
SUBSTITUTE SENATE BILL 5600

State of Washington

69th Legislature

2025 Regular Session

By Senate Labor & Commerce (originally sponsored by Senators Alvarado, Saldaña, Frame, Nobles, and Valdez)

READ FIRST TIME 02/19/25.

1 AN ACT Relating to regulation of transportation network companies
2 during large-scale events; and amending RCW 49.46.300, 46.72B.050,
3 and 46.72B.190.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 49.46.300 and 2022 c 281 s 1 are each amended to
6 read as follows:

7 (1) The definitions in this subsection apply throughout this
8 section and RCW 49.46.310 through 49.46.350 unless the context
9 clearly requires otherwise.

10 (a) "Account deactivation" means one or more of the following
11 actions with respect to an individual driver or group of drivers that
12 is implemented by a transportation network company and lasts for more
13 than three consecutive days:

14 (i) Blocking access to the transportation network company driver
15 platform;

16 (ii) Changing a driver's status from eligible to provide
17 transportation network company services to ineligible; or

18 (iii) Any other material restriction in access to the
19 transportation network company's driver platform.

20 (b) "Compensation" means payment owed to a driver by reason of
21 providing network services including, but not limited to, the minimum

1 payment for passenger platform time and mileage, incentives, and
2 tips.

3 (c) "Department" means the department of labor and industries.

4 (d) "Digital network" means any online-enabled application,
5 website, or system offered or used by a transportation network
6 company that enables the prearrangement of rides between drivers and
7 passengers.

8 (e) "Director" means the director of the department of labor and
9 industries.

10 (f) "Dispatch location" means the location of the driver at the
11 time the driver accepts a trip request through the driver platform.

12 (g) "Dispatch platform time" means the time a driver spends
13 traveling from a dispatch location to a passenger pick-up location.
14 Dispatch platform time ends when a passenger cancels a trip or the
15 driver begins the trip through the driver platform. A driver cannot
16 simultaneously be engaged in dispatch platform time and passenger
17 platform time for the same transportation network company. For shared
18 rides, dispatch platform time means the time a driver spends
19 traveling from the first dispatch location to the first passenger
20 pick-up location.

21 (h) "Dispatched trip" means the provision of transportation by a
22 driver for a passenger through the use of a transportation network
23 company's application dispatch system.

24 (i) "Driver" has the same meaning as "commercial transportation
25 services provider driver" in RCW 48.177.005. Except as otherwise
26 specified in chapter 281, Laws of 2022, for purposes of this title
27 and Titles 48, 50A, 50B, and 51 RCW, and any orders, regulations,
28 administrative policies, or opinions of any state or local agency,
29 board, division, or commission, pursuant to those titles, a driver is
30 not an employee or agent of a transportation network company if the
31 following factors are met:

32 (i) The transportation network company does not unilaterally
33 prescribe specific dates, times of day, or a minimum number of hours
34 during which the driver must be logged into the transportation
35 network company's online-enabled application or platform;

36 (ii) The transportation network company may not terminate the
37 contract of the driver for not accepting a specific transportation
38 service request;

39 (iii) The transportation network company does not contractually
40 prohibit the driver from performing services through other

1 transportation network companies except while performing services
2 through the transportation network company's online-enabled
3 application or platform during dispatch platform time and passenger
4 platform time; and

5 (iv) The transportation network company does not contractually
6 prohibit the driver from working in any other lawful occupation or
7 business.

8 Notwithstanding any state or local law to the contrary, any party
9 seeking to establish that the factors in this subsection (1)(i) are
10 not met bears the burden of proof. A driver for purposes of this
11 section shall not include any person ultimately and finally
12 determined to be an "employee" within the meaning of section 2(3) of
13 the national labor relations act, 29 U.S.C. Sec. 152(3).

14 (j) "Driver platform" means the driver-facing application
15 dispatch system software or any online-enabled application service,
16 website, or system, used by a driver, or which enables services to be
17 delivered to a driver that enables the prearrangement of passenger
18 trips for compensation.

