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SENATE BILL 5620

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State of Washington                      65th Legislature                      2017 Regular Session

By Senators King, Hobbs, Fain, Mullet, and Palumbo

Read first time 02/01/17. Referred to Committee on Transportation.

1            AN ACT Relating to transportation network companies; amending RCW  
2 48.177.010, 51.12.020, 46.72.010, 46.74.020, and 50.04.100;  
3 reenacting and amending RCW 42.56.270 and 43.79A.040; adding a new  
4 chapter to Title 46 RCW; recodifying RCW 48.177.010; and repealing  
5 RCW 48.177.005.

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

7            NEW SECTION.    **Sec. 1.** The purpose of this chapter is to: Provide  
8 statewide uniform regulation for transportation network companies  
9 within the state of Washington, encourage technological innovation,  
10 and preserve and enhance access to important transportation options  
11 for residents and visitors to Washington state.

12           NEW SECTION.    **Sec. 2.** The definitions in this section apply  
13 throughout this chapter unless the context clearly requires  
14 otherwise.

15           (1) "Digital network" means any online-enabled technology  
16 application service, web site, or system offered or utilized by a  
17 transportation network company that enables the prearrangement of  
18 rides with transportation network company drivers.

19           (2) "Municipality" means a city or town with a certificate of  
20 incorporation, or township created by an act of the state.

1 (3) "Prearranged ride" means the provision of transportation or a  
2 trip by a transportation network company driver to a transportation  
3 network company rider, beginning when a transportation network  
4 company driver accepts a ride requested by a transportation network  
5 company rider through a digital network controlled by a  
6 transportation network company, continuing while the transportation  
7 network company driver transports the transportation network company  
8 rider, and ending when the last transportation network company rider  
9 departs from the transportation network company vehicle. "Prearranged  
10 ride" does not include: (a) Transportation provided by a taxi,  
11 limousine, motor carrier as defined in RCW 81.80.010, or other for  
12 hire vehicle or pursuant to chapter 46.72, 46.73, or 81.72 RCW; or  
13 (b) a shared expense carpool or vanpool arrangement or service as  
14 defined as ride sharing in RCW 46.74.010.

15 (4) "Transportation network company" means a corporation,  
16 partnership, sole proprietorship, or other entity that is licensed  
17 under this chapter and operating in Washington state and uses a  
18 digital network to connect transportation network company riders to  
19 transportation network company drivers who provide prearranged rides.  
20 A transportation network company is not deemed to control, direct, or  
21 manage the transportation network company vehicles or transportation  
22 network company drivers that connect to its digital network, except  
23 when agreed to by written contract. "Transportation network company"  
24 does not include a for hire transportation service or taxicab  
25 transportation service provided under chapter 46.72 or 81.72 RCW.

26 (5) "Transportation network company driver" means an individual  
27 who:

28 (a) Receives connections to potential transportation network  
29 company riders and related services from a transportation network  
30 company; and

31 (b) Uses a transportation network company vehicle to offer or  
32 provide a prearranged ride to transportation network company riders  
33 upon connection through a digital network controlled by a  
34 transportation network company in exchange for compensation or  
35 payment of a fee.

36 (6) "Transportation network company rider" means an individual or  
37 persons who use a transportation network company's digital network to  
38 connect with a transportation network company driver who provides  
39 prearranged rides to the rider in the transportation network company

1 driver's transportation network company vehicle between points chosen  
2 by the rider.

3 (7) "Transportation network company services" means services  
4 provided by a transportation network company driver at any time that  
5 a transportation network company driver is logged in to a  
6 transportation network company's digital network or providing a  
7 prearranged ride. "Transportation network company services" does not  
8 include services provided either directly or under contract with a  
9 political subdivision or other entity exempt from federal income tax  
10 under 26 U.S.C. Sec. 115 of the federal internal revenue code.

11 (8) "Transportation network company vehicle" means a vehicle that  
12 is:

13 (a) Used by a transportation network company driver to provide a  
14 prearranged ride;

15 (b) Owned, leased, or otherwise authorized for use by the  
16 transportation network company driver; and

17 (c) Not a taxicab, limousine, commuter ride-sharing vehicle, or  
18 for hire vehicle for purposes of chapter 46.72, 46.72A, 46.73, 46.74,  
19 46.76, or 81.72 RCW.

20 NEW SECTION. **Sec. 3.** A transportation network company or  
21 transportation network company driver is not a common carrier, motor  
22 carrier, or any other carrier as defined in RCW 81.80.010, and does  
23 not provide commuter ride sharing, taxicab, or for hire vehicle  
24 services pursuant to chapter 46.72, 46.73, or 81.72 RCW. A  
25 transportation network company driver is not required to register a  
26 transportation network company vehicle used to provide prearranged  
27 rides as a commercial vehicle or for hire vehicle.

