

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1332

69th Legislature
2025 Regular Session

Passed by the House April 17, 2025
Yeas 59 Nays 37

**Speaker of the House of
Representatives**

Passed by the Senate April 14, 2025
Yeas 27 Nays 21

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1332** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1332

AS AMENDED BY THE SENATE

Passed Legislature - 2025 Regular Session

State of Washington

69th Legislature

2025 Regular Session

By House 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)

READ FIRST TIME 02/12/25.

1 AN ACT Relating to transportation network companies; amending RCW
2 46.72B.020 and 49.46.300; adding a new section to chapter 46.72B RCW;
3 and providing effective dates.

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

5 **Sec. 1.** RCW 46.72B.020 and 2022 c 281 s 15 are each amended to
6 read as follows:

7 The definitions in this section apply throughout this chapter
8 unless the context clearly requires otherwise.

9 (1) "Department" means the department of licensing.

10 (2) "Digital network" means any online-enabled application,
11 website, or system offered or used by a transportation network
12 company that enables the prearrangement of rides between drivers and
13 passengers.

14 (3) "Director" means the director of the department of licensing.

15 (4) "Driver" has the meaning provided in RCW 49.46.300.

16 (5) "Network services" has the meaning provided in RCW 49.46.300.

17 (6) "Passenger" means an individual who uses a digital network to
18 connect with a driver in order to obtain a prearranged ride in the
19 driver's transportation network company vehicle. A person may use a
20 digital network to request a prearranged ride on behalf of a
21 passenger.

(7) "Prearranged ride" has the same meaning provided in RCW 48.177.005.

(8) "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.

(9) "Transportation network company" has the meaning provided in RCW 49.46.300.

~~((+9))~~ (10) "Transportation network company vehicle" has the same meaning as "personal vehicle" in RCW 48.177.005.

NEW SECTION. **Sec. 2.** A new section is added to chapter 46.72B RCW to read as follows:

(1) A transportation network company must make information available to transportation network company drivers on which vehicles, described by make, model, and year, are eligible for each product class offered on the transportation network company platform.

(2) For any vehicle that lost eligibility on the basis of vehicle year or model type for a particular product class in the 12 months prior to the effective date of this section, the transportation network company must reinstate the vehicle to that product class for at least 12 months following the effective date of this section. The requirements in subsection (2) of this section do not apply to vehicles that lost eligibility for a reason other than vehicle year or model type, including but not limited to the driver's loss of access to the transportation network company's platform, vehicle safety-related or vehicle condition issues, or the driver's or vehicle's noncompliance with law or regulatory standards.

(3) If a transportation network company plans to modify vehicle age or model type requirements for an existing product class, the transportation network company must provide all current drivers with written notice at least 120 calendar days before the change is implemented.

Sec. 3. RCW 49.46.300 and 2022 c 281 s 1 are each amended to read as follows:

(1) The definitions in this subsection apply throughout this section and RCW 49.46.310 through 49.46.350 unless the context clearly requires otherwise.

1 (a) "Account deactivation" means one or more of the following
2 actions with respect to an individual driver or group of drivers that
3 is implemented by a transportation network company and lasts for more
4 than three consecutive days:

5 (i) Blocking access to the transportation network company driver
6 platform;

7 (ii) Changing a driver's status from eligible to provide
8 transportation network company services to ineligible; or

9 (iii) Any other material restriction in access to the
10 transportation network company's driver platform.

11 (b) "Compensation" means payment owed to a driver by reason of
12 providing network services including, but not limited to, the minimum
13 payment for passenger platform time and mileage, incentives, and
14 tips.

15 (c) "Department" means the department of labor and industries.

16 (d) "Digital network" means any online-enabled application,
17 website, or system offered or used by a transportation network
18 company that enables the prearrangement of rides between drivers and
19 passengers.

20 (e) "Director" means the director of the department of labor and
21 industries.

22 (f) "Dispatch location" means the location of the driver at the
23 time the driver accepts a trip request through the driver platform.

