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**SENATE BILL 6500**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Senators Saldaña, Fortunato, and Billig

AN ACT Relating to transportation network companies; amending RCW 46.72.010, 46.72.030, 43.79A.040, 46.72.040, 48.177.010, 46.72.110, and 46.72.160; adding new sections to chapter 46.72 RCW; recodifying RCW 48.177.010; repealing RCW 48.177.005 and 46.72.039; and prescribing penalties.

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

**Sec.**  RCW 46.72.010 and 1996 c 87 s 18 are each amended to read as follows:

When used in this chapter:

(1) ((~~The term~~)) "For hire vehicle" includes all vehicles used for the transportation of passengers for compensation, except auto stages, school buses operating exclusively under a contract to a school district, ride-sharing vehicles under chapter 46.74 RCW, limousine carriers licensed under chapter 46.72A RCW, vehicles used by nonprofit transportation providers for elderly or handicapped persons and their attendants under chapter 81.66 RCW, vehicles used by auto transportation companies licensed under chapter 81.68 RCW, vehicles used to provide courtesy transportation at no charge to and from parking lots, hotels, and rental offices, and vehicles used by charter party carriers of passengers and excursion service carriers licensed under chapter 81.70 RCW;

(2) ((~~The term~~)) "For hire operator" means and includes any person, concern, or entity engaged in the transportation of passengers for compensation in for hire vehicles. "For hire operator" includes, but is not limited to, a natural person driver or owner of a for hire vehicle, or a transportation network company.

(3) "Active" means a transportation network company driver who has been certified by a transportation network company, has a valid for hire operator permit, and is eligible to provide transportation network company services.

(4) "Compensation" means remuneration or anything of economic value that is provided, promised, or donated primarily in exchange for services rendered. "Compensation" includes, but is not limited to, voluntary donations, lease agreements, or fee sharing agreements between a transportation network company, or other for hire vehicle company, and an affiliated driver, as well as advertisement of a taxicab association or transportation network company services.

(5) "Complaint" or "complaints" means an allegation, made by any person and received by the department, a local law enforcement officer, or the attorney general, that a for hire operator has violated a provision of this chapter or a rule or has otherwise behaved in a manner that has caused the person concern. A digital network rating is not an allegation.

(6) "Digital network" means any online-enabled technology application service, web site, or system, offered or used by a for hire operator, that enables the prearrangement of passenger rides for compensation.

(7) "Driver list" means a weekly list of applicant drivers meeting all requirements in this chapter.

(8) "Fee" or "fees" means a charge or charges demanded from a for hire operator by the department. A fee must be paid in full and upon receipt, the department must issue the appropriate certificate, except that transportation network companies may pay fees on an ongoing quarterly basis through per ride surcharges.

(9) "Individual records of transportation network company drivers" means any and all records collected or reviewed by the transportation network company to ensure that the driver is compliant with this chapter.

(10) "Individual trip records" includes, for each ride provided by each transportation network company driver:

(a) The date, time, origin, destination, distance, and time traveled;

(b) Whether a complaint was lodged during the ride, an accessible vehicle was requested, or a collision occurred;

(c) Whether or not the trip or a portion thereof was shared by another passenger; and

(d) Whether the trip was declined by the driver or canceled by the passenger.

(11) "Local law enforcement officer" or "local law enforcement agency" means any person authorized by a city, county, or other political subdivision to carry out enforcement activities under this chapter including, but not limited to, local police officers and regulatory inspectors.

(12) "Prearranged" or "prearrangement" means a ride in a for hire vehicle that is scheduled and confirmed prior to passenger pick-up. The ride may be scheduled by phone, radio, computer, or digital network.

(13) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that is required to be permitted under this chapter, operates in this state, and exclusively uses a digital network to connect passengers with transportation network company drivers.

(14) "Transportation network company driver" means a natural person who:

(a) Receives connections to potential passengers from a transportation network company via a digital network; and

(b) Uses a transportation network company vehicle to offer or provide a prearranged ride to a passenger through a digital network controlled by a transportation network company in exchange for compensation.

(15) "Transportation network company services" means services provided by a transportation network company driver while logged in to a transportation network company's digital network or providing a prearranged ride. The term does not include local public passenger transportation service as described in RCW 35.58.250 or services provided either directly or under contract with a political subdivision or other entity exempt from federal income tax under 26 U.S.C. Sec. 115 of the federal internal revenue code of 1986, as amended.

(16) "Transportation network company vehicle" is a type of for hire vehicle and means a passenger vehicle that is owned, leased, or otherwise authorized for use by the transportation network company driver and is used to provide a prearranged ride exclusively via a digital network to a passenger for compensation.

**Sec.**  RCW 46.72.030 and 1992 c 114 s 2 are each amended to read as follows:

Application for a permit shall be forwarded to the director with a fee, except that transportation network company drivers must be certified by a transportation network company before issuance of the permit, as described in section 3 of this act. Upon receipt of such application and fee, the director shall, if such application be in proper form, issue a permit authorizing the applicant to operate for hire vehicles upon the highways of this state until such owner ceases to do business as such, or until the permit is suspended or revoked. Such permit shall be displayed in a conspicuous place in the principal place of business of the owner.

NEW SECTION. **Sec.**  (1) Transportation network companies must certify to the department that all affiliated transportation network company drivers have met all certification and operating requirements in this chapter.

(2) Transportation network companies must provide a driver list certified by the affiliated and permitted transportation network company as meeting all requirements in this chapter, on a form approved by the director. The driver list must contain the following:

(a) Driver's legal name;

(b) Driver's date of birth;

(c) Driver's license number;

(d) Current certification date;

(e) Whether the driver is active or not;

(f) For the vehicle(s) used by the transportation network company driver to provide transportation network company services:

(i) Vehicle make, model, and year;

(ii) Vehicle license plate number; and

(iii) Vehicle identification number.

Transportation network company drivers' names, dates of birth, and driver's license numbers provided pursuant to this section are exempt from disclosure under chapter 42.56 RCW. All other information on the driver list and the aggregate number of transportation network company drivers and transportation network company vehicles are subject to disclosure.