28 NEW SECTION. **Sec. 4.** (1) A person must first obtain a permit  
29 from the department to operate a transportation network company in  
30 Washington state, except that any transportation network company  
31 operating in the state before the effective date of this section may  
32 continue operating until the department creates a permit process and  
33 sets a registration deadline.

34 (2) The department must issue a permit to each applicant that  
35 meets the requirements for a transportation network company as set  
36 forth in this chapter and pays an annual permit fee of five thousand  
37 dollars to the department.

1        NEW SECTION.        **Sec. 5.**        Any transportation network company  
2 operating in Washington state must maintain an agent for service of  
3 process in the state.

4        NEW SECTION.        **Sec. 6.**        On behalf of a transportation network  
5 company driver, a transportation network company may charge a fare  
6 for transportation network company services provided to any  
7 transportation network company rider, but must disclose to the rider  
8 the fare or fare calculation method on its web site or within its  
9 digital network. Before a rider enters a transportation network  
10 company vehicle, the transportation network company must provide, on  
11 behalf of the transportation network company driver, either the fare  
12 for the prearranged ride or the option to receive an estimated fare  
13 for the prearranged ride.

14        NEW SECTION.        **Sec. 7.**        A transportation network company's digital  
15 network or web site must display a photograph of the transportation  
16 network company driver and the license plate number of the  
17 transportation network company vehicle before the transportation  
18 network company rider enters the vehicle.

19        NEW SECTION.        **Sec. 8.**        Within a reasonable period of time  
20 following the completion of a trip, a transportation network company  
21 must transmit an electronic receipt to the transportation network  
22 company rider on behalf of the transportation network company driver  
23 that lists:

- 24            (1) The origin and destination of the trip;
- 25            (2) The total time and distance of the trip; and
- 26            (3) An itemization of the total fare paid, if any.

27        NEW SECTION.        **Sec. 9.**        A transportation network company driver is  
28 an independent contractor and not an employee of the transportation  
29 network company if all of the following conditions are met:

30            (1) The transportation network company does not unilaterally  
31 prescribe specific hours during which a transportation network  
32 company driver must be logged in to the transportation network  
33 company's digital network;

34            (2) The transportation network company imposes no restrictions on  
35 the transportation network company driver's ability to utilize a  
36 digital network from any other transportation network company;

1 (3) The transportation network company does not restrict a  
2 transportation network company driver from engaging in any other  
3 occupation or business; and

4 (4) The transportation network company and transportation network  
5 company driver agree in writing that the transportation network  
6 company driver is an independent contractor with respect to the  
7 transportation network company.

8 NEW SECTION. **Sec. 10.** (1) A transportation network company must  
9 implement a zero tolerance policy regarding a transportation network  
10 company driver's activities while accessing the transportation  
11 network company's digital network. The zero tolerance policy must  
12 address the use of drugs or alcohol while a transportation network  
13 company driver is providing prearranged rides or is logged in to the  
14 transportation network company's digital network but is not providing  
15 prearranged rides.

16 (2) A transportation network company must provide notice of this  
17 policy on its web site, as well as procedures to report a complaint  
18 about a transportation network company driver with whom a  
19 transportation network company rider was matched and whom the rider  
20 reasonably suspects was under the influence of drugs or alcohol  
21 during the course of the trip. Upon receipt of a complaint alleging a  
22 violation of the zero tolerance policy, the transportation network  
23 company must suspend the transportation network company driver's  
24 ability to accept trip requests through the transportation network  
25 company's digital network as soon as possible and conduct an  
26 investigation into the reported incident. The suspension must last  
27 the duration of the investigation.

28 (3) A transportation network company must maintain records  
29 relevant to the enforcement of the policy under this section for a  
30 period of at least two years from the date that a transportation  
31 network company rider complaint is received by the transportation  
32 network company.

33 NEW SECTION. **Sec. 11.** (1) Before allowing an individual to  
34 accept trip requests as a transportation network company driver  
35 through a transportation network company's digital network:

36 (a) The individual must submit an application to the  
37 transportation network company, which includes information regarding  
38 his or her name, address, phone, age, driver's license number, motor

1 vehicle registration, automobile liability insurance, and other  
2 information required by the transportation network company;

3 (b) The transportation network company, or a designated third  
4 party on behalf of the transportation network company, that is either  
5 accredited by the national association of professional background  
6 screeners or approved by the director, must conduct a local and  
7 national criminal background check for the applicant to include a  
8 review of:

9 (i) A multistate/multijurisdiction criminal records locator or  
10 other similar commercial nationwide database with validation (primary  
11 source search); and

12 (ii) The United States department of justice national sex  
13 offender public web site; and

14 (c) The transportation network company, or designated third  
15 party, must obtain and review a driving history research report for  
16 the individual.