24 (g) "Dispatch platform time" means the time a driver spends
25 traveling from a dispatch location to a passenger pick-up location.
26 Dispatch platform time ends when a passenger cancels a trip or the
27 driver begins the trip through the driver platform. A driver cannot
28 simultaneously be engaged in dispatch platform time and passenger
29 platform time for the same transportation network company. For shared
30 rides, dispatch platform time means the time a driver spends
31 traveling from the first dispatch location to the first passenger
32 pick-up location.

33 (h) "Dispatched trip" means the provision of transportation by a
34 driver for a passenger through the use of a transportation network
35 company's application dispatch system.

36 (i) "Driver" has the same meaning as "commercial transportation
37 services provider driver" in RCW 48.177.005. Except as otherwise
38 specified in chapter 281, Laws of 2022, for purposes of this title
39 and Titles 48, 50A, 50B, and 51 RCW, and any orders, regulations,
40 administrative policies, or opinions of any state or local agency,

1 board, division, or commission, pursuant to those titles, a driver is
2 not an employee or agent of a transportation network company if the
3 following factors are met:

4 (i) The transportation network company does not unilaterally
5 prescribe specific dates, times of day, or a minimum number of hours
6 during which the driver must be logged into the transportation
7 network company's online-enabled application or platform;

8 (ii) The transportation network company may not terminate the
9 contract of the driver for not accepting a specific transportation
10 service request;

11 (iii) The transportation network company does not contractually
12 prohibit the driver from performing services through other
13 transportation network companies except while performing services
14 through the transportation network company's online-enabled
15 application or platform during dispatch platform time and passenger
16 platform time; and

17 (iv) The transportation network company does not contractually
18 prohibit the driver from working in any other lawful occupation or
19 business.

20 Notwithstanding any state or local law to the contrary, any party
21 seeking to establish that the factors in this subsection (1)(i) are
22 not met bears the burden of proof. A driver for purposes of this
23 section shall not include any person ultimately and finally
24 determined to be an "employee" within the meaning of section 2(3) of
25 the national labor relations act, 29 U.S.C. Sec. 152(3).

26 (j) "Driver platform" means the driver-facing application
27 dispatch system software or any online-enabled application service,
28 website, or system, used by a driver, or which enables services to be
29 delivered to a driver that enables the prearrangement of passenger
30 trips for compensation.

31 (k) "Driver resource center" or "center" means a nonprofit
32 organization that provides services to drivers. The nonprofit
33 organization must be registered with the Washington secretary of
34 state, have organizational bylaws giving drivers right to membership
35 in the organization, and have demonstrated experience: (i) Providing
36 services to gig economy drivers in Washington state, including
37 representing drivers in deactivation appeals proceedings; and (ii)
38 providing culturally competent driver representation services,
39 outreach, and education. The administration and formation of the

1 driver resource center may not be funded, excessively influenced, or
2 controlled by a transportation network company.

3 (l) "Driver resource center fund" or "fund" means the dedicated
4 fund created in RCW 49.46.310, the sole purpose of which is to
5 administer funds collected from transportation network companies to
6 provide services, support, and benefits to drivers.

7 (m) "Network services" means services related to the
8 transportation of passengers through the driver platform that are
9 provided by a driver while logged in to the driver platform,
10 including services provided during available platform time, dispatch
11 platform time, and passenger platform time.

12 (n) "Passenger" has the same meaning as "commercial
13 transportation services provider passenger" in RCW 48.177.005.

14 (o) "Passenger drop-off location" means the location of a
15 driver's vehicle when the passenger leaves the vehicle.

16 (p) "Passenger pick-up location" means the location of the
17 driver's vehicle at the time the driver starts the trip in the driver
18 platform.

19 (q) "Passenger platform miles" means all miles driven during
20 passenger platform time as recorded in a transportation network
21 company's driver platform.

22 (r) "Passenger platform time" means the period of time when the
23 driver is transporting one or more passengers on a trip. For shared
24 rides, passenger platform time means the period of time commencing
25 when the first passenger enters the driver's vehicle until the time
26 when the last passenger exits the driver's vehicle.

27 (s) "Personal vehicle" has the same meaning as "personal vehicle"
28 in RCW 48.177.005.