(3) Drivers not meeting all requirements may not be certified as a permitted transportation network company driver and may not operate as a transportation network company driver. Transportation network company driver requirements include:

(a) Review of criminal and driver background checks pursuant to section 5 of this act;

(b) Valid primary automobile liability insurance as required by this chapter for each vehicle used to provide transportation network company services;

(c) A valid driver's license;

(d) A valid transportation network company driver business license number; and

(e) Successful completion of safety and customer service driver training, if required by a local law enforcement officer.

(4) Driver lists may be submitted electronically to the department, either directly or through an interlocal agreement with a city or county. Electronic submission of the driver list is considered receipt of certification from the transportation network company. Upon receipt of a certification from an authorized representative of the transportation network company that a transportation network company driver has met all of the requirements established in this chapter, the transportation network company driver is deemed permitted by the department and eligible to provide transportation network company services. A receipt of the driver list may be issued to the transportation network company from the department, city, or county. For hire permits for transportation network company drivers are valid for a term of one year from the date of transportation network company certification.

(5) In addition to the driver list provided in subsection (2) of this section, transportation network companies must provide weekly a list of applicant drivers for recertification to the director within one month before the transportation network company driver's certification expiration, on a form approved by the director. Applicant drivers must meet all conditions and be consistent with transportation network company driver certification requirements pursuant to this chapter. Drivers not meeting all such conditions may not be repermitted as transportation network company drivers and may not operate as transportation network company drivers.

(6) Local law enforcement officers may have access to the weekly driver lists upon request to the department.

NEW SECTION. **Sec.**  (1) Transportation network companies must certify to the department that all affiliated transportation network company vehicles have met all certification and operating requirements in this chapter.

(2) Transportation network companies must provide daily a list of applicant vehicles certified by the affiliated and permitted transportation network company as meeting all requirements in this chapter, on a form approved by the director. The vehicle list shall contain the following:

(a) Vehicle make, model, and year;

(b) Vehicle license plate number; and

(c) Vehicle identification number.

(3) Vehicles not meeting the following requirements may not be certified as a permitted transportation network company vehicle and may not operate as a transportation network company vehicle:

(a) Vehicle ASE safety inspection;

(b) Valid vehicle registration and licensing;

(c) Vehicle properly equipped and in good condition as required in section 6 of this act;

(d) Valid primary automobile liability insurance as required under this chapter; and

(e) Personal automobile liability insurance, as required by RCW 46.30.020.

(4) Electronic submission of the vehicle information is considered receipt of certification from the transportation network company. Upon receipt of a certification from an authorized representative of the transportation network company that a transportation network company vehicle has met all of the requirements established in this chapter, the transportation network company vehicle is deemed certified and eligible to provide transportation network company services. Certifications for transportation network company vehicles are valid for a term of one year from the date of transportation network company certification.

(5) Transportation network companies must provide a list of applicant vehicles for recertification to the director within one month before the transportation network company vehicle's certification expiration, on a form approved by the director. Applicant vehicles must meet all conditions and be consistent with transportation network company vehicle certification requirements pursuant to this chapter. Vehicles not meeting the conditions may not be recertified as a transportation network company vehicle and may not operate as a transportation network company vehicle.

(6) Local law enforcement officers may have access to the weekly vehicle lists upon request to the department.

NEW SECTION. **Sec.**  (1) Before being issued a for hire operator permit by the department and before a transportation network company may allow an individual to accept trip requests as a transportation network company driver through a transportation network company's digital network, the individual must:

(a) Be fingerprinted for Washington state patrol and federal bureau of investigation criminal background checks by the department, or by a local law enforcement agency pursuant to RCW 35.21.920, and submit to a multistate driving history search;

(b) Consent to the results of the background checks and driving history to be provided to the department and local law enforcement officers.

(2) A transportation network company may not permit an individual to act as a transportation network company driver on its digital network who:

(a) Has had more than three moving violations in the prior five-year period, or one of the following major violations in the prior five-year period:

(i) Attempting to elude the police pursuant to RCW 46.61.024;

(ii) Reckless driving pursuant to RCW 46.61.500;

(iii) Driving on a suspended or revoked driver's license pursuant to RCW 46.20.342 or 46.20.345; or

(iv) Negligent driving in the first degree pursuant to RCW 46.61.5249;

(b) Has been convicted, within the past seven years, of:

(i) Any class A or B felony, as described in Title 9A RCW;

(ii) Any violent offense as defined in RCW 9.94A.030 or serious violent offense as defined in RCW 9.94A.030;

(iii) Any most serious offense as defined in RCW 9.94A.030;

(iv) Driving under the influence, hit and run, or any other driving-related crime pursuant to RCW 46.61.500 through 46.61.540; or

(v) Any sex offense as defined in RCW 9.94A.030 or is a match in the United States department of justice national sex offender public web site;

(c) Does not possess a valid driver's license;

(d) Does not possess proof of automobile liability insurance for the motor vehicle or vehicles used to provide prearranged rides;

(e) Is not at least twenty years of age with at least twelve months of driving history; or

(f) Has not annually self-certified that he or she is physically and mentally fit to be a transportation network company driver.

(3) The director may at any time require any transportation network company driver to be medically certified and examined by a physician licensed to practice in this state under chapter 18.71 RCW if it appears to the director that the driver has become physically or mentally unfit to be a for hire operator. The scope of the certificate form and the examination shall be prescribed by the director by rule. A United States department of transportation medical certification meets the requirements of subsection (2)(f) of this section.

(4) Subsection (2)(a) and (b) of this section apply to any conviction of any offense committed in another jurisdiction that includes all of the elements of any of the offenses in subsection (2)(a) and (b) of this section.

(5) The director may deny a permit to an individual to act as a transportation network company driver for a transportation network company who has certified the individual meets all requirements, if the individual:

(a) Has had one of the following major violations in the prior five-year period:

(i) A crime involving physical violence; or

(ii) A crime reasonably related to the individual's honesty and integrity including, but not limited to, hit-and-run, fraud, larceny, burglary, or extortion.

(b) When determining whether to deny a permit to an individual to act as a transportation network company driver under this subsection, the director may consider the following factors: The nature and severity of the offense, the number and type of convictions involving physical violence and/or related to the individual's honesty and integrity, time elapsed since the conviction, and any information related to the individual's rehabilitation or other mitigating factors, if available.