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

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

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

24 (ii) Reckless driving pursuant to RCW 46.61.500; or

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

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

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

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

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

32 (iv) Any sex offense as defined in RCW 9.94A.030; or

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

35 (c) Is a match in the United States department of justice  
36 national sex offender public web site;

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

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

40 (f) Is not at least nineteen years of age.

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

5 NEW SECTION. **Sec. 12.** (1) A transportation network company must  
6 require that any motor vehicle that a transportation network company  
7 driver will use to provide prearranged rides:

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

10 (b) Meets the emissions requirements for motor vehicles; and

11 (c) Has received a safety inspection in the last year that  
12 includes the following components:

13 (i) Foot brakes;

14 (ii) Parking brakes;

15 (iii) Steering mechanism;

16 (iv) Windshield;

17 (v) Rear window and other glass;

18 (vi) Windshield wipers;

19 (vii) Headlights;

20 (viii) Taillights;

21 (ix) Turn indicator lights;

22 (x) Stop lights;

23 (xi) Front seat adjustment mechanism;

24 (xii) Doors (open, close, lock);

25 (xiii) Horn;

26 (xiv) Speedometer;

27 (xv) Bumpers;

28 (xvi) Muffler and exhaust system;

29 (xvii) Condition of tires, including tread depth;

30 (xviii) Interior and exterior mirrors; and

31 (xix) Safety belts for driver and passenger(s).

32 (2) All transportation network company vehicles must display  
33 trade dress that is visible to the rider when outside the vehicle  
34 when providing transportation network company services.

35 NEW SECTION. **Sec. 13.** A transportation network company driver  
36 may not solicit or accept a trip other than a trip arranged through  
37 the transportation network company's digital network.

1        NEW SECTION.    **Sec. 14.**    (1) A transportation network company must  
2 adopt a policy of nondiscrimination on the basis of destination,  
3 race, color, national origin, religious belief or affiliation, sex,  
4 disability, age, sexual orientation, or gender identity with respect  
5 to transportation network company riders and potential riders and  
6 notify transportation network company drivers of such policy.

7        (2) A transportation network company driver must comply with all  
8 applicable laws regarding nondiscrimination against transportation  
9 network company riders or potential riders on the basis of race,  
10 color, national origin, religious belief or affiliation, sex,  
11 disability, age, sexual orientation, or gender identity.

12        (3) A transportation network company driver must comply with all  
13 applicable laws relating to the transportation of service animals.

14        (4) A transportation network company may not impose additional  
15 charges for providing services to persons with disabilities because  
16 of those disabilities.

17        NEW SECTION.    **Sec. 15.**    A transportation network company must  
18 maintain the following records:

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

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

26        NEW SECTION.    **Sec. 16.**    (1) For the sole purpose of verifying  
27 that a transportation network company is in compliance with the  
28 requirements of this chapter and no more than annually, the  
29 department may visually inspect a sample of records that the  
30 transportation network company is required to maintain under this  
31 chapter. The sample of records must be chosen randomly by the  
32 department in a manner agreeable to both parties. Any audit must take  
33 place at a mutually agreed location in the state of Washington. Any  
34 record sample furnished to the department may exclude information  
35 that would tend to identify specific transportation network company  
36 drivers or riders.

37        (2) Any records inspected under this chapter are designated  
38 confidential and are not subject to disclosure to a third party by



1 the department without prior written consent of the transportation  
2 network company.

3 NEW SECTION. **Sec. 17.** (1) Each prearranged ride provided by a  
4 transportation network company driver to a transportation network  
5 company rider while on the transportation network company's digital  
6 network must be assessed a ten-cent per trip passenger surcharge fee  
7 to cover the costs of enforcement and regulation of state  
8 transportation network company licensing and to be distributed to  
9 local political divisions of the state.

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

15 (3) Within thirty days of the end of each calendar quarter, a  
16 transportation network company must submit to the department:

17 (a) The total amount of passenger surcharge fees collected by a  
18 transportation network company on behalf of transportation network  
19 company drivers; and

20 (b) For trips that originated in a municipality or unincorporated  
21 county, a report listing the percentage of the yearly total amount of  
22 passenger surcharge fees from trips that originated in each  
23 municipality or unincorporated county during the reporting period.

24 (4) The department must retain such amount of the passenger  
25 surcharge fee collected under subsection (3)(a) of this section as is  
26 necessary to cover the expenses borne by the department derived from  
27 the: (a) Regulation and registration of transportation network  
28 companies; and (b) the collection, remittance, and distribution of  
29 passenger surcharge fees under this section. The department must  
30 deposit these funds in the transportation network company account  
31 created in section 19 of this act.

