

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1514

67th Legislature
2021 Regular Session

Passed by the House April 13, 2021
Yeas 63 Nays 35

**Speaker of the House of
Representatives**

Passed by the Senate April 8, 2021
Yeas 45 Nays 4

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1514** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1514

AS AMENDED BY THE SENATE

Passed Legislature - 2021 Regular Session

State of Washington **67th Legislature** **2021 Regular Session**

By House Transportation (originally sponsored by Representatives Taylor, Ramos, and Harris-Talley)

READ FIRST TIME 02/22/21.

1 AN ACT Relating to transportation demand management; amending RCW
2 46.18.285, 46.74.010, 46.74.030, 82.04.355, 82.08.0287, 82.12.0282,
3 82.16.047, 82.44.015, and 82.70.010; creating a new section; and
4 providing an effective date.

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

6 **Sec. 1.** RCW 46.18.285 and 2020 c 18 s 17 are each amended to
7 read as follows:

8 (1) A registered owner who uses a passenger motor vehicle for
9 (~~commuter~~) ride sharing or ride sharing for persons with special
10 transportation needs, as defined in RCW 46.74.010, shall apply to the
11 department, county auditor or other agent, or subagent appointed by
12 the director for special ride share license plates. The registered
13 owner must qualify for the tax exemptions provided in RCW 82.08.0287,
14 82.12.0282, or 82.44.015, and pay the special ride share license
15 plate fee required under RCW 46.17.220(18) when the special ride
16 share license plates are initially issued.

17 (2) The special ride share license plates:

18 (a) Must be of a distinguishing separate numerical series or
19 design as defined by the department;

1 (b) Must be returned to the department when no longer in use or
2 when the registered owner no longer qualifies for the tax exemptions
3 provided in subsection (1) of this section; and

4 (c) Are not required to be renewed annually for motor vehicles
5 described in RCW 46.16A.170.

6 (3) Special ride share license plates may be transferred from one
7 motor vehicle to another motor vehicle as described in subsection (1)
8 of this section upon application to the department, county auditor or
9 other agent, or subagent appointed by the director.

10 (4) Any person who knowingly makes a false statement of a
11 material fact in the application for a special license plate under
12 subsection (1) of this section is guilty of a gross misdemeanor.

13 **Sec. 2.** RCW 46.74.010 and 2014 c 97 s 501 are each amended to
14 read as follows:

15 The definitions in this section apply throughout this chapter
16 unless the context clearly indicates otherwise.

17 (1) (~~"Commuter ride sharing" means a car pool or van pool~~
18 ~~arrangement whereby one or more fixed groups not exceeding fifteen~~
19 ~~persons each including the drivers, and (a) not fewer than five~~
20 ~~persons including the drivers, or (b) not fewer than four persons~~
21 ~~including the drivers where at least two of those persons are~~
22 ~~confined to wheelchairs when riding, are transported in a passenger~~
23 ~~motor vehicle with a gross vehicle weight not exceeding ten thousand~~
24 ~~pounds, excluding special rider equipment, between their places of~~
25 ~~abode or termini near such places, and their places of employment or~~
26 ~~educational or other institutions, each group in a single daily round~~
27 ~~trip where the drivers are also on the way to or from their places of~~
28 ~~employment or educational or other institution.~~

29 (2) ~~"Flexible commuter ride sharing" means a car pool or van pool~~
30 ~~arrangement whereby a group of at least two but not exceeding fifteen~~
31 ~~persons including the driver is transported in a passenger motor~~
32 ~~vehicle with a gross vehicle weight not exceeding ten thousand~~
33 ~~pounds, excluding special rider equipment, between their places of~~
34 ~~abode or termini near such places, and their places of employment or~~
35 ~~educational or other institutions, where the driver is also on the~~
36 ~~way to or from his or her place of employment or educational or other~~
37 ~~institution.~~

38 (3)) "Persons with special transportation needs" has the same
39 meaning as provided in RCW 81.66.010.

