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HOUSE BILL 1951

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By Representatives Thomas, Reed, Street, Obras, Scott, Taylor, Morgan, Entenman, Fosse, Parshley, Hill, Bronoske, Cortes, Peterson, Bernbaum, Ramel, Simmons, Pollet, and Macri

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AN ACT Relating to regulation of transportation network companies during large-scale events; and amending RCW 46.72B.050 and 46.72B.190.

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

5 Sec. 1. RCW 46.72B.050 and 2022 c 281 s 19 are each amended to 6 read as follows:

7 (1) Before a passenger enters a transportation network company 8 vehicle, the transportation network company must provide, on behalf 9 of the driver, either the fare for the prearranged ride or the option 10 to receive an estimated fare for the prearranged ride.

11 (2) During the first seven days of a state of emergency, as 12 declared by the governor or the president of the United States, a 13 transportation network company may not charge а fare for transportation network company services provided to any passenger 14 15 that exceeds two and one-half times the fare that would otherwise be 16 applicable for the prearranged ride.

17 <u>(3) During a large-scale event, a transportation network company</u> 18 <u>may not charge a fare for a prearranged ride provided to any</u> 19 <u>passenger that exceeds 120 percent of the driver's pay for the</u> 20 prearranged ride.

1	(4) A violation of this section affects the public interest and
2	constitutes an unlawful and unfair practice under chapter 19.86 RCW.
3	(5) For the purposes of this section, the following definitions
4	apply:
5	(a)(i) "Large-scale event" means:
6	(A) A ticketed or preregistered assembly of 10,000 or more
7	individuals at an outdoor venue that has defined entrances and exits;
8	or
9	(B) A ticketed or preregistered assembly of 1,000 or more
10	individuals at an indoor venue that has defined entrances or exits.
11	(ii) Event staff and volunteers are not included in the attendee
12	<u>count.</u>
13	<u>(iii) A "large-scale event" does not include any assembly</u>
14	operated, managed, conducted, controlled, or supervised by a public
15	<u>or private charter K-12 educational organization or a religious or</u>
16	faith-based organization.
17	(b) "Driver's pay" means the compensation a transportation
18	network company pays a driver for a prearranged ride. Driver's pay
19	excludes pass-through charges such as driver-paid tolls and tips paid
20	by passengers.

21 Sec. 2. RCW 46.72B.190 and 2022 c 281 s 32 are each amended to 22 read as follows:

23 (1) Except as provided in subsections (2) ((and)), (3), and (6) 24 of this section, as of June 9, 2022, the state preempts the field of 25 regulating transportation network companies and drivers. No county, city, 26 town, or other municipal corporation may regulate 27 transportation network companies or drivers, or impose any tax, fee, 28 or other charge, on a transportation network company or driver.

(2) (a) Except as provided in (b) and (c) of this subsection, a 29 30 local ordinance or regulation, in a city with a population of more 31 than 600,000 or a county with a population of more than 2,000,000, 32 existing on or before January 1, 2022, that imposes a tax, fee, or other charge on a transportation network company or driver, remains 33 in effect at the rate that exists on or before January 1, 2022. The 34 35 city or county may continue to collect that tax, fee, or other 36 charge, but may not increase the amount of that tax, fee, or other 37 charge, and may not impose any higher or new taxes, fees, or other 38 charges. This subsection (2)(a) applies retroactively and preempts any increase in the amount of an existing tax, fee, or other charge, 39

or the imposition of any higher or new taxes, fees, or other charges,
which occurs between January 2, 2022, and June 9, 2022.

(b) Beginning on January 1, 2023, any local ordinance or 3 regulation, in a city or county described in (a) of this subsection, 4 existing on or before June 9, 2022, that imposed a per trip tax, fee, 5 6 or other charge for which, at the time the ordinance became effective, the proceeds were to be used in part to fund a driver 7 conflict resolution center, shall be reduced by \$0.15. The city or 8 county may continue to collect that tax, fee, or other charge, but 9 only at the reduced rate and may not increase the amount of that tax, 10 11 fee, or other charge, and may not impose any higher or new taxes, fees, or other charges. 12

(c) Any per ride fee imposed by a local ordinance or regulation described in (a) of this subsection, the proceeds of which are used to offset expenses of enforcing the ordinance or regulation, may be adjusted under the following provisions:

(i) The city or county demonstrates to the satisfaction of the department that the revenues from the existing per ride fee amount are insufficient to offset the city's or county's cost from enforcement and regulation;

(ii) The total amount expected to be collected under the increased amount will not exceed the city or county's total expected costs; and

24 (iii) The department has not authorized an increase in the per 25 ride fee in the last two fiscal years.

26 (3) (a) A local ordinance or regulation in a city with a population of more than six hundred thousand or a county with a 27 population of more than two million, and that existed on or before 28 29 January 1, 2022, that defined and regulated licensing for transportation network companies and permits for drivers, or the 30 31 requirements for and processing of applications, certifications, 32 examinations, and background checks for drivers and personal vehicles, remains in effect as the requirements exist on June 9, 33 2022. The county or city may continue to enforce the ordinance or 34 regulation but may not alter, amend, or implement changes to the 35 36 ordinance or regulation, or requirements under it, after January 1, 2022, except if such alteration, amendment, or implementation 37 conforms with the requirements of this chapter. This subsection shall 38 39 apply retroactively to any alteration, amendment, or implementation 40 which occurs between March 10, 2022, and June 9, 2022.

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1 (b) Notwithstanding subsection (1) of this section, a local ordinance or regulation in a city with a population of more than six 2 hundred thousand or a county with a population of more than two 3 million, and that existed before January 1, 2022, that is related to 4 requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, and 5 6 51.04.190, and sections 6, 8 through 10, and 12, chapter 281, Laws of 2022 are preempted as of January 1, 2023. The city may continue to 7 enforce the local ordinance or regulation between June 9, 2022, and 8 January 1, 2023, but may not alter, amend, or implement changes to 9 the ordinance or regulation, or requirements under it, after January 10 1, 2022, except if such alteration, or amendment, or implementation 11 12 conforms with the requirements of chapter 281, Laws of 2022. This subsection shall apply retroactively to any alteration, amendment, or 13 implementation which occurs between March 10, 2022, and June 9, 2022. 14

(4) Nothing in this chapter shall be interpreted to prevent an 15 16 airport operator, as defined in RCW 14.08.015, from requiring a transportation network company to enter into a contract or agreement, 17 18 consistent with the provisions of RCW 14.08.120, governing 19 requirements of the transportation network company on airport property including but not limited to the fees and operational 20 requirements. An airport operator may not impose any requirements 21 22 through a contract authorized by this section that relate to requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, 23 51.04.190, 49.46.210(5), 51.08.070, 51.08.180, 51.12.020, and 24 25 51.16.060.

(5) Other than taxes, fees, or other charges imposed explicitly or exclusively on a transportation network company or driver, this section does not preempt any generally applicable taxes, fees, or other charges, such as:

- 30 (a) Business tax;
- 31 (b) Sales and use tax;
- 32 (c) Excise tax; or
- 33 (d) Property tax.

34 <u>(6) During a large special event, a county, city, town, and/or</u> 35 <u>municipal corporation where the large special event will be located</u> 36 <u>may regulate transportation network companies using geofencing to</u> 37 <u>create designated drop-off and pick-up zones.</u>

38(7) For purposes of this section, "large special event" means a39special event occurring in Washington state which the United States

- 1 <u>department of homeland security has assessed at rating levels one</u>
- 2 <u>through five.</u>

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