32 (5) Within sixty days of the end of each calendar quarter, the  
33 department must distribute the remaining portion of the total  
34 passenger surcharge fees collected under subsection (3)(a) of this  
35 section less the amount retained under subsection (4) of this section  
36 to each municipality or county where a trip originated during the  
37 reporting period. The distribution to each municipality or county  
38 must be proportionate to the percentage of the yearly total amount of  
39 surcharge fees that originated in each municipality or county. The

1 funds collected by each municipality or county under this subsection  
2 may be used to fund enforcement activities by the municipalities and  
3 counties relating to this chapter.

4 **Sec. 18.** RCW 42.56.270 and 2016 1st sp.s. c 9 s 3, 2016 1st  
5 sp.s. c 8 s 1, and 2016 c 178 s 1 are each reenacted and amended to  
6 read as follows:

7 The following financial, commercial, and proprietary information  
8 is exempt from disclosure under this chapter:

9 (1) Valuable formulae, designs, drawings, computer source code or  
10 object code, and research data obtained by any agency within five  
11 years of the request for disclosure when disclosure would produce  
12 private gain and public loss;

13 (2) Financial information supplied by or on behalf of a person,  
14 firm, or corporation for the purpose of qualifying to submit a bid or  
15 proposal for (a) a ferry system construction or repair contract as  
16 required by RCW 47.60.680 through 47.60.750 or (b) highway  
17 construction or improvement as required by RCW 47.28.070;

18 (3) Financial and commercial information and records supplied by  
19 private persons pertaining to export services provided under chapters  
20 43.163 and 53.31 RCW, and by persons pertaining to export projects  
21 under RCW 43.23.035;

22 (4) Financial and commercial information and records supplied by  
23 businesses or individuals during application for loans or program  
24 services provided by chapters 43.325, 43.163, 43.160, 43.330, and  
25 43.168 RCW, or during application for economic development loans or  
26 program services provided by any local agency;

27 (5) Financial information, business plans, examination reports,  
28 and any information produced or obtained in evaluating or examining a  
29 business and industrial development corporation organized or seeking  
30 certification under chapter 31.24 RCW;

31 (6) Financial and commercial information supplied to the state  
32 investment board by any person when the information relates to the  
33 investment of public trust or retirement funds and when disclosure  
34 would result in loss to such funds or in private loss to the  
35 providers of this information;

36 (7) Financial and valuable trade information under RCW 51.36.120;

37 (8) Financial, commercial, operations, and technical and research  
38 information and data submitted to or obtained by the clean Washington

1 center in applications for, or delivery of, program services under  
2 chapter 70.95H RCW;

3 (9) Financial and commercial information requested by the public  
4 stadium authority from any person or organization that leases or uses  
5 the stadium and exhibition center as defined in RCW 36.102.010;

6 (10)(a) Financial information, including but not limited to  
7 account numbers and values, and other identification numbers supplied  
8 by or on behalf of a person, firm, corporation, limited liability  
9 company, partnership, or other entity related to an application for a  
10 horse racing license submitted pursuant to RCW 67.16.260(1)(b),  
11 marijuana producer, processor, or retailer license, liquor license,  
12 gambling license, or lottery retail license;

13 (b) Internal control documents, independent auditors' reports and  
14 financial statements, and supporting documents: (i) Of house-banked  
15 social card game licensees required by the gambling commission  
16 pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted  
17 by tribes with an approved tribal/state compact for class III gaming;

18 (11) Proprietary data, trade secrets, or other information that  
19 relates to: (a) A vendor's unique methods of conducting business; (b)  
20 data unique to the product or services of the vendor; or (c)  
21 determining prices or rates to be charged for services, submitted by  
22 any vendor to the department of social and health services for  
23 purposes of the development, acquisition, or implementation of state  
24 purchased health care as defined in RCW 41.05.011;

25 (12)(a) When supplied to and in the records of the department of  
26 commerce:

27 (i) Financial and proprietary information collected from any  
28 person and provided to the department of commerce pursuant to RCW  
29 43.330.050(8); and

30 (ii) Financial or proprietary information collected from any  
31 person and provided to the department of commerce or the office of  
32 the governor in connection with the siting, recruitment, expansion,  
33 retention, or relocation of that person's business and until a siting  
34 decision is made, identifying information of any person supplying  
35 information under this subsection and the locations being considered  
36 for siting, relocation, or expansion of a business;

37 (b) When developed by the department of commerce based on  
38 information as described in (a)(i) of this subsection, any work  
39 product is not exempt from disclosure;

