# SENATE BILL REPORT SB 6399

## As of February 11, 2020

- Title: An act relating to reducing emissions from vehicles associated with on-demand transportation services.
- **Brief Description**: Reducing emissions from vehicles associated with on-demand transportation services.
- Sponsors: Senators Liias, Nguyen, Carlyle, Lovelett, Kuderer, Stanford, Wellman, Billig, Saldaña, Das, Wilson, C. and Hunt.

#### **Brief History:**

**Committee Activity**: Transportation: 2/10/20.

### **Brief Summary of Bill**

- Requires the Department of Ecology to implement mandatory annual greenhouse gas reduction goals and targets regarding transportation application service providers, which include vehicles providing prearranged rides through a digital network or software application.
- Requires each transportation application service provider to implement a greenhouse gas emission reduction plan by July 1, 2023.

### SENATE COMMITTEE ON TRANSPORTATION

Staff: Kelly Simpson (786-7403)

**Background**: The Department of Ecology (DOE) is required to perform various functions under the Motor Vehicle Emissions Control law. These functions include conducting a public educational program regarding (1) the health effects of air pollution emitted by motor vehicles, (2) the purpose, operation, and effect of emission control devices and systems, and (3) the effect proper vehicle engine maintenance has on fuel economy and air pollution emissions. Until January 1, 2020, DOE was also administering a mandatory emissions test program as part of the vehicle registration process. The Legislature phased out the emission testing program beginning in 2005.

Summary of Bill: The bill as referred to committee not considered.

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

**Summary of Bill (Proposed Substitute)**: <u>Greenhouse Gas Emissions Baseline</u>. By July 1, 2021, DOE must establish a baseline for emissions of greenhouse gases for vehicles used on online-enable applications or platforms of transportation application service providers, and goods delivery providers on a per-delivery-mile traveled basis. The baseline must use data from 2018 and include various specified elements. Transportation application service providers use vehicles providing prearranged rides through a digital network or software application. Goods delivery providers use vehicles providers use vehicles providers use vehicles providers of nonfood consumer goods through a digital network or software application.

<u>Annual Greenhouse Gas Emission Reduction Goals and Targets.</u> By July 1, 2022, DOE must implement mandatory annual goals and targets for transportation application service providers that begin in 2023 for the reduction, under the established baseline for emissions, of greenhouse gasses. The goals and targets must (1) include annual targets and goals for increasing the percentage of passenger miles traveled using zero emission vehicles, (2) be technically and economically feasible, (3) be informed by reported data, and (4) be designed with consideration of the state statutory greenhouse gas emission limits and state vehicle miles traveled goals.

<u>Greenhouse Gas Emission Reduction Plans.</u> Beginning January 1, 2023, each transportation application service provider must submit to DOE a greenhouse gas emission reduction plan, and must implement an approved plan by July 1, 2023. The greenhouse gas emission reduction plans must contain proposals for meeting the DOE established goals and targets through various minimum specified actions.

<u>Department of Ecology Rulemaking Authority.</u> DOE may adopt rules to administer the act and may assess annual fees from each transportation application service provider and goods delivery provider to cover the costs of the program. Any fees collected must be deposited into the state Air Pollution Control Account.

<u>Recommendations Regarding Food Delivery Providers.</u> DOE must work with stakeholders to make recommendations, by December 1, 2023, regarding the integration of food delivery providers into the program.

Appropriation: None.

Fiscal Note: Available.

### Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Proposed Substitute**: PRO: This is a unique bill in that the industry is open to regulations to reduce greenhouse gas emissions. The bill is based on work in other states, and attempts to start with passenger transportation and may be expanded to food delivery services in the future. The bill provides innovative solutions to greenhouse gas reductions for transportation network companies (TNCs). It allows the industry to meet customer demands while being good environmental stewards. TNCs are

ready to partner with state and local governments to reduce greenhouse gas emissions. The bill provides a flexible compliance framework.

CON: The bill goes too far and covers more than TNCs. It appears to also cover common carriers.

OTHER: Uber applauds the thoughtful approach under the bill as it increases access to sustainable transportation. Uber publicly releases its greenhouse gas emissions data. Uber is a strong advocate for measuring greenhouse gas emissions on a per passenger-mile traveled standard. The bill should eventually be broadened to cover all vehicles. Uber supports removing food delivery service providers as is in the proposed substitute.

**Persons Testifying**: PRO: Senator Marko Liias, Prime Sponsor; Michael Breish, Washington State Department of Commerce.

CON: Mike Ennis, Association of Washington Business.

OTHER: Caleb Weaver, Uber.

Persons Signed In To Testify But Not Testifying: No one.