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ENGROSSED SUBSTITUTE HOUSE BILL 1332

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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 inform transportation network company drivers which vehicles, described by make, model, and year, are eligible for each product class offered on the transportation network company platform at the time the driver onboards the vehicle to the platform.

(2) For any vehicle that lost eligibility 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 the product class for at least 12 months following the effective date of this section.

**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.

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

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

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

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

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

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

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

10 (e) "Director" means the director of the department of labor and  
11 industries.

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

14 (g) "Dispatch platform time" means the time a driver spends  
15 traveling from a dispatch location to a passenger pick-up location.  
16 Dispatch platform time ends when a passenger cancels a trip or the  
17 driver begins the trip through the driver platform. A driver cannot  
18 simultaneously be engaged in dispatch platform time and passenger  
19 platform time for the same transportation network company. For shared  
20 rides, dispatch platform time means the time a driver spends  
21 traveling from the first dispatch location to the first passenger  
22 pick-up location.

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

26 (i) "Driver" has the same meaning as "commercial transportation  
27 services provider driver" in RCW 48.177.005. Except as otherwise  
28 specified in chapter 281, Laws of 2022, for purposes of this title  
29 and Titles 48, 50A, 50B, and 51 RCW, and any orders, regulations,  
30 administrative policies, or opinions of any state or local agency,  
31 board, division, or commission, pursuant to those titles, a driver is  
32 not an employee or agent of a transportation network company if the  
33 following factors are met:

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

38 (ii) The transportation network company may not terminate the  
39 contract of the driver for not accepting a specific transportation  
40 service request;

1 (iii) The transportation network company does not contractually  
2 prohibit the driver from performing services through other  
3 transportation network companies except while performing services  
4 through the transportation network company's online-enabled  
5 application or platform during dispatch platform time and passenger  
6 platform time; and

7 (iv) The transportation network company does not contractually  
8 prohibit the driver from working in any other lawful occupation or  
9 business.

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

16 (j) "Driver platform" means the driver-facing application  
17 dispatch system software or any online-enabled application service,  
18 website, or system, used by a driver, or which enables services to be  
19 delivered to a driver that enables the prearrangement of passenger  
20 trips for compensation.

21 (k) "Driver resource center" or "center" means a nonprofit  
22 organization that provides services to drivers. The nonprofit  
23 organization must be registered with the Washington secretary of  
24 state, have organizational bylaws giving drivers right to membership  
25 in the organization, and have demonstrated experience: (i) Providing  
26 services to gig economy drivers in Washington state, including  
27 representing drivers in deactivation appeals proceedings; and (ii)  
28 providing culturally competent driver representation services,  
29 outreach, and education. The administration and formation of the  
30 driver resource center may not be funded, excessively influenced, or  
31 controlled by a transportation network company.

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

36 (m) "Network services" means services related to the  
37 transportation of passengers through the driver platform that are  
38 provided by a driver while logged in to the driver platform,  
39 including services provided during available platform time, dispatch  
40 platform time, and passenger platform time.

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

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

5 (p) "Passenger pick-up location" means the location of the  
6 driver's vehicle at the time the driver starts the trip in the driver  
7 platform.

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

11 (r) "Passenger platform time" means the period of time when the  
12 driver is transporting one or more passengers on a trip. For shared  
13 rides, passenger platform time means the period of time commencing  
14 when the first passenger enters the driver's vehicle until the time  
15 when the last passenger exits the driver's vehicle.

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

18 (t) "Shared ride" means a dispatched trip which, prior to its  
19 commencement, a passenger requests through the transportation network  
20 company's digital network to share the dispatched trip with one or  
21 more passengers and each passenger is charged a fare that is  
22 calculated, in whole or in part, based on the passenger's request to  
23 share all or a part of the dispatched trip with one or more  
24 passengers, regardless of whether the passenger actually shares all  
25 or a part of the dispatched trip.