(c) The director must immediately inform the applicant and the transportation network company or companies affiliated with the applicant of a denial of the for hire operator permit. The director must provide the applicant an opportunity to request a hearing to respond to the notice and introduce any evidence to refute or mitigate the denial. If the applicant requests a hearing, the applicant may continue to provide transportation network company services pending a final hearing decision by the director.

NEW SECTION. **Sec.**  (1) A transportation network company must require that any motor vehicle that a transportation network company driver intends to use to provide prearranged rides:

(a) Is not more than twelve years old as determined by the model year of the vehicle;

(b) Meets emissions requirements for motor vehicles; and

(c) Has received an annual safety inspection by a third party, approved by the department, that includes the following components:

(i) Foot brakes;

(ii) Parking brakes;

(iii) Steering mechanism;

(iv) Windshield;

(v) Rear window and other glass;

(vi) Windshield wipers;

(vii) Headlights;

(viii) Taillights;

(ix) Brake lights;

(x) Front seat adjustment mechanism;

(xi) Doors;

(xii) Turn signal lights;

(xiii) Horn;

(xiv) Speedometer;

(xv) Bumpers;

(xvi) Muffler and exhaust system;

(xvii) Tires, including tread depth;

(xviii) Interior and exterior mirrors; and

(xix) Safety belts.

(2) When providing transportation network company services, each transportation network company vehicle must display trade dress visible to the passenger from outside the vehicle.

(3) A transportation network company must inform a transportation network company driver of the driver's responsibility to comply with all applicable safety recalls issued by a vehicle manufacturer or the national highway traffic safety administration for each motor vehicle the driver will use to provide prearranged rides.

NEW SECTION. **Sec.**  A transportation network company's digital network or web site must display the name and photograph of the transportation network company driver and the license plate number of the transportation network company vehicle before the passenger enters the vehicle.

NEW SECTION. **Sec.**  Within one hour of a trip completion, a transportation network company must transmit an electronic receipt to the passenger on behalf of the transportation network company driver that lists:

(1) The date and time of the trip;

(2) The origin and destination of the trip;

(3) The total time and distance of the trip;

(4) Driver and vehicle identification; and

(5) The total fare paid, itemizing all charges and fees.

NEW SECTION. **Sec.**  (1) A transportation network company must implement a zero tolerance policy and nondiscrimination policy regarding a transportation network company driver's activities while accessing the transportation network company's digital network. The zero tolerance policy must address the use of drugs or alcohol while a transportation network company driver is providing prearranged rides or is logged in to the transportation network company's digital network but is not providing prearranged rides. The nondiscrimination policy must prohibit drivers from discriminating against passengers or potential passengers on the basis of geographic endpoints of the ride, race, color, national origin, religious belief or affiliation, sex, disability, age, or sexual orientation/identity. Copies of the zero tolerance and nondiscrimination policies must be provided by the transportation network company to each transportation network company driver.

(2) A transportation network company must provide notice of the zero tolerance and nondiscrimination policies on its web site, as well as procedures to report a complaint about a transportation network company driver whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the trip or violated the nondiscrimination policy.

(3) Upon receipt of a complaint alleging a violation of the zero tolerance or nondiscrimination policy, the transportation network company shall: Inform the director and local law enforcement officers; immediately suspend the transportation network company driver's ability to accept trip requests through the transportation network company's digital network; and investigate the reported incident. The suspension must last the duration of the transportation network company's investigation. If the transportation network company determines that the transportation network company driver violated the zero tolerance or nondiscrimination policy, the transportation network company must take appropriate action against the driver, including, at a minimum, suspending the driver from the transportation network company's digital network until the transportation network company determines that the driver is compliant with the zero tolerance and nondiscrimination policy.

(4) A transportation network company must maintain records relevant to the enforcement of the policy under this section for a period of at least two years from the date that a passenger complaint is received by the transportation network company.

(5) Each transportation network company driver is subject to periodic random alcohol and drug testing, as may be ordered by the director.

NEW SECTION. **Sec.**  A transportation network company driver may not:

(1) Solicit or accept a trip request to provide transportation network company services other than a trip request arranged through a transportation network company's digital network;

(2) Provide transportation network company services or any other for hire services for more than fourteen hours in a twenty-four-hour period;

(3) Allow any other individual to use that driver's access to a transportation network company's digital network;

(4) Withhold driver identification from a requesting department or local law enforcement officer; or

(5) Withhold from the department or local law enforcement officer proof of registration, primary automobile insurance, and status as a transportation network company driver while providing transportation network company services.

NEW SECTION. **Sec.**  (1) Upon request from the department or local law enforcement officer, a transportation network company driver must show proof of effective primary automobile insurance and a waybill.

(2) If, after a transportation network company has permitted an individual to act as a transportation network company driver on its digital network, the transportation network company is notified by law enforcement, a local law enforcement officer, or a government entity that a transportation network company driver has violated a law or rule or regulation related to the provision of transportation network company services, the transportation network company must suspend the transportation network company driver's ability to accept trip requests through the transportation network company's digital network immediately unless otherwise stated in this chapter and investigate the reported incident. The suspension must last the duration of the investigation. If the driver is determined to have violated a law or rule or regulation that would make him or her ineligible to be a transportation network company driver, the transportation network company driver must remain suspended from accepting trip requests.

(3)(a) In response to a specific complaint alleging criminal conduct against any transportation network company driver or passenger, a transportation network company must, upon request, provide information to a requesting law enforcement officer to investigate the complaint, as determined by the requesting law enforcement officer, whether the department or a local law enforcement agency.

(b) Transportation network companies must provide information related to an alleged criminal incident including, but not limited to, trip specific details regarding origin and destination, length of trip, global positioning system coordinates of route, driver identification and, if applicable, passenger identification, and any information reported to the transportation network company regarding the alleged criminal activity by a driver or passenger.

(4) A transportation network company driver must report arrests, charges, convictions, and crashes to the transportation network company and department within twenty-four hours. Delay, absent good cause, may result in the suspension or revocation of the transportation network company driver's for hire operator permit and/or the issuance of a civil infraction.