19 (k) "Driver resource center" or "center" means a nonprofit
20 organization that provides services to drivers. The nonprofit
21 organization must be registered with the Washington secretary of
22 state, have organizational bylaws giving drivers right to membership
23 in the organization, and have demonstrated experience: (i) Providing
24 services to gig economy drivers in Washington state, including
25 representing drivers in deactivation appeals proceedings; and (ii)
26 providing culturally competent driver representation services,
27 outreach, and education. The administration and formation of the
28 driver resource center may not be funded, excessively influenced, or
29 controlled by a transportation network company.

30 (l) "Driver resource center fund" or "fund" means the dedicated
31 fund created in RCW 49.46.310, the sole purpose of which is to
32 administer funds collected from transportation network companies to
33 provide services, support, and benefits to drivers.

34 (m) "Network services" means services related to the
35 transportation of passengers through the driver platform that are
36 provided by a driver while logged in to the driver platform,
37 including services provided during available platform time, dispatch
38 platform time, and passenger platform time.

39 (n) "Passenger" has the same meaning as "commercial
40 transportation services provider passenger" in RCW 48.177.005.

1 (o) "Passenger drop-off location" means the location of a
2 driver's vehicle when the passenger leaves the vehicle.

3 (p) "Passenger pick-up location" means the location of the
4 driver's vehicle at the time the driver starts the trip in the driver
5 platform.

6 (q) "Passenger platform miles" means all miles driven during
7 passenger platform time as recorded in a transportation network
8 company's driver platform.

9 (r) "Passenger platform time" means the period of time when the
10 driver is transporting one or more passengers on a trip. For shared
11 rides, passenger platform time means the period of time commencing
12 when the first passenger enters the driver's vehicle until the time
13 when the last passenger exits the driver's vehicle.

14 (s) "Personal vehicle" has the same meaning as "personal vehicle"
15 in RCW 48.177.005.

16 (t) "Shared ride" means a dispatched trip which, prior to its
17 commencement, a passenger requests through the transportation network
18 company's digital network to share the dispatched trip with one or
19 more passengers and each passenger is charged a fare that is
20 calculated, in whole or in part, based on the passenger's request to
21 share all or a part of the dispatched trip with one or more
22 passengers, regardless of whether the passenger actually shares all
23 or a part of the dispatched trip.

24 (u) "Tips" means a verifiable sum to be presented by a passenger
25 as a gift or gratuity in recognition of service performed for the
26 passenger by the driver receiving the tip.

27 (v) "Transportation network company" has the same meaning as
28 defined in RCW 46.04.652. A transportation network company does not
29 provide for hire transportation service.

30 (2) A driver is only covered by this section to the extent that
31 the driver provides network services within the state of Washington.

32 (3)(a) A transportation network company is covered by this
33 section if it provides a driver platform within the state of
34 Washington.

35 (b) Separate entities that form an integrated enterprise are
36 considered a single transportation network company under this
37 section. Separate entities will be considered an integrated
38 enterprise and a single transportation network company where a
39 separate entity controls the operation of another entity. Factors to
40 consider include, but are not limited to, the degree of interrelation

1 between the operations of multiple entities; the degree to which the
2 entities share common management; the centralized control of labor
3 relations; the degree of common ownership or financial control over
4 the entities; and the use of a common brand, trade, business, or
5 operating name.

6 (4)(a) Beginning December 31, 2022, a transportation network
7 company shall ensure that a driver's total compensation is not less
8 than the standard set forth in (a)(i), (ii), or (iii) of this
9 subsection (4).

10 (i) For all dispatched trips originating in cities with a
11 population of more than 600,000, on a per trip basis the greater of:

12 (A) \$0.59 per passenger platform minute for all passenger
13 platform time for that trip, and \$1.38 per passenger platform mile
14 for all passenger platform miles driven on that trip; or

15 (B) A minimum of \$5.17 per dispatched trip.

16 (ii) For all other dispatched trips, the greater of:

17 (A) \$0.34 per passenger platform minute and \$1.17 per passenger
18 platform mile; or

19 (B) A minimum of \$3.00 per dispatched trip.

20 (iii) For all trips originating elsewhere and terminating in
21 cities with a population of more than 600,000:

22 (A) For all passenger platform time spent within the city on that
23 trip and for all passenger platform miles driven in the city on that
24 trip the compensation standard under (a)(i) of this subsection
25 applies.