1 ~~((4))~~ (2) "Ride sharing" means a carpool or vanpool arrangement
2 whereby one or more groups not exceeding 15 persons each including
3 the drivers, and not fewer than three persons including the drivers
4 are transported in a passenger motor vehicle with a gross vehicle
5 weight not exceeding 10,000 pounds. "Ride sharing" does not include
6 transportation provided in the normal course of business by entities
7 that are subject to chapters 46.72A, 48.177, 81.66, 81.68, 81.70, and
8 81.72 RCW, or offer peer-to-peer car sharing. For purposes of this
9 section, "peer-to-peer car sharing" means motor vehicle owners making
10 their motor vehicles available for persons to rent for short periods
11 of time.

12 (3) "Ride sharing for persons with special transportation needs"
13 means an arrangement whereby a group of persons with special
14 transportation needs, and their attendants, is transported by a
15 public social service agency or a private, nonprofit transportation
16 provider, as defined in RCW 81.66.010, serving persons with special
17 needs, in a passenger motor vehicle as defined by the department to
18 include small buses, cutaways, and modified vans not more than
19 twenty-eight feet long(~~(: PROVIDED, That the)~~). The driver need not
20 be a person with special transportation needs.

21 ~~((5))~~ (4) "Ride-sharing operator" means the person, entity, or
22 concern, not necessarily the driver, responsible for the existence
23 and continuance of (~~(commuter)~~) ride sharing(~~(, flexible commuter~~
24 ~~ride-sharing,~~) or ride sharing for persons with special
25 transportation needs. The term "ride-sharing operator" includes but
26 is not limited to an employer, an employer's agent, an employer-
27 organized association, a state agency, a county, a city, a public
28 transportation benefit area, a public transportation agency, or any
29 other political subdivision that owns or leases a ride-sharing
30 vehicle.

31 ~~((6))~~ (5) "Ride-sharing promotional activities" means those
32 activities involved in forming a (~~(commuter)~~) ride-sharing
33 arrangement (~~(or a flexible commuter ride-sharing arrangement,~~)
34 including, but not limited to, receiving information from existing
35 and prospective ride-sharing participants, sharing that information
36 with other existing and prospective ride-sharing participants,
37 matching those persons with other existing or prospective ride-
38 sharing participants, and making assignments of persons to ride-
39 sharing arrangements.

1 **Sec. 3.** RCW 46.74.030 and 1997 c 250 s 9 are each amended to
2 read as follows:

3 The operator and the driver of a (~~commuter~~) ride-sharing
4 vehicle (~~(or a flexible commuter ride-sharing vehicle)~~) shall be held
5 to a reasonable and ordinary standard of care, and are not subject to
6 ordinances or regulations which relate exclusively to the regulation
7 of drivers or owners of motor vehicles operated for hire, or other
8 common carriers or public transit carriers. No person, entity, or
9 concern may, as a result of engaging in ride-sharing promotional
10 activities, be liable for civil damages arising directly or
11 indirectly (1) from the maintenance and operation of a (~~commuter~~)
12 ride-sharing (~~(or flexible commuter ride-sharing)~~) vehicle; or (2)
13 from an intentional act of another person who is participating or
14 proposing to participate in a (~~commuter~~) ride-sharing (~~(or flexible~~
15 ~~commuter ride-sharing)~~) arrangement, unless the ride-sharing operator
16 or promoter had prior, actual knowledge that the intentional act was
17 likely to occur and had a reasonable ability to prevent the act from
18 occurring.

19 NEW SECTION. **Sec. 4.** The department of transportation and the
20 commute trip reduction board shall prepare a report regarding, and an
21 update to, the statutes governing the commute trip reduction program,
22 within existing resources. The department of transportation shall
23 provide the transportation committees of the legislature with the
24 report and update by October 1, 2021.

25 **Sec. 5.** RCW 82.04.355 and 1999 c 358 s 8 are each amended to
26 read as follows:

27 This chapter does not apply to any funds received in the course
28 of (~~commuter~~) ride sharing or ride sharing for persons with special
29 transportation needs in accordance with RCW 46.74.010.

30 **Sec. 6.** RCW 82.08.0287 and 2020 c 20 s 1472 are each amended to
31 read as follows:

32 (1) The tax imposed by this chapter does not apply to sales of
33 passenger motor vehicles which are to be used primarily for
34 (~~commuter~~) ride sharing or ride sharing for persons with special
35 transportation needs, as defined in RCW 46.74.010, if the vehicles
36 are used as ride-sharing vehicles for thirty-six consecutive months
37 beginning from the date of purchase.