29 (t) "Shared ride" means a dispatched trip which, prior to its
30 commencement, a passenger requests through the transportation network
31 company's digital network to share the dispatched trip with one or
32 more passengers and each passenger is charged a fare that is
33 calculated, in whole or in part, based on the passenger's request to
34 share all or a part of the dispatched trip with one or more
35 passengers, regardless of whether the passenger actually shares all
36 or a part of the dispatched trip.

37 (u) "Tips" means a verifiable sum to be presented by a passenger
38 as a gift or gratuity in recognition of service performed for the
39 passenger by the driver receiving the tip.

1 (v) "Transportation network company" has the same meaning as
2 defined in RCW 46.04.652. A transportation network company does not
3 provide for hire transportation service.

4 (2) A driver is only covered by this section to the extent that
5 the driver provides network services within the state of Washington.

6 (3)(a) A transportation network company is covered by this
7 section if it provides a driver platform within the state of
8 Washington.

9 (b) Separate entities that form an integrated enterprise are
10 considered a single transportation network company under this
11 section. Separate entities will be considered an integrated
12 enterprise and a single transportation network company where a
13 separate entity controls the operation of another entity. Factors to
14 consider include, but are not limited to, the degree of interrelation
15 between the operations of multiple entities; the degree to which the
16 entities share common management; the centralized control of labor
17 relations; the degree of common ownership or financial control over
18 the entities; and the use of a common brand, trade, business, or
19 operating name.

20 (4)(a) Beginning December 31, 2022, a transportation network
21 company shall ensure that a driver's total compensation is not less
22 than the standard set forth in (a)(i), (ii), or (iii) of this
23 subsection (4).

24 (i) For all dispatched trips originating in cities with a
25 population of more than 600,000, on a per trip basis the greater of:

26 (A) \$0.59 per passenger platform minute for all passenger
27 platform time for that trip, and \$1.38 per passenger platform mile
28 for all passenger platform miles driven on that trip; or

29 (B) A minimum of \$5.17 per dispatched trip.

30 (ii) For all other dispatched trips, the greater of:

31 (A) \$0.34 per passenger platform minute and \$1.17 per passenger
32 platform mile; or

33 (B) A minimum of \$3.00 per dispatched trip.

34 (iii) For all trips originating elsewhere and terminating in
35 cities with a population of more than 600,000:

36 (A) For all passenger platform time spent within the city on that
37 trip and for all passenger platform miles driven in the city on that
38 trip the compensation standard under (a)(i) of this subsection
39 applies.

1 (B) For all passenger platform time spent outside the city on
2 that trip and for all passenger platform miles driven outside the
3 city on that trip the compensation standard under (a)(ii) of this
4 subsection applies.

5 (b) Beginning September 30, 2022, and on each following September
6 30th, the department shall calculate adjusted per mile and per minute
7 amounts and per trip minimums by increasing the current year's per
8 mile and per minute amounts and per trip minimums by the rate of
9 increase of the state minimum wage, calculated to the nearest cent.
10 The adjusted amount calculated under this section takes effect on the
11 following January 1st.

12 (c) For shared rides, the per trip minimums in (a)(i) and (ii) of
13 this subsection shall apply only to the entirety of the shared ride,
14 and not on the basis of the individual passenger's trip within the
15 shared ride.

16 (5)(a) For the purposes of this section, a dispatched trip
17 includes:

18 (i) A dispatched trip in which the driver transports the
19 passenger to the passenger drop-off location;

20 (ii) A dispatched trip canceled after two minutes by a passenger
21 or the transportation network company unless cancellation is due to
22 driver conduct, or no cancellation fee is charged to the passenger;

23 (iii) A dispatched trip that is canceled by the driver for good
24 cause consistent with company policy; and

25 (iv) A dispatched trip where the passenger does not appear at the
26 passenger pick-up location within five minutes.

27 (b) A transportation network company may exclude time and miles
28 if doing so is reasonably necessary to remedy or prevent fraudulent
29 use of the transportation network company's online-enabled
30 application or platform.

31 (6)(a) A transportation network company shall remit to drivers
32 all tips. Tips paid to a driver are in addition to, and may not count
33 towards, the driver's minimum compensation under this section.