1 (c) For the purposes of this subsection, "siting decision" means  
2 the decision to acquire or not to acquire a site;

3 (d) If there is no written contact for a period of sixty days to  
4 the department of commerce from a person connected with siting,  
5 recruitment, expansion, retention, or relocation of that person's  
6 business, information described in (a)(ii) of this subsection will be  
7 available to the public under this chapter;

8 (13) Financial and proprietary information submitted to or  
9 obtained by the department of ecology or the authority created under  
10 chapter 70.95N RCW to implement chapter 70.95N RCW;

11 (14) Financial, commercial, operations, and technical and  
12 research information and data submitted to or obtained by the life  
13 sciences discovery fund authority in applications for, or delivery  
14 of, grants under chapter 43.350 RCW, to the extent that such  
15 information, if revealed, would reasonably be expected to result in  
16 private loss to the providers of this information;

17 (15) Financial and commercial information provided as evidence to  
18 the department of licensing as required by RCW 19.112.110 or  
19 19.112.120, except information disclosed in aggregate form that does  
20 not permit the identification of information related to individual  
21 fuel licensees;

22 (16) Any production records, mineral assessments, and trade  
23 secrets submitted by a permit holder, mine operator, or landowner to  
24 the department of natural resources under RCW 78.44.085;

25 (17)(a) Farm plans developed by conservation districts, unless  
26 permission to release the farm plan is granted by the landowner or  
27 operator who requested the plan, or the farm plan is used for the  
28 application or issuance of a permit;

29 (b) Farm plans developed under chapter 90.48 RCW and not under  
30 the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject  
31 to RCW 42.56.610 and 90.64.190;

32 (18) Financial, commercial, operations, and technical and  
33 research information and data submitted to or obtained by a health  
34 sciences and services authority in applications for, or delivery of,  
35 grants under RCW 35.104.010 through 35.104.060, to the extent that  
36 such information, if revealed, would reasonably be expected to result  
37 in private loss to providers of this information;

38 (19) Information gathered under chapter 19.85 RCW or RCW  
39 34.05.328 that can be identified to a particular business;

1 (20) Financial and commercial information submitted to or  
2 obtained by the University of Washington, other than information the  
3 university is required to disclose under RCW 28B.20.150, when the  
4 information relates to investments in private funds, to the extent  
5 that such information, if revealed, would reasonably be expected to  
6 result in loss to the University of Washington consolidated endowment  
7 fund or to result in private loss to the providers of this  
8 information;

9 (21) Market share data submitted by a manufacturer under RCW  
10 70.95N.190(4);

11 (22) Financial information supplied to the department of  
12 financial institutions or to a portal under RCW 21.20.883, when filed  
13 by or on behalf of an issuer of securities for the purpose of  
14 obtaining the exemption from state securities registration for small  
15 securities offerings provided under RCW 21.20.880 or when filed by or  
16 on behalf of an investor for the purpose of purchasing such  
17 securities;

18 (23) Unaggregated or individual notices of a transfer of crude  
19 oil that is financial, proprietary, or commercial information,  
20 submitted to the department of ecology pursuant to RCW  
21 90.56.565(1)(a), and that is in the possession of the department of  
22 ecology or any entity with which the department of ecology has shared  
23 the notice pursuant to RCW 90.56.565;

24 (24) Financial institution and retirement account information,  
25 and building security plan information, supplied to the liquor and  
26 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and  
27 69.50.345, when filed by or on behalf of a licensee or prospective  
28 licensee for the purpose of obtaining, maintaining, or renewing a  
29 license to produce, process, transport, or sell marijuana as allowed  
30 under chapter 69.50 RCW; (~~and~~))

31 (25) Marijuana transport information, vehicle and driver  
32 identification data, and account numbers or unique access identifiers  
33 issued to private entities for traceability system access, submitted  
34 by an individual or business to the liquor and cannabis board under  
35 the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and  
36 69.50.345 for the purpose of marijuana product traceability.  
37 Disclosure to local, state, and federal officials is not considered  
38 public disclosure for purposes of this section; (~~and~~))

39 (26) Financial and commercial information submitted to or  
40 obtained by the retirement board of any city that is responsible for

1 the management of an employees' retirement system pursuant to the  
2 authority of chapter 35.39 RCW, when the information relates to  
3 investments in private funds, to the extent that such information, if  
4 revealed, would reasonably be expected to result in loss to the  
5 retirement fund or to result in private loss to the providers of this  
6 information except that (a) the names and commitment amounts of the  
7 private funds in which retirement funds are invested and (b) the  
8 aggregate quarterly performance results for a retirement fund's  
9 portfolio of investments in such funds are subject to disclosure;  
10 ((and))

11 (27) Proprietary financial, commercial, operations, and technical  
12 and research information and data submitted to or obtained by the  
13 liquor and cannabis board in applications for marijuana research  
14 licenses under RCW 69.50.372, or in reports submitted by marijuana  
15 research licensees in accordance with rules adopted by the liquor and  
16 cannabis board under RCW 69.50.372; and

17 (28) Any records, including proprietary financial, commercial,  
18 operations, and personal information and data submitted to or  
19 obtained by the department of licensing or any municipality or county  
20 under chapter 46.--- RCW (the new chapter created in section 29 of  
21 this act).