26 (B) For all passenger platform time spent outside the city on
27 that trip and for all passenger platform miles driven outside the
28 city on that trip the compensation standard under (a)(ii) of this
29 subsection applies.

30 (b) Beginning September 30, 2022, and on each following September
31 30th, the department shall calculate adjusted per mile and per minute
32 amounts and per trip minimums by increasing the current year's per
33 mile and per minute amounts and per trip minimums by the rate of
34 increase of the state minimum wage, calculated to the nearest cent.
35 The adjusted amount calculated under this section takes effect on the
36 following January 1st.

37 (c) For shared rides, the per trip minimums in (a)(i) and (ii) of
38 this subsection shall apply only to the entirety of the shared ride,
39 and not on the basis of the individual passenger's trip within the
40 shared ride.

1 (5) (a) For the purposes of this section, a dispatched trip
2 includes:

3 (i) A dispatched trip in which the driver transports the
4 passenger to the passenger drop-off location;

5 (ii) A dispatched trip canceled after two minutes by a passenger
6 or the transportation network company unless cancellation is due to
7 driver conduct, or no cancellation fee is charged to the passenger;

8 (iii) A dispatched trip that is canceled by the driver for good
9 cause consistent with company policy; and

10 (iv) A dispatched trip where the passenger does not appear at the
11 passenger pick-up location within five minutes.

12 (b) A transportation network company may exclude time and miles
13 if doing so is reasonably necessary to remedy or prevent fraudulent
14 use of the transportation network company's online-enabled
15 application or platform.

16 (6) (a) A transportation network company shall remit to drivers
17 all tips. Tips paid to a driver are in addition to, and may not count
18 towards, the driver's minimum compensation under this section.

19 (b) Amounts charged to a passenger and remitted to the driver for
20 tolls, fees, or surcharges incurred by a driver during a trip must
21 not be included in calculating compensation for purposes of
22 subsection (4) of this section.

23 (c) (i) Beginning January 1, 2023, except as required by law, a
24 transportation network company may only deduct compensation when the
25 driver expressly authorizes the deduction in writing and does so in
26 advance for a lawful purpose. Any authorization by a driver must be
27 voluntary and knowing.

28 (ii) Nothing in this section shall prohibit a transportation
29 network company from deducting compensation as required by state or
30 federal law or as directed by a court order.

31 (iii) Neither the transportation network company nor any person
32 acting in the interest of the transportation network company may
33 derive any financial profit or benefit from any of the deductions
34 under this section. For the purposes of this section:

35 (A) Reasonable interest charged by the transportation network
36 company or any person acting in the interest of a transportation
37 network company, for a loan or credit extended to the driver, is not
38 considered to be of financial benefit to the transportation network
39 company or person acting in the interest of a transportation network
40 company; and

1 (B) A deduction will be considered for financial profit or
2 benefit only if it results in a gain over and above the fair market
3 value of the goods or services for which the deduction was made.

4 (7)(a) Beginning January 1, 2023, a transportation network
5 company shall provide each driver with a written notice of rights
6 established by this section in a form and manner sufficient to inform
7 drivers of their rights under this section. The notice of rights
8 shall provide information on:

9 (i) The right to the applicable per minute rate and per mile rate
10 or per trip rate guaranteed by this section;

11 (ii) The right to be protected from retaliation for exercising in
12 good faith the rights protected by this section; and

13 (iii) The right to seek legal action or file a complaint with the
14 department for violation of the requirements of this section,
15 including a transportation network company's failure to pay the
16 minimum per minute rate or per mile rate or per trip rate, or a
17 transportation network company's retaliation against a driver or
18 other person for engaging in an activity protected by this section.

19 (b) A transportation network company shall provide the notice of
20 rights required by this section in an electronic format that is
21 readily accessible to the driver. The notice of rights shall be made
22 available to the driver via smartphone application or online web
23 portal, in English and the five most common foreign languages spoken
24 in this state.