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

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

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

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

37 (b) Separate entities that form an integrated enterprise are  
38 considered a single transportation network company under this  
39 section. Separate entities will be considered an integrated  
40 enterprise and a single transportation network company where a

1 separate entity controls the operation of another entity. Factors to  
2 consider include, but are not limited to, the degree of interrelation  
3 between the operations of multiple entities; the degree to which the  
4 entities share common management; the centralized control of labor  
5 relations; the degree of common ownership or financial control over  
6 the entities; and the use of a common brand, trade, business, or  
7 operating name.

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

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

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

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

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

19 (A) \$0.34 per passenger platform minute and \$1.17 per passenger  
20 platform mile; or

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

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

24 (A) For all passenger platform time spent within the city on that  
25 trip and for all passenger platform miles driven in the city on that  
26 trip the compensation standard under (a)(i) of this subsection  
27 applies.

28 (B) For all passenger platform time spent outside the city on  
29 that trip and for all passenger platform miles driven outside the  
30 city on that trip the compensation standard under (a)(ii) of this  
31 subsection applies.

32 (b) Beginning September 30, 2022, and on each following September  
33 30th, the department shall calculate adjusted per mile and per minute  
34 amounts and per trip minimums by increasing the current year's per  
35 mile and per minute amounts and per trip minimums by the rate of  
36 increase of the state minimum wage, calculated to the nearest cent.  
37 The adjusted amount calculated under this section takes effect on the  
38 following January 1st.

39 (c) For shared rides, the per trip minimums in (a)(i) and (ii) of  
40 this subsection shall apply only to the entirety of the shared ride,

1 and not on the basis of the individual passenger's trip within the  
2 shared ride.

3 (5)(a) For the purposes of this section, a dispatched trip  
4 includes:

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

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

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

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

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

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

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

25 (c)(i) Beginning January 1, 2023, except as required by law, a  
26 transportation network company may only deduct compensation when the  
27 driver expressly authorizes the deduction in writing and does so in  
28 advance for a lawful purpose. Any authorization by a driver must be  
29 voluntary and knowing.

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

33 (iii) Neither the transportation network company nor any person  
34 acting in the interest of the transportation network company may  
35 derive any financial profit or benefit from any of the deductions  
36 under this section. For the purposes of this section:

37 (A) Reasonable interest charged by the transportation network  
38 company or any person acting in the interest of a transportation  
39 network company, for a loan or credit extended to the driver, is not  
40 considered to be of financial benefit to the transportation network

1 company or person acting in the interest of a transportation network  
2 company; and

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

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

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

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

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

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

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

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

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

34 (c) Rate or rates of pay, including but not limited to the rate  
35 per minute, rate per mile, percentage of passenger fare, and any  
36 applicable (~~price multiplier or variable pricing policy in effect~~  
37 ~~for the trip~~) financial incentives or bonuses paid to the driver;

38 (d) Tip compensation;

39 (e) Gross payment;



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

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

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

11 (b) Beginning on the effective date of this section, a  
12 transportation network company shall make available to a driver, in  
13 an accessible system, a record of all the driver's per trip receipts  
14 in a single aggregated, searchable, downloadable, comma-separated  
15 values file or searchable PDF file, containing a table with rows for  
16 each unique trip and columns for each itemized element contained in  
17 each trip receipt. Beginning on the effective date of this section  
18 until June 30, 2026, the file must contain the driver's per trip  
19 receipts from the previous 18 months. Beginning July 1, 2026, the  
20 file must contain the driver's per trip receipts from the previous 24  
21 months.

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

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

28 (b) Total mileage driven by the driver during passenger platform  
29 time;

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

31 (d) The driver's gross payment, itemized by: (i) Rate per minute;  
32 (ii) rate per mile; and (iii) any other method used to calculate pay  
33 including, but not limited to, base pay, percentage of passenger  
34 fare, or any applicable (~~(price multiplier or variable pricing policy~~  
35 ~~in effect for the trip)) financial incentives or bonuses paid to the~~  
36 driver;

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

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

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

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

9 (b) The passenger pick-up and passenger drop-off locations for  
10 the trip. In describing the passenger pick-up location and passenger  
11 drop-off location, the transportation network company shall describe  
12 the location by indicating the specific block (e.g. "the 300 block of  
13 Pine Street") in which the passenger pick-up and passenger drop-off  
14 occurred. A transportation network company is authorized to indicate  
15 the location with greater specificity, such as with a street address  
16 or intersection, at its discretion;

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

18 (d) The driver's first name;

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

20 (f) The total passenger-paid tips.