34 (b) Amounts charged to a passenger and remitted to the driver for
35 tolls, fees, or surcharges incurred by a driver during a trip must
36 not be included in calculating compensation for purposes of
37 subsection (4) of this section.

38 (c)(i) Beginning January 1, 2023, except as required by law, a
39 transportation network company may only deduct compensation when the
40 driver expressly authorizes the deduction in writing and does so in

1 advance for a lawful purpose. Any authorization by a driver must be
2 voluntary and knowing.

3 (ii) Nothing in this section shall prohibit a transportation
4 network company from deducting compensation as required by state or
5 federal law or as directed by a court order.

6 (iii) Neither the transportation network company nor any person
7 acting in the interest of the transportation network company may
8 derive any financial profit or benefit from any of the deductions
9 under this section. For the purposes of this section:

10 (A) Reasonable interest charged by the transportation network
11 company or any person acting in the interest of a transportation
12 network company, for a loan or credit extended to the driver, is not
13 considered to be of financial benefit to the transportation network
14 company or person acting in the interest of a transportation network
15 company; and

16 (B) A deduction will be considered for financial profit or
17 benefit only if it results in a gain over and above the fair market
18 value of the goods or services for which the deduction was made.

19 (7)(a) Beginning January 1, 2023, a transportation network
20 company shall provide each driver with a written notice of rights
21 established by this section in a form and manner sufficient to inform
22 drivers of their rights under this section. The notice of rights
23 shall provide information on:

24 (i) The right to the applicable per minute rate and per mile rate
25 or per trip rate guaranteed by this section;

26 (ii) The right to be protected from retaliation for exercising in
27 good faith the rights protected by this section; and

28 (iii) The right to seek legal action or file a complaint with the
29 department for violation of the requirements of this section,
30 including a transportation network company's failure to pay the
31 minimum per minute rate or per mile rate or per trip rate, or a
32 transportation network company's retaliation against a driver or
33 other person for engaging in an activity protected by this section.

34 (b) A transportation network company shall provide the notice of
35 rights required by this section in an electronic format that is
36 readily accessible to the driver. The notice of rights shall be made
37 available to the driver via smartphone application or online web
38 portal, in English and the five most common foreign languages spoken
39 in this state.

1 (8) Beginning December 31, 2022, within 24 hours of completion of
2 each dispatched trip, a transportation network company must transmit
3 an electronic receipt to the driver that contains the following
4 information for each unique trip, or portion of a unique trip,
5 covered by this section:

6 (a) The total amount of passenger platform time;

7 (b) The total mileage driven during passenger platform time;

8 (c) Rate or rates of pay, including but not limited to the rate
9 per minute, rate per mile, percentage of passenger fare, and any
10 applicable (~~price multiplier or variable pricing policy in effect~~
11 ~~for the trip~~) trip-based financial incentives, promotions, or
12 bonuses paid to the driver that resulted directly from the specific
13 trip, rather than any aggregated trip activity;

14 (d) Tip compensation;

15 (e) Gross payment;

16 (f) Net payment after deductions, fees, tolls, surcharges, lease
17 fees, or other charges; and

18 (g) Itemized deductions or fees, including any toll, surcharge,
19 commission, lease fees, and other charges.

20 (9)(a) Beginning January 1, 2023, a transportation network
21 company shall make driver per trip receipts available in a
22 downloadable format, such as a comma-separated values file or PDF
23 file, via smartphone application or online web portal for a period of
24 two years from the date the transportation network company provided
25 the receipt to the driver.

26 (b) Beginning on the effective date of this section, a
27 transportation network company shall make available to a driver a
28 downloadable record containing the data from the driver's per-trip
29 receipts for all trips in the reference period contained in this
30 section. The record required by this section must be provided in a
31 single aggregated, searchable, downloadable format, such as a comma-
32 separated values file or searchable PDF file. The reference period
33 for the record required by this section must be the previous 24
34 months. The record required by this section must be made available
35 for download within three business days from the date that the driver
36 requests the record. The record required by this section must contain
37 a table with rows for each unique trip and columns for each itemized
38 element contained in each trip receipt. The record required by this
39 section may contain additional information at the discretion of the
40 transportation network company.