1 (2)(a) To qualify for the tax exemption, those passenger motor
2 vehicles with ~~((five))~~ three or ~~((six))~~ more passengers, including
3 the driver, used for ~~((commuter))~~ ride sharing, must be operated
4 either within the state's eight largest counties that are required to
5 develop commute trip reduction plans as directed by chapter 70A.15
6 RCW ~~((or))~~, in other counties, or cities and towns within those
7 counties, that elect to adopt and implement a commute trip reduction
8 plan, or in other counties where the vehicle is registered with or
9 operated by a public transportation agency. Additionally at least one
10 of the following conditions must apply: ~~((a))~~ (i) The vehicle must
11 be operated by a public transportation agency for the benefit of the
12 general public; or ~~((b))~~ (ii) the vehicle must be used by a major
13 employer, as defined in RCW 70A.15.4010 as an element of its commute
14 trip reduction program for their employees; or ~~((c))~~ (iii) the
15 vehicle must be owned and operated by individual employees and must
16 be registered either with the employer as part of its commute trip
17 reduction program or with a public transportation agency ~~((serving~~
18 ~~the area where the employees live or work))~~. Individual employee
19 owned and operated motor vehicles will require certification that the
20 vehicle is registered with a major employer or a public
21 transportation agency. Major employers who own and operate motor
22 vehicles for their employees must certify that the ~~((commuter))~~ ride-
23 sharing arrangement conforms to a carpool/vanpool element contained
24 within their commute trip reduction program.

25 (b) Notwithstanding the ridership requirements under (a) of this
26 subsection (2), unless the vehicle is operated by a public
27 transportation agency, the vehicle must be used for ride sharing in
28 the transport of at least five passengers.

29 **Sec. 7.** RCW 82.12.0282 and 2020 c 20 s 1477 are each amended to
30 read as follows:

31 (1) The tax imposed by this chapter does not apply with respect
32 to the use of passenger motor vehicles used primarily for
33 ~~((commuter))~~ ride sharing or ride sharing for persons with special
34 transportation needs, as defined in RCW 46.74.010, if the vehicles
35 are used as ride-sharing vehicles for thirty-six consecutive months
36 beginning with the date of first use.

37 (2)(a) To qualify for the tax exemption, those passenger motor
38 vehicles with ~~((five))~~ three or ~~((six))~~ more passengers, including
39 the driver, used for ~~((commuter))~~ ride sharing, must be operated

1 either within the state's eight largest counties that are required to
2 develop commute trip reduction plans as directed by chapter 70A.15
3 RCW ~~((a))~~, in other counties, or cities and towns within those
4 counties, that elect to adopt and implement a commute trip reduction
5 plan, or in other counties where the vehicle is registered with or
6 operated by a public transportation agency. Additionally at least one
7 of the following conditions must apply: ~~((a))~~ (i) The vehicle must
8 be operated by a public transportation agency for the benefit of the
9 general public; or ~~((b))~~ (ii) the vehicle must be used by a major
10 employer, as defined in RCW 70A.15.4010 as an element of its commute
11 trip reduction program for their employees; or ~~((c))~~ (iii) the
12 vehicle must be owned and operated by individual employees and must
13 be registered either with the employer as part of its commute trip
14 reduction program or with a public transportation agency ~~((serving~~
15 ~~the area where the employees live or work))~~. Individual employee
16 owned and operated motor vehicles will require certification that the
17 vehicle is registered with a major employer or a public
18 transportation agency. Major employers who own and operate motor
19 vehicles for their employees must certify that the ~~((commuter))~~ ride-
20 sharing arrangement conforms to a carpool/vanpool element contained
21 within their commute trip reduction program.

22 (b) Notwithstanding the ridership requirements under (a) of this
23 subsection (2), unless the vehicle is operated by a public
24 transportation agency, the vehicle must be used for ride sharing in
25 the transport of at least five passengers.