NEW SECTION. **Sec.**  A violation of this section by a transportation network company driver providing transportation network company services is a civil infraction. Local law enforcement agencies may set additional amounts for civil infractions within their jurisdiction. State or local law enforcement officers may issue a citation for any such violation. If a driver is cited under this section, every transportation network company that allows the driver to provide transportation network company services on its digital network is subject to a fine, the amount of which is set by the director or local law enforcement agencies as appropriate. Violations include:

(1) Not having a valid and effective for hire operator permit as required by this chapter;

(2) Not having a valid and effective vehicle certification as required by this chapter;

(3) Allowing another individual to use the transportation network company driver's sign in or identity to provide transportation network company services;

(4) Misrepresenting identity to passengers or potential passengers by means of a digital network;

(5) Violating the nondiscrimination policy;

(6) Violating the zero tolerance policy;

(7) Soliciting, accepting, arranging, or providing transportation network company services in any manner other than through a transportation network company's digital network, including through street hails, cruising, or street solicitations;

(8) Providing transportation network company services or any other for hire services for more than fourteen hours in a twenty-four hour period;

(9) Withholding driver identification from the department or local law enforcement officer upon request; or

(10) Withholding from the department or any local law enforcement officer any of the following while providing transportation network company services: Proof of registration; primary automobile insurance; or status as a transportation network company driver.

NEW SECTION. **Sec.**  (1) If the department or local law enforcement officer determines that a transportation network company or transportation network company driver is in violation of this chapter or any rule or regulation adopted under this chapter, the department or local law enforcement officer must issue a notice of violation and inform the transportation network company or transportation network company driver that it is entitled to a hearing to respond to the notice and introduce any evidence to refute or mitigate the violation. Hearings to contest monetary penalties issued by local law enforcement officers may be held by local administrative bodies. The decision of the department or local law enforcement officer is final if a timely appeal is not filed. If the violation is affirmed and all appeals have been exhausted, the decision is final. The department or local law enforcement officer must issue a monetary penalty pursuant to director rule; the department or local law enforcement officer may additionally suspend, revoke, condition, or otherwise limit a transportation network company or for hire operator permit in accordance with this section.

(2) Local law enforcement officers must report all violations committed by transportation network companies and transportation network company drivers, and recommend the suspension, revocation, condition, or limitation of transportation network companies and transportation network company drivers to the department on a quarterly basis. Recommendations by local law enforcement officers for suspensions and revocations are based on the schedule in subsection (3) of this section. Within ten calendar days of receipt of the local law enforcement officer's recommendations, the department must impose the recommended action unless the department responds in writing to the local law enforcement officer explaining why the department disagrees with the local law enforcement officer's recommendation(s). The number and severity of violations are be considered by the department when determining whether to suspend or revoke the permit of a transportation network company. Except as otherwise provided in this chapter, the monetary penalties for transportation network company drivers are adopted by department rule. In determining the amount of the monetary penalty against a transportation network company, the department or local law enforcement officer may consider, without limitation, the size of the transportation network company based on a transportation network company's intrastate operating revenues for the previous calendar year, the number of trips in the jurisdiction, the gravity of the violation, the degree to which the transportation network company exercised good faith in attempting to achieve compliance or to remedy noncompliance, and previous violations by the transportation network company cited by the department or local law enforcement officer. Any deceptive, manipulative, or coordinated practice used by a transportation network company to evade authorities or deceive passengers or drivers, including through the use of a digital network or the system supporting the digital network, is a violation of this chapter.

(3) Suspension and revocation schedule:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Violation** | **30-day suspension** | **60-day suspension** | **6-month suspension** | **Summary**  **suspension** | **Revocation** |
| **Class A** |  |  |  |  |  |
| **Class B** |  |  |  |  |  |
| **Class C** |  |  |  |  |  |
| **Class D** |  |  |  |  |  |
| **Unclassified** |  |  |  |  |  |

(4) Discretion to suspend a transportation network company's operations in local jurisdictions, consistent with subsection (3) of this section, rests with the director and the local law enforcement agency for a city with a population of more than five hundred thousand or a county with a population of more than one million.

(5) It is not a defense to any regulatory action or penalty imposition to assert that the department or local law enforcement officer cannot act because a for hire operator does not possess a valid permit.

(6) It is not a defense to any regulatory action or penalty imposition to assert that the for hire operator is a department contractor.

(7) The requirements of this chapter, along with any penalties that may be assessed for violations of this chapter, apply to all for hire operators, whether or not legally and validly permitted.

(8) Within sixty days of the effective date of this section, the department must issue rules and regulations to establish a civil monetary schedule for penalties under this chapter, and a process for administrative appeal of any penalty, denial, suspension, or revocation imposed by the department in accordance with this section. A local law enforcement officer may issue rules and regulations or use existing rules to establish a process for administrative appeal of any penalty.

(9) Any party aggrieved by a final order or decision of the department or local administrative body pursuant to this section may institute proceedings for judicial review in the superior court within thirty days after receipt of the order or decision. The commencement of such proceedings do not, unless specifically ordered by the court, operate as a stay of the department's or local administrative body's order or decision.

NEW SECTION. **Sec.**  A transportation network company must maintain the following records:

(1) Individual trip records for at least three years from the end of the calendar year in which each trip was provided; and

(2) Individual records of transportation network company drivers at least until the end of the calendar year marking the three-year anniversary of the date on which a transportation network company driver's relationship with the transportation network company has ended.

NEW SECTION. **Sec.**  (1) For the sole purpose of verifying that a transportation network company is in compliance with the requirements of this chapter and no more than quarterly per year, the department, or the local law enforcement agency for a city with a population of more than five hundred thousand or a county with a population of more than one million, may review a sample of records that the transportation network company is required to maintain under this chapter. The sample of records may be chosen by the department or local law enforcement agency.

(2) In response to a complaint or incident, the department or local law enforcement agency may inspect any of a transportation network company's records related to the complaint or incident at issue. Audits of information related to particular complaints or incidents are not included in the calculation of quarterly audits.

(3) Within ten calendar days of receiving a written request from the department or local law enforcement agency, a transportation network company must transmit requested records to the department or local law enforcement agency via a secure delivery method, which may include use of encryption security.

