

SENATE BILL REPORT

ESHB 1332

As Reported by Senate Committee On:
Labor & Commerce, April 1, 2025

Title: An act relating to transportation network companies.

Brief Description: Concerning transportation network companies.

Sponsors: House Committee on Labor & Workplace Standards (originally sponsored by Representatives Obras, Gregerson, Berry, Alvarado, Ormsby, Davis, Ramel, Salahuddin, Ryu, Parshley, Macri, Taylor, Reed, Hill, Doglio, Scott and Nance).

Brief History: Passed House: 3/11/25, 59-36.

Committee Activity: Labor & Commerce: 3/25/25, 4/01/25 [DP, DNP].

Brief Summary of Bill

- Requires a transportation network company (TNC) to make available to a driver a single aggregated, searchable, and downloadable record of all the driver's per trip receipts.
- Mandates a TNC to reinstate a vehicle to a product class for one year if the vehicle lost eligibility for the class during a certain period.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Saldaña, Chair; Conway, Vice Chair; Alvarado, Ramos and Stanford.

Minority Report: Do not pass.

Signed by Senators King, Ranking Member; Braun, MacEwen and Schoesler.

Staff: Susan Jones (786-7404)

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.

Background: A transportation network company (TNC) is an entity that operates in this state, and uses a digital network to connect passengers with TNC drivers to provide prearranged rides. Drivers use personal vehicles when operating for TNCs.

In 2022, the Legislature enacted certain rights and protections for TNC drivers, including minimum compensation, 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.

A TNC must pay certain minimum compensation to a driver for all dispatched trips at a per passenger platform minute and a per passenger platform mile; or a minimum per dispatched trip. A TNC must pay all tips to drivers, which may not count towards the driver's minimum compensation.

Within 24 hours of completion of each dispatched trip, a TNC must transmit an electronic receipt to the driver that contains the following information for each unique trip, or portion of a unique trip:

- the total amount of passenger platform time;
- the total mileage driven during passenger platform time;
- rate or rates of pay, including but not limited to the rate per minute, rate per mile, percentage of passenger fare, and any applicable price multiplier or variable pricing policy in effect for the trip;
- tip compensation;
- gross payment;
- net payment after deductions, fees, tolls, surcharges, lease fees, or other charges; and
- itemized deductions or fees, including any toll, surcharge, commission, lease fees, and other charges.

A TNC must make driver per trip receipts available in a downloadable format via smartphone application or online web portal for a period of two years from the date the TNC provided the receipt to the driver.

On a weekly basis, a TNC must provide written notice to the driver that contains the following information for trips, or a portion of a trip, that is covered by this section and which occurred in the prior week:

- the driver's total passenger platform time;
- total mileage driven by the driver during passenger platform time;
- the driver's total tip compensation;
- the driver's gross payment, itemized by rate per minute; rate per mile; and any other method used to calculate pay;
- the driver's net payment after deductions, fees, tolls, surcharges, lease fees, or other charges; and

- itemized deductions or fees, including all tolls, surcharges, commissions, lease fees, and other charges, from the driver's payment.

Summary of Bill: For dispatched trips notices and weekly notices, the electronic receipt or notice must provide any applicable financial incentives or bonuses paid to the driver, rather than the price multiplier or variable pricing policy in effect for the trip.

Beginning on January 1, 2026, a TNC must make available to a driver, in an accessible system, a record of all the driver's per trip receipts in a single aggregated, searchable, downloadable, comma-separated values file or searchable PDF file, containing a table with rows for each unique trip and columns for each itemized element contained in each trip receipt. Beginning on January 1, 2026 until June 30, 2026, the file must contain the driver's per trip receipts from the previous 18 months. Beginning July 1, 2026, the file must contain the driver's per trip receipts from the previous 24 months.

A TNC must inform drivers which vehicles, described by make, model, and year, are eligible for each product class offered on the TNC platform at the time the driver onboard the vehicle to the platform. For any vehicle that lost eligibility for a particular product class in the 12 months prior to September 1, 2025, the TNC must reinstate the vehicle to the product class for at least 12 months after September 1, 2025.

