

HOUSE BILL REPORT

HB 1332

As Reported by House Committee On:
Labor & Workplace Standards

Title: An act relating to transportation network companies.

Brief Description: Concerning transportation network companies.

Sponsors: Representatives Obras, Gregerson, Berry, Alvarado, Ormsby, Davis, Ramel, Salahuddin, Ryu, Parshley, Macri, Taylor, Reed, Hill, Doglio, Scott and Nance.

Brief History:

Committee Activity:

Labor & Workplace Standards: 1/29/25, 2/7/25 [DPS].

Brief Summary of Substitute Bill

- Requires a transportation network company (TNC) to retain eligibility of a driver's vehicle in a product class after the vehicle has been onboarded into the class.
- Requires a TNC to make available to a driver a single aggregated, searchable, and downloadable record of all the driver's trips taken in the previous two years.

HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Berry, Chair; Fosse, Vice Chair; Scott, Vice Chair; Bronoske, Obras and Ortiz-Self.

Minority Report: Do not pass. Signed by 2 members: Representatives Schmidt, Ranking Minority Member; McEntire.

Minority Report: Without recommendation. Signed by 1 member: Representative

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.

Ybarra, Assistant Ranking Minority Member.

Staff: Kelly Leonard (786-7147).

Background:

A transportation network company (TNC) includes any a corporation, partnership, sole proprietorship, or other entity that uses a digital network platform to connect passengers with its drivers for providing prearranged rides. Drivers use personal vehicles when operating for TNCs and must carry certain insurance.

In 2022 the state enacted certain rights and protections for TNC drivers, including minimum rates, paid sick time, workers' compensation, and antiretaliation protection for drivers. The state also enacted certain operational standards, including zero-tolerance drug and alcohol policies, driving record standards, insurance requirements, and vehicle age requirements. Any motor vehicle used by a TNC driver must not be more than 15 years old, as determined by the model year of the vehicle.

Transportation network companies must provide certain per trip receipts to drivers in a downloadable format, such as a comma-separated values (CSV) file or PDF file, via smartphone application or online web portal. Per trip receipts must include specific data, including, for example, platform time, mileage driven, pick-up and drop-off locations, rates of pay, tips, gross payment, net payment, and deductions. Per trip receipts must become available within 24 hours and remain available for two years.

Summary of Substitute Bill:

Product Classes. A TNC must inform its drivers which vehicles, described by make, model, and year, are eligible for each product class offered on its platform at the time the driver onboarded the vehicle to the platform. A "product class" means special ride options, offered to passengers for additional fees, that are based on the type of vehicle, such as make and model, or based on the type of vehicle combined with specified features or ride preferences.

The TNC must ensure that once onboarded, a driver's vehicle will retain eligibility for the same product classes that were in effect at the time of the vehicle's onboarding for as long as the TNC continues to offer each product class and the driver's vehicle continues to meet state and local requirements. If a TNC plans to eliminate a product class or modify vehicle eligibility requirements for newly onboarded vehicles to a product class, the TNC must provide all drivers on the platform at least 60 days' written notice of the planned changes before implementing the changes.

For a period of one year following the effective date of the bill, any TNC driver whose

vehicle lost eligibility for a particular product class in the previous five years may request a TNC to reapply the product class eligibility standards that were in effect at the time the vehicle was onboarded on the platform. The TNC must approve such requests as long as it continues to offer the particular product class and the driver's vehicle continues to meet state and local requirements.

Per Trip Receipts and Data. Transportation network companies must make available to a driver, in an accessible system, a record of all the driver's trips taken in the previous two years. The record must be provided to the driver in a single aggregated, searchable, downloadable, CSV file or searchable PDF file, containing a table with rows for each unique trip and columns for each itemized element contained in the trip receipt.

Substitute Bill Compared to Original Bill:

The substitute bill delays the effective date to September 1, 2025 (rather than having the bill take effect 90 days after the adjournment of session).

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on September 1, 2025.

Staff Summary of Public Testimony:

(In support) Uber, a popular TNC, offers rides in premium vehicles for higher rates by establishing product classes. The company requires drivers to have certain vehicles to participate in higher product classes. Drivers have purchased expensive vehicles, typically with loan agreements lasting five or seven or more years, to participate in these product classes. Last year, Uber abruptly eliminated certain vehicles from certain product classes, leaving drivers with expensive loans they are unable to pay off. Many drivers are now unable to make ends meet. This is fundamentally unfair to drivers, who purchased these vehicles with the expectation of being able to conduct a certain level of business. There is nothing wrong with these luxury vehicles. This bill is about transparency, and it will prohibit TNCs from enticing drivers to purchase expensive vehicles and then downgrading them on the platform. The bill is also important for ensuring that drivers get access to records without having to spend hours compiling them. The state provides important protections to drivers, but enforcing these protections requires data across several trip receipts. Transportation network companies should provide the data in a compiled format to assist with auditing and enforcement.

(Opposed) Transportation network companies should be able to set standards in order to satisfy customer expectations. Customers should be able to choose the class of vehicles

they want to ride in. The bill undermines both company standards and customer expectations. Transportation network companies are open and transparent with drivers about vehicle standards and have provided plenty of notice about any changes to product classes. In particular Uber has a five-year age requirement for vehicles to participate in Uber Black. This is not a new requirement. The state should not force TNCs to weaken their vehicle standards and reduce the quality of their services. This is about meeting consumer demands.

(Other) Uber drivers helped to build the company's success through their own financial contributions and services, and now these drivers have been betrayed. The state should closely examine limousine laws, which are designed to protect the drivers and the customers.

Persons Testifying: (In support) Representative Edwin Obras, prime sponsor; Peter Kuel, Drivers Union; Adan Abdullahi; Shiferahu Taye; and Geoffrey Pounds.

(Opposed) Rose Feliciano, TechNet; and Zahid Arab, Uber Technologies, Inc.

(Other) Alexander Samuel, Uber Black and SUV driver issues.

Persons Signed In To Testify But Not Testifying: None.