21 (12)(a) Beginning July 1, 2024, transportation network companies  
22 shall collect and remit a \$0.15 per trip fee to the driver resource  
23 center fund, created in RCW 49.46.310, for the driver resource center  
24 to support the driver community. The remittance under this subsection  
25 is a pass-through of passenger fares and shall not be considered a  
26 transportation network company's funding of the driver resource  
27 center. Passenger fares paid include each individual trip portion on  
28 shared trips. The remittances to the fund must be made on a quarterly  
29 basis.

30 (b) Beginning September 30, 2024, and on each following September  
31 30th, the department shall calculate an adjusted per trip fee by  
32 adjusting the current amount by the rate of inflation. The adjusted  
33 amounts must be calculated to the nearest cent using the consumer  
34 price index for urban wage earners and clerical workers, CPI-W, or a  
35 successor index, for the 12 months prior to each September 1st as  
36 calculated by the United States department of labor. Each adjusted  
37 amount calculated under this subsection takes effect on the following  
38 January 1st.

39 (13) No later than one year after June 9, 2022, transportation  
40 network companies shall provide an opportunity for drivers to make

1 voluntary per trip earnings deduction contributions to the driver  
2 resource center, provided that 100 or more drivers working for  
3 transportation network companies covered under this section have  
4 authorized such a deduction to the driver resource center, and  
5 subject to the following:

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

11 (b) The transportation network company may require written  
12 authorization to be submitted in electronic format from the driver  
13 resource center.

14 (c) The transportation network company shall make the first  
15 deductions within 30 days of receiving a written authorization of the  
16 driver, and shall remit deductions to the driver resource center each  
17 month, with remittance due not later than 28 days following the end  
18 of the month.

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

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

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

29 (14) Each transportation network company shall submit to the  
30 fund, with its remittance under subsection (12) of this section, a  
31 report detailing the number of trips in the previous quarter and the  
32 total amount of the surcharge charged to customers. The first payment  
33 and accounting is due on the 30th day of the quarter following the  
34 imposition of the surcharge. Failure to remit payments by the  
35 deadlines is deemed a delinquency and the transportation network  
36 company is subject to penalties and interest provided in RCW  
37 49.46.330.

38 (15)(a) The state expressly intends to displace competition with  
39 regulation allowing a transportation network company, at its own  
40 volition, to enter into an agreement with the driver resource center

1 regarding a driver account deactivation appeals process for eligible  
2 account deactivations. It is the policy of the state to promote a  
3 fair appeals process related to eligible account deactivations that  
4 supports the rights of drivers and transportation network companies  
5 and provides fair processes related to eligible account  
6 deactivations. The state intends that any agreement under this  
7 section is immune from all federal and state antitrust laws.

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

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

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

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

18 (A) Related to an allegation of discrimination, harassment,  
19 including sexual harassment or harassment due to someone's membership  
20 in a protected class, or physical or sexual assault, or willful or  
21 knowing commitment of fraud;

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

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

28 (iii) A transportation network company shall enter into an  
29 agreement with the driver resource center regarding the driver  
30 account deactivation appeals process for eligible account  
31 deactivations. Any agreement must be approved by the department. The  
32 department may approve an agreement only if the agreement contains  
33 the provisions in (a)(iv) of this subsection.

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

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

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

4 (C) Within 30 calendar days of a request, furnishing to the  
5 driver resource center an explanation and information the  
6 transportation network company may have relied upon in making the  
7 deactivation decision, excluding confidential, proprietary, or  
8 otherwise privileged communications, provided that personal  
9 identifying information and confidential information is redacted to  
10 address reasonable privacy and confidentiality concerns;

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

16 (E) A formal process that includes a just cause standard, with  
17 deadlines for adjudication of an appeal of an eligible account  
18 deactivation by a panel that includes a mutually agreed-upon neutral  
19 third party with experience in dispute resolution. The panel has the  
20 authority to make binding decisions within the confines of the law  
21 and make-whole monetary awards, including back pay, based on an  
22 agreed-upon formula for cases not resolved during the informal  
23 process;

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

29 (G) Agreement by the transportation network company that, for  
30 eligible account deactivations in which the driver or transportation  
31 network company elect private arbitration in lieu of the formal  
32 process outlined in (a)(iv)(E) of this subsection (15), the  
33 transportation network company shall offer the driver the opportunity  
34 to have the eligible deactivation adjudicated under the just cause  
35 standard outlined in (a)(iv)(E) of this subsection.