25 (8) Beginning December 31, 2022, within 24 hours of completion of
26 each dispatched trip, a transportation network company must transmit
27 an electronic receipt to the driver that contains the following
28 information for each unique trip, or portion of a unique trip,
29 covered by this section:

30 (a) The total amount of passenger platform time;

31 (b) The total mileage driven during passenger platform time;

32 (c) Rate or rates of pay, including but not limited to the rate
33 per minute, rate per mile, percentage of passenger fare, and any
34 applicable price multiplier or variable pricing policy in effect for
35 the trip;

36 (d) Tip compensation;

37 (e) Gross payment;

38 (f) Net payment after deductions, fees, tolls, surcharges, lease
39 fees, or other charges; and

1 (g) Itemized deductions or fees, including any toll, surcharge,
2 commission, lease fees, and other charges.

3 (9) Beginning January 1, 2023, a transportation network company
4 shall make driver per trip receipts available in a downloadable
5 format, such as a comma-separated values file or PDF file, via
6 smartphone application or online web portal for a period of two years
7 from the date the transportation network company provided the receipt
8 to the driver.

9 (10) Beginning January 1, 2023, on a weekly basis, the
10 transportation network company shall provide written notice to the
11 driver that contains the following information for trips, or a
12 portion of a trip, that is covered by this section and which occurred
13 in the prior week:

14 (a) The driver's total passenger platform time;

15 (b) Total mileage driven by the driver during passenger platform
16 time;

17 (c) The driver's total tip compensation;

18 (d) The driver's gross payment, itemized by: (i) Rate per minute;
19 (ii) rate per mile; and (iii) any other method used to calculate pay
20 including, but not limited to, base pay, percentage of passenger
21 fare, or any applicable price multiplier or variable pricing policy
22 in effect for the trip;

23 (e) The driver's net payment after deductions, fees, tolls,
24 surcharges, lease fees, or other charges; and

25 (f) Itemized deductions or fees, including all tolls, surcharges,
26 commissions, lease fees, and other charges, from the driver's
27 payment.

28 (11) Beginning January 1, 2023, within 24 hours of a trip's
29 completion, a transportation network company must transmit an
30 electronic receipt to the passenger, for on trip time, on behalf of
31 the driver that lists:

32 (a) The date and time of the trip;

33 (b) The passenger pick-up and passenger drop-off locations for
34 the trip. In describing the passenger pick-up location and passenger
35 drop-off location, the transportation network company shall describe
36 the location by indicating the specific block (e.g. "the 300 block of
37 Pine Street") in which the passenger pick-up and passenger drop-off
38 occurred. A transportation network company is authorized to indicate
39 the location with greater specificity, such as with a street address
40 or intersection, at its discretion;

- 1 (c) The total duration and distance of the trip;
- 2 (d) The driver's first name;
- 3 (e) The total fare paid, itemizing all charges and fees; (~~and~~)
- 4 (f) The total passenger-paid tips; and
- 5 (g) The total amount of the driver's pay for the trip.

6 (12)(a) Beginning July 1, 2024, transportation network companies
7 shall collect and remit a \$0.15 per trip fee to the driver resource
8 center fund, created in RCW 49.46.310, for the driver resource center
9 to support the driver community. The remittance under this subsection
10 is a pass-through of passenger fares and shall not be considered a
11 transportation network company's funding of the driver resource
12 center. Passenger fares paid include each individual trip portion on
13 shared trips. The remittances to the fund must be made on a quarterly
14 basis.

15 (b) Beginning September 30, 2024, and on each following September
16 30th, the department shall calculate an adjusted per trip fee by
17 adjusting the current amount by the rate of inflation. The adjusted
18 amounts must be calculated to the nearest cent using the consumer
19 price index for urban wage earners and clerical workers, CPI-W, or a
20 successor index, for the 12 months prior to each September 1st as
21 calculated by the United States department of labor. Each adjusted
22 amount calculated under this subsection takes effect on the following
23 January 1st.

