SENATE BILL REPORT 2SHB 2310

As of February 25, 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: House Committee on Appropriations (originally sponsored by Representatives Fitzgibbon, Ramel, Macri, Doglio, Cody, Hudgins and Pollet).

Brief History: Passed House: 2/16/20, 56-39. **Committee Activity:** Transportation: 2/24/20.

Brief Summary of Bill

- Requires the Department of Ecology to implement mandatory annual greenhouse gas reduction goals and targets regarding commercial transportation services providers, which are companies providing prearranged rides through a digital network or software application.
- Requires each commercial transportation services provider to implement a greenhouse gas emission reduction plan by January 1, 2024.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Kelly Simpson (786-7403)

Background: The Department of Ecology (Ecology) 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, Ecology 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.

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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 a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: Greenhouse Gas Emissions Baseline. By July 1, 2021, Ecology must establish a baseline for emissions of greenhouse gases for vehicles used on online-enabled applications or platforms of commercial transportation services providers on a per-passenger-mile traveled basis. The baseline must use data from 2018 and include various specified elements. Commercial transportation services providers use vehicles providing prearranged passenger rides through a digital network or software application.

Annual Greenhouse Gas Emission Reduction Goals and Targets. By July 1, 2022, Ecology must implement mandatory annual goals and targets for commercial transportation services providers that begin in 2024 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.

Greenhouse Gas Emission Reduction Plans. Beginning January 1, 2023, each commercial transportation services provider must submit to Ecology a greenhouse gas emission reduction plan, and must implement an approved plan by January 1, 2024. The greenhouse gas emission reduction plans must contain proposals for meeting the Ecology established goals and targets through various minimum specified actions.

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

Recommendations Regarding Entities That Deliver Food and Other Consumer Goods. By December 1, 2021, Ecology must submit a report to the Legislature that assesses how to reduce greenhouse gas emissions from entities that deliver food and other consumer goods. DOE must seek input from the relevant entities in preparing the report.

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: PRO: Uber wants to be part of the effort to limit greenhouse gas emissions, and supports the new language around studying adding food delivery services to the program. The bill provides an innovative solution to greenhouse gas reduction efforts and flexible regulations, and enables transportation network companies to meet customer demands while reducing emissions. Lyft supports the carrot and stick approach provided in the bill, and the study of Department of Ecology incentive programs.

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OTHER: The last section regarding a report on adding entities that deliver food and other consumer goods is too broad and covers all common carriers instead of just ride-hailing companies.

Persons Testifying: PRO: Steve Gano, Uber; Michael Breish, Washington Department of Commerce; Bryan Hockaday, Lyft.

OTHER: Mike Ennis, Association of Washington Business.

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

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