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## Transportation Committee

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### HB 1514

**Brief Description:** Addressing transportation demand management.

**Sponsors:** Representatives Taylor, Ramos and Harris-Talley.

**Brief Summary of Bill**

- Reduces the minimum requirement for ride sharing from five persons including the driver to three persons including the driver, and eliminates weight and trip requirements.
- Removes the time element from the definition of commute trip.
- Broadens eligibility for tax exemptions, tax credits, and license plates associated with ride sharing and commute trip reduction.

**Hearing Date:** 2/17/21

**Staff:** David Munnecke (786-7315).

**Background:**

Ride Sharing.

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

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

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

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

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

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

#### Commuter Trip Reduction.

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

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

#### **Summary of Bill:**

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

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

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

The time element is removed from the definition of a commute trip, so that a commute trip means a trip from a worker's home to a work site on weekdays.

**Appropriation:** None.

**Fiscal Note:** Requested on February 12, 2021.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.