22 NEW SECTION. **Sec. 19.** The transportation network company  
23 account is created in the custody of the state treasurer. All  
24 receipts from section 17(4) of this act must be deposited into the  
25 account. Expenditures from the account may be used only for the  
26 purposes provided in section 17(4) of this act. Only the director or  
27 the director's designee may authorize expenditures from the account.  
28 The account is subject to allotment procedures under chapter 43.88  
29 RCW, but an appropriation is not required for expenditures.

30 **Sec. 20.** RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10,  
31 2016 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to  
32 read as follows:

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

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

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

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

15 (b) The following accounts and funds must receive their  
16 proportionate share of earnings based upon each account's or fund's  
17 average daily balance for the period: The 24/7 sobriety account, the  
18 Washington promise scholarship account, the Washington advanced  
19 college tuition payment program account, the Washington college  
20 savings program account, the accessible communities account, the  
21 Washington achieving a better life experience program account, the  
22 community and technical college innovation account, the agricultural  
23 local fund, the American Indian scholarship endowment fund, the  
24 foster care scholarship endowment fund, the foster care endowed  
25 scholarship trust fund, the contract harvesting revolving account,  
26 the Washington state combined fund drive account, the commemorative  
27 works account, the county enhanced 911 excise tax account, the toll  
28 collection account, the developmental disabilities endowment trust  
29 fund, the energy account, the fair fund, the family leave insurance  
30 account, the food animal veterinarian conditional scholarship  
31 account, the fruit and vegetable inspection account, the future  
32 teachers conditional scholarship account, the game farm alternative  
33 account, the GET ready for math and science scholarship account, the  
34 Washington global health technologies and product development  
35 account, the grain inspection revolving fund, the industrial  
36 insurance rainy day fund, the juvenile accountability incentive  
37 account, the law enforcement officers' and firefighters' plan 2  
38 expense fund, the local tourism promotion account, the multiagency  
39 permitting team account, the pilotage account, the produce railcar  
40 pool account, the regional transportation investment district

1 account, the rural rehabilitation account, the Washington sexual  
2 assault kit account, the stadium and exhibition center account, the  
3 youth athletic facility account, the self-insurance revolving fund,  
4 the children's trust fund, the transportation network company  
5 account, the Washington horse racing commission Washington bred  
6 owners' bonus fund and breeder awards account, the Washington horse  
7 racing commission class C purse fund account, the individual  
8 development account program account, the Washington horse racing  
9 commission operating account, the life sciences discovery fund, the  
10 Washington state heritage center account, the reduced cigarette  
11 ignition propensity account, the center for childhood deafness and  
12 hearing loss account, the school for the blind account, the  
13 Millersylvania park trust fund, the public employees' and retirees'  
14 insurance reserve fund, and the radiation perpetual maintenance fund.

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

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

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

32 NEW SECTION. **Sec. 21.** The state of Washington fully occupies  
33 and preempts: The entire field of regulation of transportation  
34 network company licensing and permits for transportation network  
35 companies and transportation network company drivers; all  
36 requirements, applications, certifications, examinations, and  
37 background checks for transportation network company drivers, and the  
38 processing and adjudication of each; and all rate, entry, or  
39 operational requirements for transportation network companies within



1 the boundaries of the state. Any political subdivision in this state  
2 may enforce only those laws and ordinances relating to the regulation  
3 of such fields concerning the transportation network company industry  
4 that are specifically authorized by state law and are consistent with  
5 this chapter. This section is not intended to limit, extend, address,  
6 affect, or permit the authority of any political subdivision to  
7 impose generally applicable requirements upon transportation network  
8 companies within its jurisdiction. Local laws and ordinances that are  
9 inconsistent with, more restrictive than, or exceed the requirements  
10 of this chapter may not be enacted and are preempted and repealed,  
11 regardless of the code, charter, or home rule status of such  
12 political subdivision.