(4) If, after initial review of the submitted records, the department or local law enforcement agency has a reasonable basis to conclude that the transportation network company is not in compliance with any provision of this chapter or regulation, the department or local law enforcement agency may conduct a supplemental audit of records that it deems necessary and reasonable. Supplemental audits are not included in the calculation of quarterly audits.

(5) If a department or local law enforcement agency audit is conducted by an agreed upon third party, the cost of the audit is borne and paid by the transportation network company that is under audit.

(6) Noncompliance with this section constitutes cause for the department to suspend the transportation network company permit, consistent with section 13 of this act.

(7) Any record sample furnished to the department or local law enforcement agency for audit purposes may exclude information that would tend to identify specific passengers, except that passenger names may be needed for crimes against drivers.

NEW SECTION. **Sec.**  The permit fees for transportation network companies, drivers, and vehicles are as follows:

|  |  |
| --- | --- |
| Transportation network companies' application fee for for hire permit | Per ride surcharge for every ride provided by a transportation network company driver |
| For hire operator permit | Per ride surcharge for every ride provided by a transportation network company driver |
| Vehicle certificate | Per ride surcharge for every ride provided by a transportation network company driver |
| Vehicle certificate renewal | Per ride surcharge for every ride provided by a transportation network company driver |
| Change of vehicle certificate | Per ride surcharge for every ride provided by a transportation network company driver |
| Duplicate vehicle certificate | Per ride surcharge for every ride provided by a transportation network company driver |

No vehicle certificate fee is charged for a name or address change, unless the change involves new ownership of the business or the vehicle.

NEW SECTION. **Sec.**  The vehicle registration for a transportation network company vehicle is not required to have the use class recorded as either "CAB" or "F/H."

NEW SECTION. **Sec.**  (1)(a) Each prearranged ride provided by a transportation network company driver while on the transportation network company's digital network must be assessed a ten cent per trip passenger surcharge fee to cover the costs of enforcement and regulation of state transportation network company licensing and to be distributed to municipalities or counties of this state.

(b) If independently imposing the fee under subsection (7) of this section, the department or local law enforcement agency may review the per trip surcharge fee imposed under (a) of this subsection not more frequently than annually, and increase the fee by rule to cover costs related to the continuing administration and enforcement of this chapter by the department, and by local law enforcement agencies as permitted under this chapter, provided that any increase is limited to the extent the fee does not cover costs. In considering an adjustment to the surcharge, the department may consider the number of new transportation network company licenses issued, the number of transportation network company prearranged rides, and information provided by local agencies regarding enforcement costs.

(2) Using geographic information system data, a transportation network company must determine whether each prearranged ride originated within the incorporated boundaries of a municipality, or outside of the incorporated boundaries of a municipality and within the boundaries of a county of this state.

(3) The surcharge fee assessed under subsection (1) of this section and the total number of originating trips must be remitted directly by the transportation network company to each city with a population of more than five hundred thousand or a county with a population of more than one million, within thirty days of the end of each calendar quarter, less the amount necessary to cover the expenses borne by the department derived from the regulation and permitting of transportation network companies and transportation network company drivers. In lieu of deducting the department's regulatory and permitting expenses, the city and county may reimburse the department within thirty days of an invoice documenting the department's proportionate share of regulatory and permitting expenses for each municipality and county.

(4) For cities with a population of five hundred thousand or fewer or a county with a population of one million or fewer, a transportation network company must submit to the department and each municipality and county recipient of funds, within thirty days of the end of each calendar quarter:

(a) The quarterly total amount of passenger surcharge fees collected for rides originating in cities with a population of five hundred thousand or less and counties with a population of one million or less, by a transportation network company on behalf of transportation network company drivers; and

(b) A report listing the percentage of the quarterly total amount of passenger surcharge fees from trips that originated in each city with a population of five hundred thousand or less or a county with a population of one million or less during the reporting period.

(5) The department must retain the amount of the passenger surcharge fee collected under subsection (4)(a) of this section as is necessary to cover the expenses borne by the department derived from the: (a) Regulation and permitting of transportation network companies and transportation network company drivers; and (b) the collection, remittance, and distribution of passenger surcharge fees under subsection (4) of this section. The department must deposit these funds in the transportation network company account created in section 22 of this act.

(6) Within sixty days of the end of each calendar quarter, the department must distribute the remaining portion of the total passenger surcharge fees collected under subsection (4)(a) of this section less the amount retained under subsection (5) of this section to each municipality or county where a trip originated during the reporting period. The distribution to each municipality or county must be proportionate to the percentage of the quarterly total amount of surcharge fees that originated in each municipality or county. If a municipality contracts with a county for enforcement activities or other activities authorized under this chapter, the distribution applicable to that municipality shall be included in the distribution to the county. The funds collected by each municipality or county under this subsection must be used to fund enforcement activities by the municipalities and counties relating to this chapter.

(7) Nothing in this section prohibits a municipality or county from imposing and amending an independent per ride fee for local law enforcement costs. Municipalities and counties that impose an independent per ride fee are exempt from receiving funds from the transportation network company account created in section 22 of this act.

NEW SECTION. **Sec.**  (1) In addition to the surcharge fee assessed under section 18 of this act, each prearranged ride provided by a transportation network company driver to a passenger that originates in a city with a population of two hundred thousand or more or in a county with a population of one million or more must be assessed an accessibility surcharge, which is a ten cent per trip surcharge fee to offset costs associated with improving transportation options for individuals with disabilities. The amount of the accessibility surcharge may be adjusted by the local law enforcement agency based on, but not limited to, consideration of the following factors: Reimbursed costs for purchasing and retrofitting accessible vehicles; the estimated need for purchasing and retrofitting accessible vehicles in the upcoming year; total number of wheelchair accessible rides requested and total provided; and any other factors that may affect the supply, demand, and financial viability for wheelchair accessible for hire transportation service within the local law enforcement agency's jurisdiction.

