HOUSE BILL 1075

State of Washington 67th Legislature 2021 Regular Session

By Representatives Berry and Fitzgibbon

Prefiled 01/04/21.

AN ACT Relating to reducing emissions from vehicles associated 1 2 with on-demand transportation services; amending RCW 70A.25.010 and 3 70A.15.1010; adding new sections to chapter 70A.25 RCW; and creating 4 a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 5

6 Sec. 1. RCW 70A.25.010 and 2020 c 20 s 1360 are each amended to 7 read as follows:

8 ((Unless the context clearly requires otherwise, the)) The definitions in this section apply throughout this chapter unless the 9 10 context clearly requires otherwise.

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(1) "Department" means the department of ecology.

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(2) "Director" means the director of the department of ecology.

(3) "Fleet" means a group of fifteen or more motor vehicles 13 registered in the same name and whose owner has been assigned a fleet 14 15 identifier code by the department of licensing.

16 (4) "Motor vehicle" means any self-propelled vehicle required to 17 be licensed pursuant to chapter 46.16A RCW.

18 (5) "Motor vehicle dealer" means a motor vehicle dealer, as 19 defined in RCW 46.70.011, that is licensed pursuant to chapter 46.70 20 RCW.

1 (6) "Person" means an individual, firm, public or private 2 corporation, association, partnership, political subdivision of the 3 state, municipality, or governmental agency.

4 (7) The terms "air contaminant," "air pollution," "air quality 5 standard," "ambient air," "emission," and "emission standard" have 6 the meanings given them in RCW 70A.15.1030.

7 <u>(8)(a) "Commercial transportation services provider" includes a</u> 8 corporation, partnership, sole proprietorship, or other entity, 9 operating in Washington, that uses a digital network or software 10 application to connect passengers to vehicle operators for the 11 purpose of providing a prearranged ride.

12 <u>(b) "Commercial transportation services provider" does not</u> 13 <u>include: (i) A taxicab company under chapter 81.72 RCW; (ii) a</u> 14 <u>charter party or excursion service carrier under chapter 81.70 RCW;</u> 15 <u>(iii) an auto transportation company under chapter 81.68 RCW; (iv) a</u> 16 <u>private, nonprofit transportation provider under chapter 81.66 RCW;</u> 17 <u>or (v) a limousine carrier under chapter 46.72A RCW.</u>

18 (9) "Commercial transportation services provider passenger" or 19 "passenger" has the same meaning as defined in RCW 48.177.005.

20 (10) "Vehicle" means a vehicle that is used to provide 21 prearranged transportation services for compensation in connection 22 with and authorized by a commercial transportation services provider, 23 and that meets all of the following:

24 (a) Has a passenger capacity of less than nine persons, including
25 <u>a driver; and</u>

(b) Is not operating as a taxicab regulated under chapter 81.72
 RCW or as a limousine regulated under chapter 46.72A RCW.

28 <u>(11) "Greenhouse gas" has the same meaning as defined in RCW</u> 29 <u>70A.45.010.</u>

30 (12) "Zero emission vehicle" means a vehicle that emits no
31 exhaust gas from the onboard source of power, other than water vapor.

32 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 70A.25 33 RCW to read as follows:

(1) By July 1, 2022, the department shall establish a baseline for emissions of greenhouse gases for vehicles used on online-enabled applications or platforms of commercial transportation services providers on a per-passenger-mile traveled basis. The baseline calculation must use data from calendar year 2018 and include:

(a) Miles driven with no passenger delivery in the vehicle when
 the operator of the vehicle is logged in to a provider's digital
 platform or software application; and

4 (b) Miles driven with one or more passengers in the vehicle as a 5 prearranged ride.

6 (2) Commercial transportation services providers must provide information to the department covering individual calendar years, 7 consistent with a reporting schedule and criteria to be adopted by 8 rule by the department. The department may require commercial 9 transportation services providers to provide data regarding the 10 11 number of vehicles operating in Washington by city and by county. The 12 department must use the provided information to determine average emissions of greenhouse gases per passenger-mile including, but not 13 14 limited to:

(a) The total miles driven by vehicles operated to providecommercial transportation services in Washington state;

17 (b) The percent share of miles traveled by zero emission 18 vehicles;

19 (c) The miles-weighted average network-wide grams of carbon 20 dioxide equivalent per mile, for purposes of producing an estimate of 21 greenhouse gas emissions; and

(d) Total passenger-miles traveled using an average passengersper-trip estimate to account for trips where exact passenger head count data was not captured.