24 (13) No later than one year after June 9, 2022, transportation
25 network companies shall provide an opportunity for drivers to make
26 voluntary per trip earnings deduction contributions to the driver
27 resource center, provided that 100 or more drivers working for
28 transportation network companies covered under this section have
29 authorized such a deduction to the driver resource center, and
30 subject to the following:

31 (a) A driver must expressly authorize the deduction in writing.
32 Written authorization must include, at a minimum, sufficient
33 information to identify the driver and the driver's desired per trip
34 deduction amount. These deductions may reduce the driver's per trip
35 earnings below the minimums set forth in this section.

36 (b) The transportation network company may require written
37 authorization to be submitted in electronic format from the driver
38 resource center.

39 (c) The transportation network company shall make the first
40 deductions within 30 days of receiving a written authorization of the

1 driver, and shall remit deductions to the driver resource center each
2 month, with remittance due not later than 28 days following the end
3 of the month.

4 (d) A driver's authorization remains in effect until the driver
5 resource center provides an express revocation to the transportation
6 network company.

7 (e) A transportation network company shall rely on information
8 provided by the driver resource center regarding the authorization
9 and revocation of deductions.

10 (f) Upon request by a transportation network company, the driver
11 resource center shall reimburse the transportation network company
12 for the costs associated with deduction and remittance. The
13 department shall adopt rules to calculate the reimbursable costs.

14 (14) Each transportation network company shall submit to the
15 fund, with its remittance under subsection (12) of this section, a
16 report detailing the number of trips in the previous quarter and the
17 total amount of the surcharge charged to customers. The first payment
18 and accounting is due on the 30th day of the quarter following the
19 imposition of the surcharge. Failure to remit payments by the
20 deadlines is deemed a delinquency and the transportation network
21 company is subject to penalties and interest provided in RCW
22 49.46.330.

23 (15)(a) The state expressly intends to displace competition with
24 regulation allowing a transportation network company, at its own
25 volition, to enter into an agreement with the driver resource center
26 regarding a driver account deactivation appeals process for eligible
27 account deactivations. It is the policy of the state to promote a
28 fair appeals process related to eligible account deactivations that
29 supports the rights of drivers and transportation network companies
30 and provides fair processes related to eligible account
31 deactivations. The state intends that any agreement under this
32 section is immune from all federal and state antitrust laws.

33 (i) "Eligible account deactivation" means one or more of the
34 following actions with respect to an individual driver that is
35 implemented by a transportation network company:

36 (A) Blocking or restricting access to the transportation network
37 company driver platform for three or more consecutive days; or

38 (B) Changing a driver's account status from eligible to provide
39 transportation network company services to ineligible for three or
40 more consecutive days.

1 (ii) An eligible account deactivation does not include any change
2 in a driver's access or account status that is:

3 (A) Related to an allegation of discrimination, harassment,
4 including sexual harassment or harassment due to someone's membership
5 in a protected class, or physical or sexual assault, or willful or
6 knowing commitment of fraud;

7 (B) Related to an allegation that the driver was under the
8 influence of drugs or alcohol while a related active investigation
9 that takes no longer than 10 business days is under way; or

10 (C) Any other categories the transportation network company and
11 the driver resource center may agree to as part of the agreement
12 under this subsection.

13 (iii) A transportation network company shall enter into an
14 agreement with the driver resource center regarding the driver
15 account deactivation appeals process for eligible account
16 deactivations. Any agreement must be approved by the department. The
17 department may approve an agreement only if the agreement contains
18 the provisions in (a)(iv) of this subsection.

19 (iv) The agreement must provide an appeals process for drivers
20 whose account has been subject to an eligible account deactivation.
21 The appeals process must include the following protections:

22 (A) Opportunity for a driver representative to support a driver,
23 upon the driver's request, throughout the account deactivation
24 appeals process for eligible account deactivations;

25 (B) Notification, as required by (d) of this subsection, to
26 drivers of their right to representation by the driver resource
27 center at the time of the eligible account deactivation;

28 (C) Within 30 calendar days of a request, furnishing to the
29 driver resource center an explanation and information the
30 transportation network company may have relied upon in making the
31 deactivation decision, excluding confidential, proprietary, or
32 otherwise privileged communications, provided that personal
33 identifying information and confidential information is redacted to
34 address reasonable privacy and confidentiality concerns;