1 (10) Beginning January 1, 2023, on a weekly basis, the
2 transportation network company shall provide written notice to the
3 driver that contains the following information for trips, or a
4 portion of a trip, that is covered by this section and which occurred
5 in the prior week:

6 (a) The driver's total passenger platform time;

7 (b) Total mileage driven by the driver during passenger platform
8 time;

9 (c) The driver's total tip compensation;

10 (d) The driver's gross payment, itemized by: (i) Rate per minute;
11 (ii) rate per mile; and (iii) any other method used to calculate pay
12 including, but not limited to, base pay, percentage of passenger
13 fare, or any applicable (~~price multiplier or variable pricing policy~~
14 ~~in effect for the trip~~) financial incentives, promotions, or bonuses
15 paid to the driver related to any of the driver's activity on the
16 platform;

17 (e) The driver's net payment after deductions, fees, tolls,
18 surcharges, lease fees, or other charges; and

19 (f) Itemized deductions or fees, including all tolls, surcharges,
20 commissions, lease fees, and other charges, from the driver's
21 payment.

22 (11) Beginning January 1, 2023, within 24 hours of a trip's
23 completion, a transportation network company must transmit an
24 electronic receipt to the passenger, for on trip time, on behalf of
25 the driver that lists:

26 (a) The date and time of the trip;

27 (b) The passenger pick-up and passenger drop-off locations for
28 the trip. In describing the passenger pick-up location and passenger
29 drop-off location, the transportation network company shall describe
30 the location by indicating the specific block (e.g. "the 300 block of
31 Pine Street") in which the passenger pick-up and passenger drop-off
32 occurred. A transportation network company is authorized to indicate
33 the location with greater specificity, such as with a street address
34 or intersection, at its discretion;

35 (c) The total duration and distance of the trip;

36 (d) The driver's first name;

37 (e) The total fare paid, itemizing all charges and fees; and

38 (f) The total passenger-paid tips.

39 (12)(a) Beginning July 1, 2024, transportation network companies
40 shall collect and remit a \$0.15 per trip fee to the driver resource

1 center fund, created in RCW 49.46.310, for the driver resource center
2 to support the driver community. The remittance under this subsection
3 is a pass-through of passenger fares and shall not be considered a
4 transportation network company's funding of the driver resource
5 center. Passenger fares paid include each individual trip portion on
6 shared trips. The remittances to the fund must be made on a quarterly
7 basis.

8 (b) Beginning September 30, 2024, and on each following September
9 30th, the department shall calculate an adjusted per trip fee by
10 adjusting the current amount by the rate of inflation. The adjusted
11 amounts must be calculated to the nearest cent using the consumer
12 price index for urban wage earners and clerical workers, CPI-W, or a
13 successor index, for the 12 months prior to each September 1st as
14 calculated by the United States department of labor. Each adjusted
15 amount calculated under this subsection takes effect on the following
16 January 1st.

17 (13) No later than one year after June 9, 2022, transportation
18 network companies shall provide an opportunity for drivers to make
19 voluntary per trip earnings deduction contributions to the driver
20 resource center, provided that 100 or more drivers working for
21 transportation network companies covered under this section have
22 authorized such a deduction to the driver resource center, and
23 subject to the following:

24 (a) A driver must expressly authorize the deduction in writing.
25 Written authorization must include, at a minimum, sufficient
26 information to identify the driver and the driver's desired per trip
27 deduction amount. These deductions may reduce the driver's per trip
28 earnings below the minimums set forth in this section.

29 (b) The transportation network company may require written
30 authorization to be submitted in electronic format from the driver
31 resource center.

32 (c) The transportation network company shall make the first
33 deductions within 30 days of receiving a written authorization of the
34 driver, and shall remit deductions to the driver resource center each
35 month, with remittance due not later than 28 days following the end
36 of the month.

37 (d) A driver's authorization remains in effect until the driver
38 resource center provides an express revocation to the transportation
39 network company.

1 (e) A transportation network company shall rely on information
2 provided by the driver resource center regarding the authorization
3 and revocation of deductions.