(3) The department may use reasonable methods to adjust and
 correct data and emission estimates including, but not limited to:

apportion emissions between commercial 27 (a) Methods to transportation services providers to account for: (i) Circumstances 28 in which multiple applications or platforms are simultaneously used 29 by a vehicle provider; or (ii) periods when vehicle providers are 30 31 driving primarily for purposes other than engaging with services 32 provided by the commercial transportation service provider, even 33 though the latter party may be recording data on the vehicle provider's movement; and 34

35 (b) Methods to account for passenger-miles provided via zero-36 emissions transportation or public transit, other than a motor 37 vehicle, offered in connection with a commercial transportation 38 services provider's digital network.

(4) The department may establish a baseline for a commercialtransportation services provider that begins operating in Washington

after calendar year 2018 with consideration of the baselines
 established under subsection (1) of this section and the information
 received by the department under subsection (2) of this section.

4 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 70A.25 5 RCW to read as follows:

(1) By July 1, 2023, the department shall adopt by rule and 6 7 implement mandatory annual goals and targets that begin in 2025 for each commercial transportation services provider for the reduction 8 9 under the baseline established under section 2 of this act for 10 emissions of greenhouse gases per passenger-mile. The department may 11 establish alternate timelines for the goals and targets for a commercial transportation services provider that begins covered 12 operations in Washington after calendar year 2018. The goals and 13 14 targets must:

(a) Include annual targets and goals for increasing the
 percentage of passenger-miles traveled using zero emission vehicles;

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(b) Be technically and economically feasible;

18 (c) Be informed by data reported by commercial transportation19 services providers to the department; and

(d) Be designed with consideration of the state greenhouse gas emission limits of RCW 70A.45.020 and the state vehicle miles traveled goals of RCW 47.01.440.

(2) The department may delay implementation of the targets and 23 24 goals adopted under this section if the department finds that unanticipated barriers exist to expanding the usage of zero emission 25 vehicles by commercial transportation services providers. No less 26 27 frequently than every two years, the department must review available data related to barriers to usage of zero emission vehicles by 28 commercial transportation services providers, including data related 29 30 to current and future electric transportation adoption rates and 31 charging infrastructure utilization rates.

32 (3) (a) Beginning January 1, 2024, each commercial transportation services provider must develop and submit to the department a 33 greenhouse gas emission reduction plan. The department may establish 34 alternate deadlines for the submission of a plan by a commercial 35 transportation services provider that begins operating in Washington 36 as a covered entity after calendar year 2018. The department shall 37 38 review the plan within one hundred eighty days of receipt of the plan, including a review of the plan for compliance with subsections 39

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1 (4) and (5) of this section, and decide whether to approve the plan. If a plan is rejected, the department shall provide the reasons for 2 rejecting the plan to the commercial transportation services 3 provider. The commercial transportation services provider must submit 4 a new plan within sixty days after receipt of the letter of 5 6 disapproval. Each commercial transportation services provider must implement a greenhouse gas emission reduction plan by January 1, 7 2025. 8

(b) A commercial transportation services provider must submit a 9 plan amendment to the department no less than forty-five days before 10 11 the commercial transportation services provider plans to begin 12 implementing a substantial change to the commercial transportation services provider's plan. Within forty-five days of receipt of a plan 13 amendment, the department must decide whether to approve the plan 14 15 amendment and must provide the reasons for rejecting the plan 16 amendment.

(4) Greenhouse gas emission reduction plans must contain
proposals for meeting the goals and targets established in subsection
(1) of this section through, at a minimum:

(a) Increasing the proportion of vehicles used to complete tripsthat are zero emission vehicles;

(b) Increasing the proportion of vehicle miles completed by zero emission vehicles relative to the proportion of overall vehicle miles;

(c) Decreasing the average gram-per-mile greenhouse gas emissionrates for vehicle miles traveled; and

(d) Increasing the proportion of passenger-miles traveledrelative to overall vehicle miles traveled.

29 (5) Plans developed under this section by each commercial 30 transportation services provider must also:

31 (a) Consider incentives to encourage increasing the share of 32 total miles traveled by passengers whose walking, biking, or other 33 active or zero emission modes of transportation are facilitated using 34 vehicles on an online-enabled application or platform; and

35 (b) Outline actions that a commercial transportation services 36 provider will take to ensure that the plan will not result in 37 negative financial outcomes for drivers relative to existing 38 operational conditions.

39 (6) The department may allow plans to achieve credit towards the 40 goals and targets established in subsection (1) of this section

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1 through the provision, funding, or other financial support of 2 transportation electrification infrastructure by the commercial 3 transportation services provider that is used to support commercial 4 transportation services provider company vehicle charging.