36 (b) A transportation network company that enters into an  
37 agreement with the driver resource center shall reach agreement  
38 through the following steps:

39 (i)(A) For a transportation network company operating a digital  
40 network in the state of Washington as of June 9, 2022, the driver

1 resource center and transportation network company must make good  
2 faith efforts to reach an agreement within 120 days of an  
3 organization being selected as the driver resource center under RCW  
4 49.46.310.

5 (B) For a transportation network company who begins operating a  
6 digital network in the state of Washington after an organization has  
7 been selected as the driver resource center under RCW 49.46.310, the  
8 driver resource center and transportation network company must make  
9 good faith efforts to reach an agreement within 120 days of the  
10 transportation network company beginning operation of a digital  
11 network in the state of Washington.

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

15 (iii) After mediation lasting no more than two months has been  
16 exhausted and no resolution has been reached, then the parties will  
17 proceed to binding arbitration before a panel of arbitrators  
18 consisting of one arbitrator selected by the driver resource center,  
19 one arbitrator selected by the transportation network company, and a  
20 third arbitrator selected by the other two. If the two selected  
21 arbitrators cannot agree to the third arbitrator within 10 days, then  
22 the third arbitrator shall be determined from a list of seven  
23 arbitrators with experience in labor disputes or interest arbitration  
24 designated by the American arbitration association. A coin toss shall  
25 determine which side strikes the first name. Thereafter the other  
26 side shall strike a name. The process will continue until only one  
27 name remains, who shall be the third arbitrator. Alternatively, the  
28 driver resource center and the transportation network company may  
29 agree to a single arbitrator.

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

33 (v) The decision of the majority of arbitrators is final and  
34 binding and will then be submitted to the director of the department  
35 for final approval.

36 (c) In reviewing any agreement between a transportation network  
37 company and the driver resource center, under (a) of this subsection,  
38 the department shall review the agreement to ensure that its content  
39 is consistent with this subsection and the public policy goals set  
40 forth in this subsection. The department shall consider in its review

1 both qualitative and quantitative effects of the agreement and how  
2 the agreement comports with the state policies set forth in this  
3 section. In conducting a review, the record shall not be limited to  
4 the submissions of the parties nor to the terms of the proposed  
5 agreement and the department shall have the right to conduct public  
6 hearings and request additional information from the parties,  
7 provided that such information: (i) Is relevant for determining  
8 whether the agreement complies with this subsection; and (ii) does  
9 not contain either parties' confidential, proprietary, or privileged  
10 information, or any individual's personal identifying information  
11 from the parties. The department may approve or reject a proposed  
12 agreement, and may require the parties to submit a revised proposal  
13 on all or particular parts of the proposed agreement. If the  
14 department rejects an agreement, it shall set forth its reasoning in  
15 writing and shall suggest ways the parties may remedy the failures.  
16 Absent good cause, the department shall issue a written determination  
17 regarding its approval or rejection within 60 days of submission of  
18 the agreement.

19 (d)(i) For any account deactivation, the transportation network  
20 company shall provide notification to the driver, at the time of  
21 deactivation, that the driver may have the right to representation by  
22 the driver resource center to appeal the account deactivation.

23 (ii) A transportation network company must provide any driver  
24 whose account is subject to an account deactivation between June 9,  
25 2022, and the effective date of the agreement the contact information  
26 of the driver resource center and notification that the driver may  
27 have the right to appeal the account deactivation with representation  
28 by the driver resource center.

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

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

32 NEW SECTION. **Sec. 5.** Section 3 of this act takes effect January  
33 1, 2026.

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