4 (f) Upon request by a transportation network company, the driver
5 resource center shall reimburse the transportation network company
6 for the costs associated with deduction and remittance. The
7 department shall adopt rules to calculate the reimbursable costs.

8 (14) Each transportation network company shall submit to the
9 fund, with its remittance under subsection (12) of this section, a
10 report detailing the number of trips in the previous quarter and the
11 total amount of the surcharge charged to customers. The first payment
12 and accounting is due on the 30th day of the quarter following the
13 imposition of the surcharge. Failure to remit payments by the
14 deadlines is deemed a delinquency and the transportation network
15 company is subject to penalties and interest provided in RCW
16 49.46.330.

17 (15)(a) The state expressly intends to displace competition with
18 regulation allowing a transportation network company, at its own
19 volition, to enter into an agreement with the driver resource center
20 regarding a driver account deactivation appeals process for eligible
21 account deactivations. It is the policy of the state to promote a
22 fair appeals process related to eligible account deactivations that
23 supports the rights of drivers and transportation network companies
24 and provides fair processes related to eligible account
25 deactivations. The state intends that any agreement under this
26 section is immune from all federal and state antitrust laws.

27 (i) "Eligible account deactivation" means one or more of the
28 following actions with respect to an individual driver that is
29 implemented by a transportation network company:

30 (A) Blocking or restricting access to the transportation network
31 company driver platform for three or more consecutive days; or

32 (B) Changing a driver's account status from eligible to provide
33 transportation network company services to ineligible for three or
34 more consecutive days.

35 (ii) An eligible account deactivation does not include any change
36 in a driver's access or account status that is:

37 (A) Related to an allegation of discrimination, harassment,
38 including sexual harassment or harassment due to someone's membership
39 in a protected class, or physical or sexual assault, or willful or
40 knowing commitment of fraud;

1 (B) Related to an allegation that the driver was under the
2 influence of drugs or alcohol while a related active investigation
3 that takes no longer than 10 business days is under way; or

4 (C) Any other categories the transportation network company and
5 the driver resource center may agree to as part of the agreement
6 under this subsection.

7 (iii) A transportation network company shall enter into an
8 agreement with the driver resource center regarding the driver
9 account deactivation appeals process for eligible account
10 deactivations. Any agreement must be approved by the department. The
11 department may approve an agreement only if the agreement contains
12 the provisions in (a)(iv) of this subsection.

13 (iv) The agreement must provide an appeals process for drivers
14 whose account has been subject to an eligible account deactivation.
15 The appeals process must include the following protections:

16 (A) Opportunity for a driver representative to support a driver,
17 upon the driver's request, throughout the account deactivation
18 appeals process for eligible account deactivations;

19 (B) Notification, as required by (d) of this subsection, to
20 drivers of their right to representation by the driver resource
21 center at the time of the eligible account deactivation;

22 (C) Within 30 calendar days of a request, furnishing to the
23 driver resource center an explanation and information the
24 transportation network company may have relied upon in making the
25 deactivation decision, excluding confidential, proprietary, or
26 otherwise privileged communications, provided that personal
27 identifying information and confidential information is redacted to
28 address reasonable privacy and confidentiality concerns;

29 (D) A good faith, informal resolution process that is committed
30 to efficient resolution of conflicts regarding eligible account
31 deactivations within 30 days of the transportation network company
32 being notified that the driver contests the explanation offered by
33 the company;

34 (E) A formal process that includes a just cause standard, with
35 deadlines for adjudication of an appeal of an eligible account
36 deactivation by a panel that includes a mutually agreed-upon neutral
37 third party with experience in dispute resolution. The panel has the
38 authority to make binding decisions within the confines of the law
39 and make-whole monetary awards, including back pay, based on an

1 agreed-upon formula for cases not resolved during the informal
2 process;

3 (F) Agreement by the transportation network company to use the
4 process set forth in this subsection to resolve disputes over
5 eligible account deactivation appeals as an alternative to private
6 arbitration with regard to such a dispute, should the driver and
7 transportation network company so choose; and

8 (G) Agreement by the transportation network company that, for
9 eligible account deactivations in which the driver or transportation
10 network company elect private arbitration in lieu of the formal
11 process outlined in (a)(iv)(E) of this subsection (15), the
12 transportation network company shall offer the driver the opportunity
13 to have the eligible deactivation adjudicated under the just cause
14 standard outlined in (a)(iv)(E) of this subsection.