5 (7) Plans required under this section must be updated and 6 resubmitted to the department by January 1, 2026, and each January 7 1st of even-numbered years thereafter, with implementation of 8 resubmitted plans commencing January 1, 2027, and each January 1st of 9 odd-numbered years thereafter.

10 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 70A.25
11 RCW to read as follows:

(1) The department may determine, assess, and collect annual fees from each commercial transportation services provider sufficient to cover the direct and indirect costs of administering and enforcing the provisions of this section and sections 2 and 3 of this act.

16 (2) The annual fee assessed to each commercial transportation 17 services provider must be calculated by dividing the department's 18 administrative costs associated with commercial transportation 19 services providers by the provider's proportional share of total 20 number of miles of service provided by all commercial transportation 21 services providers during the preceding calendar year.

22 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 70A.25 23 RCW to read as follows:

(1) The department may adopt rules to implement, administer, and
enforce sections 2 through 4 of this act. In adopting rules under
this section, the department must ensure, to the extent practicable:

27 (a) Minimal negative impact on low-income and moderate-income 28 drivers;

(b) That the program complements and supports the planning goalsof RCW 36.70A.020; and

31 (c) That the program supports a goal of providing clean mobility 32 for low-income and moderate-income individuals.

33 (2) By September 30, 2027, and every two years thereafter, the 34 department must submit a brief report to the appropriate committees 35 of the legislature that addresses:

(a) The greenhouse gas emission and vehicle miles traveled
 reductions achieved under plans implemented consistent with this
 chapter; and

1 (b) The efficacy and sufficiency of financial incentives created 2 by the legislature to encourage and facilitate the replacement of 3 high-utilization commercial transportation services provider vehicles 4 with zero emission vehicles.

(3) A commercial transportation services provider that submits 5 6 information or records to the department under this chapter may request that the information or records be made available only for 7 the confidential use of the department, the director, the appropriate 8 division of the department, or other city, county, or state agencies 9 under data-sharing agreements approved by the department that provide 10 the same protections as would be afforded to the information or 11 12 records if the information or records remained solely in the possession of the department. The director shall give consideration 13 to the request and if this action is not detrimental to the public 14 interest and is otherwise in accord with the policies and purposes of 15 16 chapter 43.21A RCW, the director must grant the request for the 17 information to remain confidential as authorized in RCW 43.21A.160.

18 (4) The department may not make public information that would 19 constitute an invasion of privacy consistent with the standard 20 established in RCW 42.56.050 including, at minimum, information that 21 would allow identification of individuals receiving services from 22 commercial transportation services providers.

23 Sec. 6. RCW 70A.15.1010 and 2020 c 20 s 1080 are each amended to 24 read as follows:

(1) The air pollution control account is established in the state 25 treasury. All receipts collected by or on behalf of the department 26 27 from RCW 70A.15.2200(2), and receipts from nonpermit program sources under RCW 70A.15.2210(1) and 70A.15.2230(7), and all receipts from 28 RCW 70A.15.5090 ((and)), 70A.15.5120, and section 4 of this act shall 29 30 be deposited into the account. Moneys in the account may be spent 31 only after appropriation. Expenditures from the account may be used only to develop and implement the provisions of this chapter, chapter 32 70A.25 RCW, and RCW 70A.45.080. 33

34 (2) The amounts collected and allocated in accordance with this 35 section shall be expended upon appropriation except as otherwise 36 provided in this section and in accordance with the following 37 limitations:

Portions of moneys received by the department of ecology from the air pollution control account shall be distributed by the department to local authorities based on:

4 (a) The level and extent of air quality problems within such 5 authority's jurisdiction;

6 (b) The costs associated with implementing air pollution 7 regulatory programs by such authority; and

8 (c) The amount of funding available to such authority from other 9 sources, whether state, federal, or local, that could be used to 10 implement such programs.

(3) The air operating permit account is created in the custody of 11 12 the state treasurer. All receipts collected by or on behalf of the 13 department from permit program sources under RCW 70A.15.2210(1), 14 70A.15.2260, 70A.15.2270, and 70A.15.2230(7) shall be deposited into the account. Expenditures from the account may be used only for the 15 16 activities described in RCW 70A.15.2210(1), 70A.15.2260, 70A.15.2270, and 70A.15.2230(7). Moneys in the account may be spent only after 17 18 appropriation.

<u>NEW SECTION.</u> Sec. 7. By December 1, 2022, the department of ecology must submit a report to the appropriate committees of the house of representatives and the senate consistent with RCW 43.01.036 that assesses how to reduce greenhouse gas emissions from entities that deliver food and other consumer goods. The department of ecology must seek input from entities that deliver food and other consumer goods in preparing the report required under this section.

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