(2) The surcharge fee assessed under subsection (1) of this section may be used to offset the operational costs incurred by owners and operators of wheelchair accessible taxicabs, wheelchair accessible for hire vehicles, or wheelchair accessible transportation network company vehicles including, but not limited to, reimbursement for: Costs associated with converting or purchasing a vehicle to be used as a for hire vehicle that is fully wheelchair accessible by ramp or lift in conformance with the Americans with disabilities act of 1990 (42 U.S.C. 12101 et seq.); costs associated with creating a central dispatch system for wheelchair accessible rides; costs to drivers for training for the safe and secure transportation of passengers in wheelchairs; extra fuel and maintenance costs; and time involved in providing wheelchair accessible rides. The surcharge fee may also be used by the department or local law enforcement agency to cover costs for department-approved outreach and communication related to accessible for hire transportation services.

(3) The surcharge fee assessed under subsection (1) of this section must be remitted directly by the transportation network company to each applicable city and county within thirty days of the end of each calendar quarter.

(4) For hire operator drivers must undergo department-approved training for the safe and secure transportation of passengers in wheelchairs prior to providing rides to passengers in wheelchairs. Rides provided to passengers in wheelchairs in vehicles that do not conform to Americans with disabilities act standards and/or by a driver without the training required in this subsection are ineligible for reimbursement.

(5) Nothing in this section prohibits a municipality or county from imposing an independent per ride fee for local accessibility reimbursement costs and distributing reimbursements. Municipalities and counties that impose an independent per ride fee are exempt from receiving funds from the transportation network company account created in section 22 of this act.

NEW SECTION. **Sec.**  (1) A transportation network company driver, transportation network company, any of the company's agents, or any person acting on behalf of a transportation network company may not take adverse action against any passenger if:

(a) The passenger or former passenger has informed any other person or made a complaint, or the driver or transportation network company believes a passenger has informed any other person or made a complaint, including to the driver, the transportation network company, the department, the attorney general, or any other person, that the driver or transportation network company engaged in conduct that the passenger reasonably believes violates this chapter;

(b) The passenger or former passenger has sought information about the passenger's rights under this chapter or informed others about their rights under this chapter; or

(c) The passenger or former passenger has, or the driver or transportation network company believes a passenger has, otherwise exercised rights protected under this chapter.

(2) For purposes of this section, "adverse action" includes revoking, denying, or otherwise limiting access to the digital network or transportation network company services.

NEW SECTION. **Sec.**  (1) The legislature finds that the practices covered under this chapter are matters vitally affecting the public interest for the purpose of applying chapter 19.86 RCW. A violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying chapter 19.86 RCW.

(2) The attorney general must maintain a toll-free number for complaints from passengers or former passengers related to this chapter and maintain a web site to inform passengers of their rights under this chapter.

(3) The transportation network company must maintain data regarding passenger complaints and the disposition of the complaint. The department, local law enforcement agencies, and the attorney general must be provided the data on a quarterly basis.

NEW SECTION. **Sec.**  The transportation network company account is created in the custody of the state treasurer. All receipts from sections 4(2) and 16(4) of this act must be deposited into the account. Expenditures from the account may be used only for the purposes provided in section 16(4) of this act. Only the director or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec.**  RCW 43.79A.040 and 2017 3rd sp.s. c 5 s 89 are each amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family and medical leave insurance account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the transportation network company account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, the center for childhood deafness and hearing loss account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, and the radiation perpetual maintenance fund.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

**Sec.**  RCW 46.72.040 and 2010 c 8 s 9089 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, before a permit is issued every for hire operator shall be required to deposit and thereafter keep on file with the director a surety bond running to the state of Washington covering each and every for hire vehicle as may be owned or leased by him or her and used in the conduct of his or her business as a for hire operator. Such bond shall be in the sum of one hundred thousand dollars for any recovery for death or personal injury by one person, and three hundred thousand dollars for all persons killed or receiving personal injury by reason of one act of negligence, and twenty-five thousand dollars for damage to property of any person other than the assured, with a good and sufficient surety company licensed to do business in this state as surety and to be approved by the director, conditioned for the faithful compliance by the principal of said bond with the provisions of this chapter, and to pay all damages which may be sustained by any person injured by reason of any careless negligence or unlawful act on the part of said principal, his or her agents or employees in the conduct of said business or in the operation of any motor propelled vehicle used in transporting passengers for compensation on any public highway of this state.

(2) The surety bond requirements of this section are alternatively satisfied by securing insurance coverage pursuant to this chapter.

(3) No provision of this chapter is construed to limit the right of an injured person to any private right of action against a for hire operator.

(4) A transportation network company or other for hire vehicle company, on behalf of affiliated for hire operators, may submit to the director proof of surety bonds or insurance as required by this section.

**Sec.**  RCW 48.177.010 and 2015 c 236 s 2 are each amended to read as follows:

(1)(a) Before being used to provide ((~~commercial~~)) transportation network company services, every ((~~personal~~)) passenger vehicle must be covered by a primary automobile insurance policy that specifically covers ((~~commercial~~)) transportation network company services. However, the insurance coverage requirements of this section are alternatively satisfied by securing coverage pursuant to chapter 46.72 or 46.72A RCW that covers the ((~~personal~~)) passenger vehicle being used to provide ((~~commercial~~)) transportation network company services and that is in effect twenty-four hours per day, seven days per week. Except as provided in subsection (2) of this section, a ((~~commercial~~)) transportation ((~~services provider~~)) network company must secure this policy for every personal vehicle used to provide ((~~commercial~~)) transportation network company services. For purposes of this section, a "primary automobile insurance policy" is not a private passenger automobile insurance policy.

(b) The primary automobile insurance policy required under this section must provide coverage, as specified in this subsection (1)(b), at all times the driver is logged in to a ((~~commercial~~)) transportation ((~~services provider's~~)) network company's digital network ((~~or software application~~)) and at all times a passenger is in ((~~the~~)) a transportation network company vehicle as part of a prearranged ride.

(i) The primary automobile insurance policy required under this subsection must provide the following coverage during ((~~commercial~~)) transportation network company services applicable during the period before a driver accepts a requested ride through a digital network ((~~or software application~~)):

(A) Combined single limit liability coverage in an amount no less than fifty thousand dollars per person for bodily injury, one hundred thousand dollars per accident for bodily injury of all persons, and thirty thousand dollars for damage to property;

(B) Underinsured motorist coverage to the extent required under RCW 48.22.030; and

(C) Personal injury protection coverage to the extent required under RCW 48.22.085 and 48.22.095.