13 **Sec. 22.** RCW 48.177.010 and 2015 c 236 s 2 are each amended to  
14 read as follows:

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

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

37 (i) The primary automobile insurance policy required under this  
38 subsection must provide the following coverage during (~~commercial~~)  
39 transportation network company services applicable during the period

1 before a driver accepts a requested ride through a digital network  
2 (~~or software application~~):

3 (A) Liability coverage in an amount no less than fifty thousand  
4 dollars per person for bodily injury, one hundred thousand dollars  
5 per accident for bodily injury of all persons, and thirty thousand  
6 dollars for damage to property;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 (b) Personal injury protection coverage;
- 2 (c) Underinsured motorist coverage;
- 3 (d) Medical payments coverage;
- 4 (e) Comprehensive physical damage coverage; and
- 5 (f) Collision physical damage coverage.

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

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

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

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

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

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

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

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

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

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

39 (15)(a) To be eligible for securing a primary automobile  
40 insurance policy under this section, a (~~(commercial)~~) transportation

1 ((~~services provider~~)) network company must make the following  
2 disclosures in writing to a prospective driver in the prospective  
3 driver's terms of service:

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

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

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

17 **Sec. 23.** RCW 51.12.020 and 2015 c 236 s 4 are each amended to  
18 read as follows:

19 The following are the only employments which shall not be  
20 included within the mandatory coverage of this title:

21 (1) Any person employed as a domestic servant in a private home  
22 by an employer who has less than two employees regularly employed  
23 forty or more hours a week in such employment.

24 (2) Any person employed to do gardening, maintenance, or repair,  
25 in or about the private home of the employer. For the purposes of  
26 this subsection, "maintenance" means the work of keeping in proper  
27 condition, "repair" means to restore to sound condition after damage,  
28 and "private home" means a person's place of residence.

29 (3) A person whose employment is not in the course of the trade,  
30 business, or profession of his or her employer and is not in or about  
31 the private home of the employer.

32 (4) Any person performing services in return for aid or  
33 sustenance only, received from any religious or charitable  
34 organization.

35 (5) Sole proprietors or partners.

36 (6) Any child under eighteen years of age employed by his or her  
37 parent or parents in agricultural activities on the family farm.

1 (7) Jockeys while participating in or preparing horses for race  
2 meets licensed by the Washington horse racing commission pursuant to  
3 chapter 67.16 RCW.

4 (8)(a) Except as otherwise provided in (b) of this subsection,  
5 any bona fide officer of a corporation voluntarily elected or  
6 voluntarily appointed in accordance with the articles of  
7 incorporation or bylaws of the corporation, who at all times during  
8 the period involved is also a bona fide director, and who is also a  
9 shareholder of the corporation. Only such officers who exercise  
10 substantial control in the daily management of the corporation and  
11 whose primary responsibilities do not include the performance of  
12 manual labor are included within this subsection.

13 (b) Alternatively, a corporation that is not a "public company"  
14 as defined in RCW 23B.01.400 may exempt eight or fewer bona fide  
15 officers, who are voluntarily elected or voluntarily appointed in  
16 accordance with the articles of incorporation or bylaws of the  
17 corporation and who exercise substantial control in the daily  
18 management of the corporation, from coverage under this title without  
19 regard to the officers' performance of manual labor if the exempted  
20 officer is a shareholder of the corporation, or may exempt any number  
21 of officers if all the exempted officers are related by blood within  
22 the third degree or marriage. If a corporation that is not a "public  
23 company" elects to be covered under subsection (8)(a) of this  
24 section, the corporation's election must be made on a form prescribed  
25 by the department and under such reasonable rules as the department  
26 may adopt.

27 (c) Determinations respecting the status of persons performing  
28 services for a corporation shall be made, in part, by reference to  
29 Title 23B RCW and to compliance by the corporation with its own  
30 articles of incorporation and bylaws. For the purpose of determining  
31 coverage under this title, substance shall control over form, and  
32 mandatory coverage under this title shall extend to all workers of  
33 this state, regardless of honorary titles conferred upon those  
34 actually serving as workers.

35 (d) A corporation may elect to cover officers who are exempted by  
36 this subsection in the manner provided by RCW 51.12.110.

37 (9) Services rendered by a musician or entertainer under a  
38 contract with a purchaser of the services, for a specific engagement  
39 or engagements when such musician or entertainer performs no other  
40 duties for the purchaser and is not regularly and continuously

1 employed by the purchaser. A purchaser does not include the leader of  
2 a group or recognized entity who employs other than on a casual basis  
3 musicians or entertainers.

4 (10) Services performed by a newspaper vendor, carrier, or  
5 delivery person selling or distributing newspapers on the street, to  
6 offices, to businesses, or from house to house and any freelance news  
7 correspondent or "stringer" who, using his or her own equipment,  
8 chooses to submit material for publication for free or a fee when  
9 such material is published.

