
Environment & Energy Committee

HB 2310

Brief Description: Reducing emissions from vehicles associated with on-demand transportation services.

Sponsors: Representative Fitzgibbon.

Brief Summary of Bill

- Requires certain service providers arranging for the transportation of people, food, or other goods to submit information to the Department of Ecology (Ecology) regarding vehicle miles driven and greenhouse gas emissions.
- Requires certain service providers arranging for the transportation of people or food to develop plans by 2023 to meet greenhouse gas emission reduction goals and targets established by Ecology.

Hearing Date: 1/14/20

Staff: Jacob Lipson (786-7196).

Background:

Regulation of Commercial Transportation Service Providers.

Certain private transportation providers, such as operators of airporters, limousines, for-hire vehicles, taxicabs, and charter and excursion buses, are regulated by state law. Commercial transportation service providers are businesses that use a digital network or software application to connect passengers to drivers to provide prearranged rides. These providers are not taxicab companies, charterers or excursion service carriers, auto transportation companies, private nonprofit transportation providers, or limousine carriers. There are statutory requirements regarding liability insurance for personal vehicles being used for commercial transportation services.

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

Greenhouse Gas Emission Limits, Growth Management Act Planning Goals, and Vehicle Miles Traveled Goals.

In 2008, state limits were established for the emissions of greenhouse gases (GHGs) as follows:

- by 2020, overall GHG emissions in the state must be reduced to 1990 levels;
- by 2035, overall GHG emissions in the state must be reduced to 25 percent below 1990 levels; and
- by 2050, overall GHG emissions in the state must be reduced to 50 percent below 1990 levels, or 70 percent below the state's expected emissions for that year.

In 2008, the Washington State Department of Transportation (WSDOT) was also directed to adopt statewide goals to reduce annual per capita vehicle miles traveled (VMT) by 18 percent by 2020, by 30 percent by 2035, and by 50 percent by 2050.

Under the state's Growth Management Act (GMA), planning jurisdictions must consider 13 nonprioritized goals set forth in statute for the purpose of guiding comprehensive plans and development regulations. The GMA planning goals address transportation, housing, urban growth, reducing sprawl, and economic development, among other topics.

Department of Ecology: Clean Air Act & Confidential Business Information Provisions.

The state Clean Air Act (CAA) establishes an Air Pollution Control Account (Account) for use by the Department of Ecology (Ecology) in carrying out certain responsibilities under the CAA. The Account is funded by certain fees and other receipts authorized under the CAA.

Violations of the CAA requirements are punishable by a variety of criminal and civil penalties. Civil penalties of up to \$10,000 per violation are authorized by the CAA. Penalties must be deposited in the Account.

Ecology has an established administrative process that allows for information submitted to Ecology to be designated for Ecology's confidential use because the information relates to unique production processes and its release would hurt the competitive position of the entity that submitted the information. Ecology may designate these submitted records as confidential if doing so would not be detrimental to the public interest and is in accord with other policies and purposes governing Ecology's activities.

Summary of Bill:

Three categories of providers of transportation passenger and goods delivery services are defined and made subject to certain regulatory and reporting requirements overseen by the Department of Ecology (Ecology):

- commercial transportation service providers, which are entities that use a digital network or software application to connect passengers to vehicle operators in order to provide a prearranged ride. The same entities, such as regulated taxis and limousines, that are excluded from existing commercial transportation service insurance requirements are also excluded from the definition of commercial transportation service provider;
- food delivery providers, which are entities that use a customer-facing digital network or software application to prearrange for the delivery of prepared meals, groceries or other food that was not produced or sold directly to a customer by the entity; and

- goods delivery providers, which are entities that use a customer-facing digital network or software application to prearrange for the delivery of non-food consumer goods that were not produced or sold directly to a customer by the entity.

Greenhouse Gas Emission Reporting and Baseline Calculation for Commercial Transportation Service Providers, Food Delivery Providers, and Goods Delivery Providers.

Ecology must establish baseline greenhouse gas (GHG) emissions for all three categories of service providers on a per-delivery-mile basis, using calendar year 2018 data. The baseline calculation must be established by July 1, 2021, and include miles driven both with and without passenger, food, or goods deliveries in the vehicle. The three categories of service providers must provide information to Ecology on a calendar-year basis, which Ecology must use to determine the average GHG emissions per passenger-mile and per customer delivery-mile, including:

- total miles driven by vehicles;
- the percent share driven by zero-emission vehicles;
- the average grams of carbon dioxide equivalent per mile; and
- for commercial transportation services providers, the total passenger miles traveled using an average passenger-per-trip estimate.

Ecology may use reasonable methods to adjust and correct data and emissions estimates.

Greenhouse Gas Emission Targets, Goals, and Plans For Commercial Transportation Service Providers and Food Delivery Providers.

By July 1, 2022, Ecology must adopt a rule to establish mandatory goals and targets for GHG emissions per passenger mile or food-delivery mile for commercial transportation service providers and food delivery providers. The requirements do not apply to goods delivery providers.

The goals and targets must also include annual targets and goals for increasing the percentage of miles travelled using zero-emission vehicles, be technically and economically feasible, be informed by data reported to Ecology by companies, and be designed with consideration of state GHG limits and vehicle miles traveled goals. Ecology may delay implementation of goals and targets if unanticipated barriers exist.

Beginning January 1, 2023, commercial transportation service providers and food delivery providers must submit a GHG emission reduction plan to Ecology, which must be implemented by July 1, 2023. The plan must contain proposals for meeting the goals and targets established by Ecology and must consider incentives to encourage specified outcomes that are not explicitly the subject of Ecology-adopted goals and targets. Procedures are specified for the plan submission process, and the process for amending approved plans. Plans must be updated every two years, beginning July 1, 2025.

Program administration, Confidential Business Information Management, & Compliance Enforcement.

Ecology may adopt rules, and must adopt rules relating to the submission of calendar year information to Ecology by the three categories of service providers. In adopting rules, Ecology must ensure, if practicable, minimal negative impact on low-income and moderate-income drivers, that the commercial transportation service provider components of rules complement and

support the GMA planning goals, and that the program supports clean mobility for low-income and moderate-income persons.

All three categories of service providers that submit information or records to Ecology may request that the information or records be made available only for confidential use by Ecology or other city, county, or state agencies. Data sharing between Ecology and other city, county, or state agencies must occur under a data-sharing agreement approved by Ecology that affords the data the same level of protections as would be offered if the data remained in Ecology's possession. Ecology must grant a request to keep submitted information confidential if it is made in accord with the policies and procedures established under Ecology's existing administrative process and standards for evaluating confidential information submitted to Ecology.

Ecology may assess annual fees from all three categories of service providers to Ecology's direct and indirect program costs. Fees must be deposited in the Air Pollution Control Account.

Violations of GHG emission reporting, plan, and other program requirements are subject to criminal and civil penalties under the state Clean Air Act.

Appropriation: None.

Fiscal Note: Requested on January 7, 2020.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.