35 (D) A good faith, informal resolution process that is committed
36 to efficient resolution of conflicts regarding eligible account
37 deactivations within 30 days of the transportation network company
38 being notified that the driver contests the explanation offered by
39 the company;

1 (E) A formal process that includes a just cause standard, with
2 deadlines for adjudication of an appeal of an eligible account
3 deactivation by a panel that includes a mutually agreed-upon neutral
4 third party with experience in dispute resolution. The panel has the
5 authority to make binding decisions within the confines of the law
6 and make-whole monetary awards, including back pay, based on an
7 agreed-upon formula for cases not resolved during the informal
8 process;

9 (F) Agreement by the transportation network company to use the
10 process set forth in this subsection to resolve disputes over
11 eligible account deactivation appeals as an alternative to private
12 arbitration with regard to such a dispute, should the driver and
13 transportation network company so choose; and

14 (G) Agreement by the transportation network company that, for
15 eligible account deactivations in which the driver or transportation
16 network company elect private arbitration in lieu of the formal
17 process outlined in (a)(iv)(E) of this subsection (15), the
18 transportation network company shall offer the driver the opportunity
19 to have the eligible deactivation adjudicated under the just cause
20 standard outlined in (a)(iv)(E) of this subsection.

21 (b) A transportation network company that enters into an
22 agreement with the driver resource center shall reach agreement
23 through the following steps:

24 (i)(A) For a transportation network company operating a digital
25 network in the state of Washington as of June 9, 2022, the driver
26 resource center and transportation network company must make good
27 faith efforts to reach an agreement within 120 days of an
28 organization being selected as the driver resource center under RCW
29 49.46.310.

30 (B) For a transportation network company who begins operating a
31 digital network in the state of Washington after an organization has
32 been selected as the driver resource center under RCW 49.46.310, the
33 driver resource center and transportation network company must make
34 good faith efforts to reach an agreement within 120 days of the
35 transportation network company beginning operation of a digital
36 network in the state of Washington.

37 (ii) If the driver resource center and transportation network
38 company cannot reach an agreement, then they are required to submit
39 issues of dispute before a jointly agreed-upon mediator.

1 (iii) After mediation lasting no more than two months has been
2 exhausted and no resolution has been reached, then the parties will
3 proceed to binding arbitration before a panel of arbitrators
4 consisting of one arbitrator selected by the driver resource center,
5 one arbitrator selected by the transportation network company, and a
6 third arbitrator selected by the other two. If the two selected
7 arbitrators cannot agree to the third arbitrator within 10 days, then
8 the third arbitrator shall be determined from a list of seven
9 arbitrators with experience in labor disputes or interest arbitration
10 designated by the American arbitration association. A coin toss shall
11 determine which side strikes the first name. Thereafter the other
12 side shall strike a name. The process will continue until only one
13 name remains, who shall be the third arbitrator. Alternatively, the
14 driver resource center and the transportation network company may
15 agree to a single arbitrator.

16 (iv) The arbitrators must submit their decision, based on
17 majority rule, within 60 days of the panel or arbitrator being
18 chosen.

19 (v) The decision of the majority of arbitrators is final and
20 binding and will then be submitted to the director of the department
21 for final approval.

22 (c) In reviewing any agreement between a transportation network
23 company and the driver resource center, under (a) of this subsection,
24 the department shall review the agreement to ensure that its content
25 is consistent with this subsection and the public policy goals set
26 forth in this subsection. The department shall consider in its review
27 both qualitative and quantitative effects of the agreement and how
28 the agreement comports with the state policies set forth in this
29 section. In conducting a review, the record shall not be limited to
30 the submissions of the parties nor to the terms of the proposed
31 agreement and the department shall have the right to conduct public
32 hearings and request additional information from the parties,
33 provided that such information: (i) Is relevant for determining
34 whether the agreement complies with this subsection; and (ii) does
35 not contain either parties' confidential, proprietary, or privileged
36 information, or any individual's personal identifying information
37 from the parties. The department may approve or reject a proposed
38 agreement, and may require the parties to submit a revised proposal
39 on all or particular parts of the proposed agreement. If the
40 department rejects an agreement, it shall set forth its reasoning in

1 writing and shall suggest ways the parties may remedy the failures.
2 Absent good cause, the department shall issue a written determination
3 regarding its approval or rejection within 60 days of submission of
4 the agreement.