10 (11) Services performed by an insurance producer, as defined in  
11 RCW 48.17.010, or a surplus line broker licensed under chapter 48.15  
12 RCW.

13 (12) Services performed by a booth renter. However, a person  
14 exempted under this subsection may elect coverage under RCW  
15 51.32.030.

16 (13) Members of a limited liability company, if either:

17 (a) Management of the company is vested in its members, and the  
18 members for whom exemption is sought would qualify for exemption  
19 under subsection (5) of this section were the company a sole  
20 proprietorship or partnership; or

21 (b) Management of the company is vested in one or more managers,  
22 and the members for whom the exemption is sought are managers who  
23 would qualify for exemption under subsection (8) of this section were  
24 the company a corporation.

25 (14) A driver providing (~~commercial~~) transportation network  
26 company services (~~as defined in RCW 48.177.005~~) under chapter  
27 46.--- RCW (the new chapter created in section 29 of this act). The  
28 driver may elect coverage in the manner provided by RCW 51.32.030.

29 (15) For hire vehicle operators under chapter 46.72 RCW who own  
30 or lease the for hire vehicle, chauffeurs under chapter 46.72A RCW  
31 who own or lease the limousine, and operators of taxicabs under  
32 chapter 81.72 RCW who own or lease the taxicab. An owner or lessee  
33 may elect coverage in the manner provided by RCW 51.32.030.

34 **Sec. 24.** RCW 46.72.010 and 1996 c 87 s 18 are each amended to  
35 read as follows:

36 When used in this chapter:

37 (1) The term "for hire vehicle" includes all vehicles used for  
38 the transportation of passengers for compensation, except auto  
39 stages, school buses operating exclusively under a contract to a



1 school district, ride-sharing vehicles under chapter 46.74 RCW,  
2 limousine carriers licensed under chapter 46.72A RCW, vehicles used  
3 to provide transportation network company services under chapter  
4 46.--- RCW (the new chapter created in section 29 of this act),  
5 vehicles used by nonprofit transportation providers for elderly  
6 persons or (~~handicapped~~) persons with disabilities and their  
7 attendants under chapter 81.66 RCW, vehicles used by auto  
8 transportation companies licensed under chapter 81.68 RCW, vehicles  
9 used to provide courtesy transportation at no charge to and from  
10 parking lots, hotels, and rental offices, and vehicles used by  
11 charter party carriers of passengers and excursion service carriers  
12 licensed under chapter 81.70 RCW;

13 (2) The term "for hire operator" means and includes any person,  
14 concern, or entity engaged in the transportation of passengers for  
15 compensation in for hire vehicles.

16 **Sec. 25.** RCW 46.74.020 and 1979 c 111 s 2 are each amended to  
17 read as follows:

18 Ride-sharing vehicles are not deemed for hire vehicles and do not  
19 fall within the provisions of chapter 46.72 RCW or any other  
20 provision of Title 46 RCW affecting for hire vehicles or  
21 transportation network company vehicles, whether or not the ride-  
22 sharing operator receives compensation.

23 **Sec. 26.** RCW 50.04.100 and 1982 1st ex.s. c 18 s 14 are each  
24 amended to read as follows:

25 "Employment", subject only to the other provisions of this title,  
26 means personal service, of whatever nature, unlimited by the  
27 relationship of master and servant as known to the common law or any  
28 other legal relationship, including service in interstate commerce,  
29 performed for wages or under any contract calling for the performance  
30 of personal services, written or oral, express or implied. However,  
31 for purposes of this title "employment" does not include  
32 transportation network company services performed by a transportation  
33 network company driver under chapter 46.--- RCW (the new chapter  
34 created in section 29 of this act), on or after January 1, 2011.

35 Except as provided by RCW 50.04.145, personal services performed  
36 for an employing unit by one or more contractors or subcontractors  
37 acting individually or as a partnership, which do not meet the  
38 provisions of RCW 50.04.140, shall be considered employment of the

1 employing unit: PROVIDED, HOWEVER, That such contractor or  
2 subcontractor shall be an employer under the provisions of this title  
3 in respect to personal services performed by individuals for such  
4 contractor or subcontractor.

5 NEW SECTION. **Sec. 27.** RCW 48.177.005 (Definitions) and 2016 c  
6 21 s 1 are each repealed.

7 NEW SECTION. **Sec. 28.** RCW 48.177.010 is recodified as a section  
8 in chapter 46.--- RCW (the new chapter created in section 29 of this  
9 act).

10 NEW SECTION. **Sec. 29.** Sections 1 through 17, 19, and 21 of this  
11 act constitute a new chapter in Title 46 RCW.

--- END ---