(ii) The primary automobile insurance policy required under this subsection must provide the following coverage, applicable during the period of a prearranged ride:

(A) Combined single limit liability coverage in the amount of one million dollars for death, personal injury, and property damage;

(B) Underinsured motorist coverage in the amount of one million dollars; and

(C) Personal injury protection coverage to the extent required under RCW 48.22.085 and 48.22.095.

(2)(a) As an alternative to the provisions of subsection (1) of this section, if the office of the insurance commissioner approves the offering of an insurance policy that recognizes that a person is acting as a transportation network company driver ((~~for a commercial transportation services provider~~)) and using a ((~~personal~~)) passenger vehicle to provide ((~~commercial~~)) transportation network company services, a driver may secure a primary automobile insurance policy covering a personal vehicle and providing the same coverage as required in subsection (1) of this section. The policy coverage may be in the form of a rider to, or endorsement of, the driver's private passenger automobile insurance policy only if approved as such by the office of the insurance commissioner.

(b) If the primary automobile insurance policy maintained by a driver to meet the obligation of this section does not provide coverage for any reason, including that the policy lapsed or did not exist, the ((~~commercial~~)) transportation ((~~services provider~~)) network company must provide the coverage required under this section beginning with the first dollar of a claim.

(c) The primary automobile insurance policy required under this subsection and subsection (1) of this section may be secured by any of the following:

(i) The ((~~commercial~~)) transportation ((~~services provider~~)) network company as provided under subsection (1) of this section;

(ii) The transportation network company driver as provided under (a) of this subsection; or

(iii) A combination of both the ((~~commercial~~)) transportation ((~~services provider~~)) network company and the transportation network company driver.

(3) The insurer or insurers providing coverage under subsections (1) and (2) of this section are the only insurers having the duty to defend any liability claim from an accident occurring while ((~~commercial~~)) transportation network company services are being provided.

(4) In addition to the requirements in subsections (1) and (2) of this section, before allowing a person to provide ((~~commercial~~)) transportation network company services as a transportation network company driver, a ((~~commercial~~)) transportation ((~~services provider~~)) network company must provide written proof to the driver that the driver is covered by a primary automobile insurance policy that meets the requirements of this section. Alternatively, if a transportation network company driver purchases a primary automobile insurance policy as allowed under subsection (2) of this section, the ((~~commercial~~)) transportation ((~~services provider~~)) network company must verify that the driver has done so.

(5) A primary automobile insurance policy required under subsection (1) or (2) of this section may be placed with an insurer licensed under this title to provide insurance in the state of Washington or as an eligible surplus line insurance policy as described in RCW 48.15.040.

(6) Insurers that write automobile insurance in Washington may exclude any and all coverage afforded under a private passenger automobile insurance policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a transportation network company driver ((~~for a commercial transportation services provider~~)) is logged in to a ((~~commercial~~)) transportation ((~~services provider's~~)) network company's digital network or while a transportation network company driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage included in a private passenger automobile insurance policy including, but not limited to:

(a) Liability coverage for bodily injury and property damage;

(b) Personal injury protection coverage;

(c) Underinsured motorist coverage;

(d) Medical payments coverage;

(e) Comprehensive physical damage coverage; and

(f) Collision physical damage coverage.

(7) Nothing in this section shall be construed to require a private passenger automobile insurance policy to provide primary or excess coverage or a duty to defend for the period of time in which a transportation network company driver is logged in to a ((~~commercial~~)) transportation ((~~services provider's~~)) network company's digital network ((~~or software application~~)) or while the driver is engaged in a prearranged ride or the driver otherwise uses a vehicle to transport passengers for compensation.

(8) Insurers that exclude coverage under subsection (6) of this section have no duty to defend or indemnify any claim expressly excluded under subsection (6) of this section. Nothing in this section shall be deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Washington state before July 24, 2015, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(9) An exclusion exercised by an insurer in subsection (6) of this section applies to any coverage selected or rejected by a named insured under RCW 48.22.030 and 48.22.085. The purchase of a rider or endorsement by a transportation network company driver under subsection (2)(a) of this section does not require a separate coverage rejection under RCW 48.22.030 or 48.22.085.

(10) If more than one insurance policy provides valid and collectible coverage for a loss arising out of an occurrence involving a motor vehicle operated by a transportation network company driver, the responsibility for the claim must be divided as follows:

(a) Except as provided otherwise under subsection (2)(c) of this section, if the driver has been matched with a passenger and is traveling to pick up the passenger, or the driver is providing transportation network company services to a passenger, the ((~~commercial~~)) transportation ((~~services provider~~)) network company that matched the driver and passenger must provide insurance coverage; or

(b) If the driver is logged in to the digital network ((~~or software application~~)) of more than one ((~~commercial~~)) transportation ((~~services provider~~)) network company but has not been matched with a passenger, the liability must be divided equally among all of the applicable insurance policies that specifically provide coverage for ((~~commercial~~)) transportation network company services.

(11) In an accident or claims coverage investigation, a ((~~commercial~~)) transportation ((~~services provider~~)) network company or its insurer must cooperate with a private passenger automobile insurance policy insurer and other insurers that are involved in the claims coverage investigation to facilitate the exchange of information, including the provision of (a) dates and times at which an accident occurred that involved a participating transportation network company driver and (b) within ten business days after receiving a request, a copy of the provider's electronic record showing the precise times that the participating driver logged on and off the provider's digital network ((~~or software application~~)) on the day the accident or other loss occurred. The ((~~commercial~~)) transportation ((~~services provider~~)) network company or its insurer must retain all data, communications, or documents related to insurance coverage or accident details for a period of not less than the applicable statutes of limitation, plus two years from the date of an accident to which those records pertain.

(12) This section does not modify or abrogate any otherwise applicable insurance requirement set forth in this title.

(13) After July 1, 2016, an insurance company regulated under this title may not deny an otherwise covered claim arising exclusively out of the personal use of the private passenger automobile solely on the basis that the insured, at other times, used the private passenger automobile covered by the policy to provide ((~~commercial~~)) transportation network company services.