5 (d) (i) For any account deactivation, the transportation network
6 company shall provide notification to the driver, at the time of
7 deactivation, that the driver may have the right to representation by
8 the driver resource center to appeal the account deactivation.

9 (ii) A transportation network company must provide any driver
10 whose account is subject to an account deactivation between June 9,
11 2022, and the effective date of the agreement the contact information
12 of the driver resource center and notification that the driver may
13 have the right to appeal the account deactivation with representation
14 by the driver resource center.

15 (16) The department may adopt rules to implement this section.

16 **Sec. 2.** RCW 46.72B.050 and 2022 c 281 s 19 are each amended to
17 read as follows:

18 (1) Before a passenger enters a transportation network company
19 vehicle, the transportation network company must provide, on behalf
20 of the driver, either the fare for the prearranged ride or the option
21 to receive an estimated fare for the prearranged ride.

22 (2) During the first seven days of a state of emergency, as
23 declared by the governor or the president of the United States, a
24 transportation network company may not charge a fare for
25 transportation network company services provided to any passenger
26 that exceeds two and one-half times the fare that would otherwise be
27 applicable for the prearranged ride.

28 (3) During a large-scale event, a transportation network company
29 may not charge a fare for a prearranged ride provided to any
30 passenger that exceeds 120 percent of the driver's pay for the
31 prearranged ride.

32 (4) The legislature finds that the practices covered by this
33 section are matters vitally affecting the public interest for the
34 purpose of applying the consumer protection act, chapter 19.86 RCW. A
35 violation of this section is not reasonable in relation to the
36 development and preservation of business, and is an unfair or
37 deceptive act in trade or commerce and an unfair method of
38 competition for the purpose of applying the consumer protection act,
39 chapter 19.86 RCW.

1 (5) For the purposes of this section, the following definitions
2 apply:

3 (a) (i) "Large-scale event" means:

4 (A) A ticketed or preregistered assembly of 10,000 or more
5 individuals at an outdoor venue that has defined entrances and exits;
6 or

7 (B) A ticketed or preregistered assembly of 1,000 or more
8 individuals at an indoor venue that has defined entrances or exits.

9 (ii) Event staff and volunteers are not included in the attendee
10 count.

11 (iii) A "large-scale event" does not include any assembly
12 operated, managed, conducted, controlled, or supervised by a public
13 or private charter K-12 educational organization or a religious or
14 faith-based organization.

15 (b) "Driver's pay" means the compensation a transportation
16 network company pays a driver for a prearranged ride. Driver's pay
17 excludes pass-through charges such as driver-paid tolls and tips paid
18 by passengers.

19 **Sec. 3.** RCW 46.72B.190 and 2022 c 281 s 32 are each amended to
20 read as follows:

21 (1) Except as provided in subsections (2) (~~and~~), (3), and (6)
22 of this section, as of June 9, 2022, the state preempts the field of
23 regulating transportation network companies and drivers. No county,
24 city, town, or other municipal corporation may regulate
25 transportation network companies or drivers, or impose any tax, fee,
26 or other charge, on a transportation network company or driver.

27 (2) (a) Except as provided in (b) and (c) of this subsection, a
28 local ordinance or regulation, in a city with a population of more
29 than 600,000 or a county with a population of more than 2,000,000,
30 existing on or before January 1, 2022, that imposes a tax, fee, or
31 other charge on a transportation network company or driver, remains
32 in effect at the rate that exists on or before January 1, 2022. The
33 city or county may continue to collect that tax, fee, or other
34 charge, but may not increase the amount of that tax, fee, or other
35 charge, and may not impose any higher or new taxes, fees, or other
36 charges. This subsection (2) (a) applies retroactively and preempts
37 any increase in the amount of an existing tax, fee, or other charge,
38 or the imposition of any higher or new taxes, fees, or other charges,
39 which occurs between January 2, 2022, and June 9, 2022.

