

FINAL BILL REPORT

SHB 1514

C 135 L 21
Synopsis as Enacted

Brief Description: Addressing transportation demand management.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Taylor, Ramos and Harris-Talley).

House Committee on Transportation
Senate Committee on Transportation
Senate Committee on Ways & Means

Background:

Ride Sharing.

Commuter ride sharing is defined as an arrangement where five to 15 persons, or four to 15 persons when at least two of those people are confined to wheelchairs, are transported between their homes and places of employment or educational or other institutions, in a single daily round trip. Flexible commuter ride sharing is defined as an arrangement where two to 15 persons are transported between their homes and places of employment or educational or other institutions.

A registered owner who uses a passenger motor vehicle for commuter ride sharing and carries at least five persons (including the driver), must apply for special ride share license plates, which are not required to be renewed annually.

Passenger motor vehicles that are used as commuter ride sharing vehicles in the state's eight largest counties and in other counties, cities, or towns that elect to adopt and implement a commute trip reduction (CTR) plan and carry at least five persons (including the driver) are exempt for 36 months from sales and use tax. If the vehicle is used for ride sharing for less than 36 months, the registered owner must notify the Department of Revenue and pay the appropriate sales and use tax due.

Passenger motor vehicles that are used as commuter ride sharing vehicles in the state's eight

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largest counties and in other counties, cities, or towns that elect to adopt and implement a CTR plan and carry at least five persons (including the driver), are exempt from the motor vehicle excise tax. The registered owner of a vehicle that is no longer used for ride sharing must notify the Department of Licensing and pay the motor vehicle excise tax due.

Funds that are received in the course of commuter ride sharing are exempt from the business and occupation tax and public utility tax.

Commuter Trip Reduction.

Major employers who employ 100 or more employees in the state's eight largest counties and in other counties, cities, or towns that elect to adopt and implement a CTR plan are required to implement CTR programs, to reduce the number of their employees traveling by single-occupant vehicles to their work sites between 6:00 a.m. and 9:00 a.m. on weekdays.

Under the state CTR program, employers are allowed a business and occupation or public utility tax credit if they provide financial incentives to their employees for ride sharing in car pools, using public transportation, using car sharing, and nonmotorized commuting.

Summary:

The minimum requirement to meet the definition of ride sharing is defined as three persons including the driver, and there are no requirements regarding the type of trip. The commuter ride sharing and flexible ride sharing definitions are eliminated.

Taxicab companies; charter party or excursion service carriers; auto transportation companies; private, nonprofit transportation providers; limousine carriers; commercial transportation service providers; and peer-to-peer car-sharing companies, where existing motor vehicle owners make their motor vehicles available for other persons to rent for short periods of time, are excluded from the definition of ride sharing.

The current business and occupation tax, public utility tax, sales and use tax, and motor vehicle excise tax exemptions for commuter ride sharing are applied to ride sharing, and the eligibility for these exemptions is further expanded to include to any location where the vehicle is registered with or operated by a public transportation agency for the benefit of the general public.

A ride sharing vehicle is required to be operated by a public transportation agency in order to qualify for a sales and use tax exemption with at least three passengers, including the driver. All other ride sharing vehicles require five or more passengers to qualify.

Public transportation agencies are added to the list of entities that are defined as ride-sharing operators.

The Washington State Department of Transportation and the CTR Board are required to

provide a report and recommendations regarding modifications to the CTR program to the transportation committees of the Legislature by October 1, 2021.

Votes on Final Passage:

House	92	5	
Senate	45	4	(Senate amended)
House	63	35	(House concurred)

Effective: September 1, 2021