(14) If an insurer for a ((~~commercial~~)) transportation ((~~services provider~~)) network company makes a payment for a claim covered under comprehensive coverage or collision coverage, the ((~~commercial~~)) transportation ((~~services provider~~)) network company must cause its insurer to issue the payment directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder on the covered vehicle.

(15)(a) To be eligible for securing a primary automobile insurance policy under this section, a ((~~commercial~~)) transportation ((~~services provider~~)) network company must make the following disclosures in writing to a prospective driver in the prospective driver's terms of service:

WHILE OPERATING ON THE DIGITAL NETWORK ((~~OR SOFTWARE APPLICATION~~)) OF THE ((~~COMMERCIAL~~)) TRANSPORTATION ((~~SERVICES PROVIDER~~)) NETWORK COMPANY, YOUR PRIVATE PASSENGER AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD LIABILITY, UNDERINSURED MOTORIST, PERSONAL INJURY PROTECTION, COMPREHENSIVE, OR COLLISION COVERAGE, DEPENDING ON THE TERMS OF THE POLICY.

IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE ((~~COMMERCIAL~~)) TRANSPORTATION NETWORK COMPANY SERVICES FOR OUR COMPANY HAS A LIEN AGAINST IT, YOU MUST NOTIFY THE LIENHOLDER THAT YOU WILL BE USING THE VEHICLE FOR ((~~COMMERCIAL~~)) TRANSPORTATION NETWORK COMPANY SERVICES THAT MAY VIOLATE THE TERMS OF YOUR CONTRACT WITH THE LIENHOLDER.

(b) The prospective driver must acknowledge the terms of service electronically or by signature.

(16) If the office of the insurance commissioner approves the insurance requirements described in this section to apply to other for hire operators that are not transportation network companies, those for hire operators may also use this insurance policy to fulfill their obligation pursuant to RCW 46.72.040.

**Sec.**  RCW 46.72.110 and 2011 c 298 s 27 are each amended to read as follows:

(1) All fees, except the per ride surcharge imposed by transportation network companies, received by the director under the provisions of this chapter must be transmitted by him or her, together with a proper identifying report, to the state treasurer to be deposited by the state treasurer in the highway safety fund. Appropriations from the highway safety fund will support expenses incurred in carrying out the licensing and regulatory activities of this chapter.

(2) All transportation network company permit fees and the per ride transportation network company surcharges collected by and distributed by the department pursuant to section 18(4) of this act must be deposited into the transportation network company account created in section 22 of this act.

**Sec.**  RCW 46.72.160 and 1996 c 87 s 19 are each amended to read as follows:

(1) Except as otherwise provided in this section, cities, counties, and port districts may license, control, and regulate all for hire vehicles operating within their respective jurisdictions. The power to regulate includes:

((~~(1)~~)) (a) Regulating entry into the business of providing for hire vehicle transportation services;

((~~(2)~~)) (b) Requiring a license to be purchased as a condition of operating a for hire vehicle and the right to revoke, cancel, or refuse to reissue a license for failure to comply with regulatory requirements;

((~~(3)~~)) (c) Controlling the rates charged for providing for hire vehicle transportation service and the manner in which rates are calculated and collected;

((~~(4)~~)) (d) Regulating the routes and operations of for hire vehicles((~~,~~)) including, but not limited to, restricting access to airports, stadiums, and large public events as defined by department rule;

((~~(5)~~)) (e) Establishing safety and equipment requirements; ((~~and~~

~~(6)~~)) (f) Discretion to suspend a transportation network company's operations in the local jurisdiction, consistent with section 13 of this act; and

(g) Any other requirements adopted to ensure safe and reliable for hire vehicle transportation service.

(2) This state preempts the following fields of regulation of transportation network companies, transportation network company drivers, and transportation network company vehicles:

(a) Licensing and permits for transportation network companies and transportation network company drivers;

(b) All requirements, applications, certifications, examinations, and background checks for transportation network company drivers, and the processing and adjudication of each, except that local jurisdictions may impose safety and customer service training; and

(c) All entry requirements for transportation network companies within the boundaries of this state.

(3) This section is not intended to limit, extend, address, or affect the authority of any political subdivision or municipal corporation to impose requirements upon transportation network companies, transportation network company drivers, and transportation network company vehicles within its jurisdiction that are generally applicable to all businesses.

(4) Notwithstanding subsection (2) of this section, nothing in this chapter limits the authority of cities with a population of more than five hundred thousand and counties with a population of more than one million to enforce this chapter, including regulations adopted by the department under this chapter, as applicable to transportation network companies, transportation network company drivers, or transportation network company vehicles.

(5) Notwithstanding subsection (2) of this section, this chapter does not affect the authority of cities with a population of more than five hundred thousand, counties with a population of more than one million, or port authorities to enforce, maintain, or amend any ordinance enacted before January 2017, that regulates transportation network companies, transportation network company drivers, or transportation network company vehicles.

(6) Nothing in this chapter precludes a city or county from regulating or enforcing ordinances related to traffic flow, traffic patterns, roadways, or the public right-of-way or from imposing related fees including, but not limited to, impact fees, parking fees, and congestion/peak travel period fees.

(7) Nothing in this chapter precludes a city or county from regulating highly automated vehicles.

NEW SECTION. **Sec.**  (1) Each for hire operator must adopt and abide by a policy of nondiscrimination on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity with respect to passengers and potential passengers. Notice of such policy must be conspicuously posted in a for hire operator's principal place of business, web site, and digital network.

(2) All for hire operators must comply with all applicable laws regarding nondiscrimination against passengers or potential passengers on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity.

(3) For hire operators must comply with all applicable laws relating to the transportation of service animals.

(4) For hire operators may not impose additional charges for providing services to persons with disabilities because of those disabilities.

NEW SECTION. **Sec.**  The following acts or parts of acts are each repealed:

(1)RCW 48.177.005 (Definitions) and 2016 c 21 s 1; and

(2)RCW 46.72.039 (Personal vehicles under chapter 48.177 RCW) and 2015 c 236 s 3.

NEW SECTION. **Sec.**  Sections 3 through 22 and 28 of this act are each added to chapter 46.72 RCW.

NEW SECTION. **Sec.**  RCW 48.177.010 is recodified as a section in chapter 46.72 RCW.

**--- END ---**