15 (b) A transportation network company that enters into an
16 agreement with the driver resource center shall reach agreement
17 through the following steps:

18 (i)(A) For a transportation network company operating a digital
19 network in the state of Washington as of June 9, 2022, the driver
20 resource center and transportation network company must make good
21 faith efforts to reach an agreement within 120 days of an
22 organization being selected as the driver resource center under RCW
23 49.46.310.

24 (B) For a transportation network company who begins operating a
25 digital network in the state of Washington after an organization has
26 been selected as the driver resource center under RCW 49.46.310, the
27 driver resource center and transportation network company must make
28 good faith efforts to reach an agreement within 120 days of the
29 transportation network company beginning operation of a digital
30 network in the state of Washington.

31 (ii) If the driver resource center and transportation network
32 company cannot reach an agreement, then they are required to submit
33 issues of dispute before a jointly agreed-upon mediator.

34 (iii) After mediation lasting no more than two months has been
35 exhausted and no resolution has been reached, then the parties will
36 proceed to binding arbitration before a panel of arbitrators
37 consisting of one arbitrator selected by the driver resource center,
38 one arbitrator selected by the transportation network company, and a
39 third arbitrator selected by the other two. If the two selected
40 arbitrators cannot agree to the third arbitrator within 10 days, then

1 the third arbitrator shall be determined from a list of seven
2 arbitrators with experience in labor disputes or interest arbitration
3 designated by the American arbitration association. A coin toss shall
4 determine which side strikes the first name. Thereafter the other
5 side shall strike a name. The process will continue until only one
6 name remains, who shall be the third arbitrator. Alternatively, the
7 driver resource center and the transportation network company may
8 agree to a single arbitrator.

9 (iv) The arbitrators must submit their decision, based on
10 majority rule, within 60 days of the panel or arbitrator being
11 chosen.

12 (v) The decision of the majority of arbitrators is final and
13 binding and will then be submitted to the director of the department
14 for final approval.

15 (c) In reviewing any agreement between a transportation network
16 company and the driver resource center, under (a) of this subsection,
17 the department shall review the agreement to ensure that its content
18 is consistent with this subsection and the public policy goals set
19 forth in this subsection. The department shall consider in its review
20 both qualitative and quantitative effects of the agreement and how
21 the agreement comports with the state policies set forth in this
22 section. In conducting a review, the record shall not be limited to
23 the submissions of the parties nor to the terms of the proposed
24 agreement and the department shall have the right to conduct public
25 hearings and request additional information from the parties,
26 provided that such information: (i) Is relevant for determining
27 whether the agreement complies with this subsection; and (ii) does
28 not contain either parties' confidential, proprietary, or privileged
29 information, or any individual's personal identifying information
30 from the parties. The department may approve or reject a proposed
31 agreement, and may require the parties to submit a revised proposal
32 on all or particular parts of the proposed agreement. If the
33 department rejects an agreement, it shall set forth its reasoning in
34 writing and shall suggest ways the parties may remedy the failures.
35 Absent good cause, the department shall issue a written determination
36 regarding its approval or rejection within 60 days of submission of
37 the agreement.

38 (d) (i) For any account deactivation, the transportation network
39 company shall provide notification to the driver, at the time of

1 deactivation, that the driver may have the right to representation by
2 the driver resource center to appeal the account deactivation.

3 (ii) A transportation network company must provide any driver
4 whose account is subject to an account deactivation between June 9,
5 2022, and the effective date of the agreement the contact information
6 of the driver resource center and notification that the driver may
7 have the right to appeal the account deactivation with representation
8 by the driver resource center.

9 (16) The department may adopt rules to implement this section.

10 NEW SECTION. **Sec. 4.** Sections 1 and 2 of this act take effect
11 September 1, 2025.

12 NEW SECTION. **Sec. 5.** Section 3 of this act takes effect July 1,
13 2026.

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