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SENATE BILL 5600

State of Washington 69th Legislature 2025 Regular Session

By Senators Alvarado, Saldaña, Frame, Nobles, and Valdez

Read first time 01/30/25. Referred to Committee on Labor & Commerce.

- 1 AN ACT Relating to regulation of transportation network companies
- 2 during large-scale events; and amending RCW 46.72B.050 and
- 3 46.72B.190.

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- 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.
 - (2) During the first seven days of a state of emergency, as declared by the governor or the president of the United States, a transportation network company may not charge a fare for transportation network company services provided to any passenger that exceeds two and one-half times the fare that would otherwise be applicable for the prearranged ride.
- (3) During a large-scale event, a transportation network company
 may not charge a fare for a prearranged ride provided to any
 passenger that exceeds 120 percent of the driver's pay for the

20 <u>prearranged ride.</u>

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- 1 (4) A violation of this section affects the public interest and constitutes an unlawful and unfair practice under chapter 19.86 RCW.
- 3 (5) For the purposes of this section, the following definitions 4 apply:
 - <u>(a)(i) "Large-scale event" means:</u>

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- 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 <u>(B) A ticketed or preregistered assembly of 1,000 or more</u> 10 individuals at an indoor venue that has defined entrances or exits.
- 11 <u>(ii) Event staff and volunteers are not included in the attendee</u> 12 <u>count.</u>
- (iii) A "large-scale event" does not include any assembly operated, managed, conducted, controlled, or supervised by a public or private charter K-12 educational organization or a religious or 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:
 - (1) Except as provided in subsections (2) ((and)), (3), and (6) of this section, as of June 9, 2022, the state preempts the field of regulating transportation network companies and drivers. No county, city, town, or other municipal corporation may regulate transportation network companies or drivers, or impose any tax, fee, or other charge, on a transportation network company or driver.
 - (2) (a) Except as provided in (b) and (c) of this subsection, a local ordinance or regulation, in a city with a population of more than 600,000 or a county with a population of more than 2,000,000, existing on or before January 1, 2022, that imposes a tax, fee, or other charge on a transportation network company or driver, remains in effect at the rate that exists on or before January 1, 2022. The city or county may continue to collect that tax, fee, or other charge, but may not increase the amount of that tax, fee, or other charge, and may not impose any higher or new taxes, fees, or other charges. This subsection (2)(a) applies retroactively and preempts any increase in the amount of an existing tax, fee, or other charge,

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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 regulation, in a city or county described in (a) of this subsection, existing on or before June 9, 2022, that imposed a per trip tax, fee, or other charge for which, at the time the ordinance became effective, the proceeds were to be used in part to fund a driver conflict resolution center, shall be reduced by \$0.15. The city or county may continue to collect that tax, fee, or other charge, but only at the reduced rate and may not increase the amount of that tax, fee, or other charge, and may not impose any higher or new taxes, fees, or other charges.
- (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;
- 21 (ii) The total amount expected to be collected under the 22 increased amount will not exceed the city or county's total expected 23 costs; and
- 24 (iii) The department has not authorized an increase in the per 25 ride fee in the last two fiscal years.
 - (3) (a) A local ordinance or regulation in a city with a population of more than six hundred thousand or a county with a population of more than two million, and that existed on or before January 1, 2022, that defined and regulated licensing for transportation network companies and permits for drivers, or the requirements for and processing of applications, certifications, examinations, and background checks for drivers and personal vehicles, remains in effect as the requirements exist on June 9, 2022. The county or city may continue to enforce the ordinance or regulation but may not alter, amend, or implement changes to the ordinance or regulation, or requirements under it, after January 1, 2022, except if such alteration, amendment, or implementation conforms with the requirements of this chapter. This subsection shall apply retroactively to any alteration, amendment, or implementation which occurs between March 10, 2022, and June 9, 2022.

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- (b) Notwithstanding subsection (1) of this section, a local ordinance or regulation in a city with a population of more than six hundred thousand or a county with a population of more than two million, and that existed before January 1, 2022, that is related to requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, and 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 enforce the local ordinance or regulation between June 9, 2022, and January 1, 2023, but may not alter, amend, or implement changes to the ordinance or regulation, or requirements under it, after January 1, 2022, except if such alteration, or amendment, or implementation conforms with the requirements of chapter 281, Laws of 2022. This subsection shall apply retroactively to any alteration, amendment, or implementation which occurs between March 10, 2022, and June 9, 2022.
- (4) Nothing in this chapter shall be interpreted to prevent an airport operator, as defined in RCW 14.08.015, from requiring a transportation network company to enter into a contract or agreement, consistent with the provisions of RCW 14.08.120, governing requirements of the transportation network company on airport property including but not limited to the fees and operational requirements. An airport operator may not impose any requirements through a contract authorized by this section that relate to requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, 51.04.190, 49.46.210(5), 51.08.070, 51.08.180, 51.12.020, and 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:
 - (a) Business tax;
 - (b) Sales and use tax;
 - (c) Excise tax; or
- 33 (d) Property tax.

- (6) During a large special event, a county, city, town, and/or municipal corporation where the large special event will be located may regulate transportation network companies using geofencing to create designated drop-off and pick-up zones.
- 38 <u>(7) For purposes of this section, "large special event" means a</u> 39 <u>special event occurring in Washington state which the United States</u>

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

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