1 (b) Beginning on January 1, 2023, any local ordinance or
2 regulation, in a city or county described in (a) of this subsection,
3 existing on or before June 9, 2022, that imposed a per trip tax, fee,
4 or other charge for which, at the time the ordinance became
5 effective, the proceeds were to be used in part to fund a driver
6 conflict resolution center, shall be reduced by \$0.15. The city or
7 county may continue to collect that tax, fee, or other charge, but
8 only at the reduced rate and may not increase the amount of that tax,
9 fee, or other charge, and may not impose any higher or new taxes,
10 fees, or other charges.

11 (c) Any per ride fee imposed by a local ordinance or regulation
12 described in (a) of this subsection, the proceeds of which are used
13 to offset expenses of enforcing the ordinance or regulation, may be
14 adjusted under the following provisions:

15 (i) The city or county demonstrates to the satisfaction of the
16 department that the revenues from the existing per ride fee amount
17 are insufficient to offset the city's or county's cost from
18 enforcement and regulation;

19 (ii) The total amount expected to be collected under the
20 increased amount will not exceed the city or county's total expected
21 costs; and

22 (iii) The department has not authorized an increase in the per
23 ride fee in the last two fiscal years.

24 (3)(a) A local ordinance or regulation in a city with a
25 population of more than six hundred thousand or a county with a
26 population of more than two million, and that existed on or before
27 January 1, 2022, that defined and regulated licensing for
28 transportation network companies and permits for drivers, or the
29 requirements for and processing of applications, certifications,
30 examinations, and background checks for drivers and personal
31 vehicles, remains in effect as the requirements exist on June 9,
32 2022. The county or city may continue to enforce the ordinance or
33 regulation but may not alter, amend, or implement changes to the
34 ordinance or regulation, or requirements under it, after January 1,
35 2022, except if such alteration, amendment, or implementation
36 conforms with the requirements of this chapter. This subsection shall
37 apply retroactively to any alteration, amendment, or implementation
38 which occurs between March 10, 2022, and June 9, 2022.

39 (b) Notwithstanding subsection (1) of this section, a local
40 ordinance or regulation in a city with a population of more than six

1 hundred thousand or a county with a population of more than two
2 million, and that existed before January 1, 2022, that is related to
3 requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, and
4 51.04.190, and sections 6, 8 through 10, and 12, chapter 281, Laws of
5 2022 are preempted as of January 1, 2023. The city may continue to
6 enforce the local ordinance or regulation between June 9, 2022, and
7 January 1, 2023, but may not alter, amend, or implement changes to
8 the ordinance or regulation, or requirements under it, after January
9 1, 2022, except if such alteration, or amendment, or implementation
10 conforms with the requirements of chapter 281, Laws of 2022. This
11 subsection shall apply retroactively to any alteration, amendment, or
12 implementation which occurs between March 10, 2022, and June 9, 2022.

13 (4) Nothing in this chapter shall be interpreted to prevent an
14 airport operator, as defined in RCW 14.08.015, from requiring a
15 transportation network company to enter into a contract or agreement,
16 consistent with the provisions of RCW 14.08.120, governing
17 requirements of the transportation network company on airport
18 property including but not limited to the fees and operational
19 requirements. An airport operator may not impose any requirements
20 through a contract authorized by this section that relate to
21 requirements covered by RCW 49.46.300, 49.46.350, 51.16.250,
22 51.04.190, 49.46.210(5), 51.08.070, 51.08.180, 51.12.020, and
23 51.16.060.

24 (5) Other than taxes, fees, or other charges imposed explicitly
25 or exclusively on a transportation network company or driver, this
26 section does not preempt any generally applicable taxes, fees, or
27 other charges, such as:

- 28 (a) Business tax;
- 29 (b) Sales and use tax;
- 30 (c) Excise tax; or
- 31 (d) Property tax.

32 (6) During a large special event, a county, city, town, and/or
33 municipal corporation where the large special event will be located
34 may regulate transportation network companies using geofencing to
35 create designated drop-off and pick-up zones.

36 (7) For purposes of this section, "large special event" means a
37 special event occurring in Washington state which the United States

1 department of homeland security has assessed at rating levels one
2 through three.

--- END ---