26 **Sec. 8.** RCW 82.16.047 and 1999 c 358 s 12 are each amended to
27 read as follows:

28 This chapter does not apply to any funds received in the course
29 of ~~((commuter))~~ ride sharing or ride sharing for persons with special
30 transportation needs in accordance with RCW 46.74.010.

31 **Sec. 9.** RCW 82.44.015 and 2020 c 20 s 1488 are each amended to
32 read as follows:

33 (1) Passenger motor vehicles used primarily for ~~((commuter))~~ ride
34 sharing and ride sharing for persons with special transportation
35 needs, as defined in RCW 46.74.010, are not subject to the motor
36 vehicle excise tax authorized under this chapter if the vehicles are
37 used as ride-sharing vehicles for thirty-six consecutive months
38 beginning from the date of purchase.

1 (2) To qualify for the motor vehicle excise tax exemption for
2 (~~commuter~~) ride-sharing vehicles, passenger motor vehicles must:

3 (a) Have a seating capacity of (~~five~~) three or (~~six~~) more
4 passengers, including the driver;

5 (b) Be used for (~~commuter~~) ride sharing;

6 (c) Be operated either within:

7 (i) The state's eight largest counties that are required to
8 develop commute trip reduction plans as directed by chapter 70A.15
9 RCW; (~~or~~)

10 (ii) (~~In other~~) Other counties, or cities and towns within
11 those counties, that elect to adopt and implement a commute trip
12 reduction plan; or

13 (iii) Other counties, where the vehicle is registered with or
14 operated by a public transportation agency; and

15 (d) Meet at least one of the following conditions:

16 (i) The vehicle must be operated by a public transportation
17 agency for the benefit of the general public;

18 (ii) The vehicle must be used by a major employer, as defined in
19 RCW 70A.15.4010 as an element of its commute trip reduction program
20 for their employees; or

21 (iii) The vehicle must be owned and operated by individual
22 employees and must be registered either with the employer as part of
23 its commute trip reduction program or with a public transportation
24 agency (~~serving the area where the employees live or work~~).
25 Individual employee owned and operated motor vehicles will require
26 certification that the vehicle is registered with a major employer or
27 a public transportation agency. Major employers who own and operate
28 motor vehicles for their employees must certify that the (~~commuter~~)
29 ride-sharing arrangement conforms to a carpool/vanpool element
30 contained within their commute trip reduction program.

31 (3) The registered owner of a passenger motor vehicle described
32 in subsection (2) of this section:

33 (a) Shall notify the department upon the termination of the
34 primary use of the vehicle in (~~commuter~~) ride sharing or ride
35 sharing for persons with special transportation needs; and

36 (b) Is liable for the motor vehicle excise tax imposed under this
37 chapter, prorated on the remaining months for which the vehicle is
38 registered.

1 **Sec. 10.** RCW 82.70.010 and 2005 c 297 s 1 are each amended to
2 read as follows:

3 The definitions in this section apply throughout this chapter and
4 RCW 70.94.996 unless the context clearly requires otherwise.

5 (1) "Public agency" means any county, city, or other local
6 government agency or any state government agency, board, or
7 commission.

8 (2) "Public transportation" means the same as "public
9 transportation service" as defined in RCW 36.57A.010 and includes
10 passenger services of the Washington state ferries.

11 (3) "Nonmotorized commuting" means commuting to and from the
12 workplace by an employee by walking or running or by riding a bicycle
13 or other device not powered by a motor.

14 (4) "Ride sharing" means the same as "~~((flexible-commuter))~~ ride
15 sharing" as defined in RCW 46.74.010, including ride sharing on
16 Washington state ferries.

17 (5) "Car sharing" means a membership program intended to offer an
18 alternative to car ownership under which persons or entities that
19 become members are permitted to use vehicles from a fleet on an
20 hourly basis.

21 (6) "Telework" means a program where work functions that are
22 normally performed at a traditional workplace are instead performed
23 by an employee at his or her home at least one day a week for the
24 purpose of reducing the number of trips to the employee's workplace.

25 (7) "Applicant" means a person applying for a tax credit under
26 this chapter.

27 NEW SECTION. **Sec. 11.** This act takes effect September 1, 2021.

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