:

- the Model Toxics Control Operating Account receives 60 percent of the taxes;
- the Model Toxics Control Capital Account receives 25 percent of the taxes; and
- the Model Toxics Control Stormwater Account receives 15 percent of the taxes.

Summary of Bill: The bill creates the state aircraft noise and air quality mitigation account (account). Beginning October 1, 2026, a portion of HST revenue on aviation fuel is deposited into the account. The deposited amount equals to the portion of the tax rate exceeding \$1.48 per barrel, multiplied by the number of barrels of aviation fuel.

Expenditures from the account may be used only by the Department of Commerce to establish a grant program to fund mitigation strategies within aviation-impacted communities related to aviation-related air quality impacts and aviation-related noise impacts.

The bill requires taxpayers on the possession of aviation fuel to report the quantity of barrels and tax due on a separate line.

Appropriation: None.

Fiscal Note: Requested on January 20, 2026.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.