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.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony: PRO: Transportation network companies, also known as Uber and Lyft, have impacted drivers with high-level corporate policies and decisions. This bill was extensively stakeholdered. The bill provides some relief for drivers whose cars are deemed ineligible in a luxury car product classification in the last 12 months. This gives them 12 months of eligibility, and time to figure out their own situation, perhaps to create a new business plan with the luxury car that is no longer eligible or to be able to restructure car loans. This is important for folks trying to make ends meet, and need to have some predictability.

This bill also gives drivers the tools to ensure that they're successful. An aggregated, downloadable record of all drivers per trip receipts is considered a game changer for drivers

who can now ensure accuracy and accountability about their earnings. These drivers are on the road for hours, and they could return home with fewer administrative burdens.

Since 2020, when the City of Seattle first started regulating pay and benefit for ride share drivers, regulators have had to repeatedly investigate ride share companies of allegations of wage theft and failure to meet a standard for benefit accrual. Those investigations have resulted in more than a \$4 million settlement paid to drivers to date. The City of Seattle used the proactive audit to protect other trip data for labor standards compliance. The statewide enforcement is currently a compliance-based system, which relies on drivers' ability to audit their own trip record. Imagine somebody who has given over a thousand rides; English is their second language or third language; they have limited English proficiency or computer proficiency; and the only tool to audit is trip by trip on their smartphone. We are requesting drivers have access to their own trip data in an auditable format, like an Excel document.

We are not getting accurate data, especially related to sick leave. It is very difficult to calculate trip by trip. It has to be done in a in a format that can be readable to us so we can accurately audit it.

Uber and Lyft created comfort product classes that they advertise on their website. Luxury cars are the only ones eligible for the comfort product. A testifier gave an example of purchasing a new car with a five-year loan. Before the end of the 1st year, the TNC removed the car from that platform. He did not know how he was going to pay his bills for his large family. The bill provides a temporary solution to drivers but it's not enough. We need to continue to work for the permanent solution for this issue.

CON: We are all used to paying for varying levels of service, whether for a plane ticket or at a sporting event. We pay more for a different level of service. Uber Black is no different. We think this bill is entering into business' practices in a way that's unprecedented and not relevant for this business.

The bill disrupts national standards and upends the balance between consumer expectations and driver flexibility in Washington. Like any business, we need the freedom to control our product. This is the case for our product classes. Uber Black service depends on a five-year vehicle age rule that is clearly communicated to drivers during onboarding. Riders that choose this premium service expect newer high-end vehicles. Limiting our control over product classes undermines that promise. Drivers who no longer qualify for Uber Black can still earn and pay their bills with other categories, depending on their vehicle.

In terms of the data in the bill, Washington drivers already receive more data than any other drivers in the country, which includes sick leave through the weekly earnings hub and detailed trip receipts that are downloadable in CSV form.

We are committed to finding common ground on this bill, including extending eligibility by

an extra year for drivers whose vehicle recently aged out and providing advanced notice before any product changes. But significant differences remain that must be addressed.

When the bill was first introduced, it would have mandated that vehicles remain permanently in its initially selected product class. The requirement would hinder innovation to enhance the platform. We appreciate the amendments that removed this requirement. We hope to continue conversations with stakeholders to make this bill work for everyone. However, we still have concerns with the bill and must oppose it unless further amendments are made. The bill seeks to reinstate a certain number of drivers who lost access to driving a specific product class. This issue would best be handled outside of legislation given the niche audience and topic.

The current data is more than adequate. This bill seems to attempt to circumvent the court ruling. We are willing to have additional discussions to augment current data shared to L&I with the goal to provide the necessary data for L&I to administer benefits to drivers.

Persons Testifying: PRO: Representative Edwin Obras, Prime Sponsor; Nurayne Fofana, Drivers Union; Omar Ali; Tsegai Abraha.

CON: Zahid Arab, Uber; Jon Walker, Lyft; Vicki Christophersen, TechNet.

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