
SECOND SUBSTITUTE HOUSE BILL 1075

State of Washington

67th Legislature

2021 Regular Session

By House Appropriations (originally sponsored by Representatives Berry, Fitzgibbon, Leavitt, Ramel, Peterson, Kloba, Chopp, Ormsby, Pollet, Santos, and Macri)

1 AN ACT Relating to reducing emissions from vehicles associated
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 new sections.

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

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
9 definitions in this section apply throughout this chapter unless the
10 context clearly requires otherwise.

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

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

13 (3) "Fleet" means a group of fifteen or more motor vehicles
14 registered in the same name and whose owner has been assigned a fleet
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 (8) (a) "Commercial transportation services provider" includes a
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 (b) "Commercial transportation services provider" does not
13 include: (i) A taxicab company under chapter 81.72 RCW; (ii) a
14 charter party or excursion service carrier under chapter 81.70 RCW;
15 (iii) an auto transportation company under chapter 81.68 RCW; (iv) a
16 private, nonprofit transportation provider under chapter 81.66 RCW;
17 (v) a limousine carrier under chapter 46.72A RCW; or (vi) an entity
18 operating in Washington using only zero emission vehicles.

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

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

25 (a) Has a passenger capacity of less than nine persons, including
26 a driver; and

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

29 (11) "Greenhouse gas" has the same meaning as defined in RCW
30 70A.45.010.

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

33 NEW SECTION. Sec. 2. A new section is added to chapter 70A.25
34 RCW to read as follows:

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

1 (a) Miles driven with no passenger delivery in the vehicle when
2 the operator of the vehicle is logged in to a provider's digital
3 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
7 information to the department covering individual calendar years,
8 consistent with a reporting schedule and criteria to be adopted by
9 rule by the department. The department may require commercial
10 transportation services providers to provide data regarding the
11 number of vehicles operating in Washington by city and by county. The
12 department must use the provided information to determine average
13 emissions of greenhouse gases per passenger-mile including, but not
14 limited to:

15 (a) The total miles driven by vehicles operated to provide
16 commercial 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

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

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

27 (a) Methods to apportion emissions between commercial
28 transportation services providers to account for: (i) Circumstances
29 in which multiple applications or platforms are simultaneously used
30 by a vehicle provider; or (ii) periods when vehicle providers are
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
34 provider's movement; and

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.

39 (4) The department may establish a baseline for a commercial
40 transportation services provider that begins operating in Washington

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

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

6 (1) By July 1, 2023, the department shall adopt by rule and
7 implement mandatory annual goals and targets that begin in 2025 for
8 each commercial transportation services provider for the reduction
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
12 commercial transportation services provider that begins covered
13 operations in Washington after calendar year 2018. The goals and
14 targets must:

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

17 (b) Be technically and economically feasible;

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

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

23 (2) The department may delay implementation of the targets and
24 goals adopted under this section if the department finds that
25 unanticipated barriers exist to expanding the usage of zero emission
26 vehicles by commercial transportation services providers. No less
27 frequently than every two years, the department must review available
28 data related to barriers to usage of zero emission vehicles by
29 commercial transportation services providers, including data related
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
33 services provider must develop and submit to the department a
34 greenhouse gas emission reduction plan. The department may establish
35 alternate deadlines for the submission of a plan by a commercial
36 transportation services provider that begins operating in Washington
37 as a covered entity after calendar year 2018. The department shall
38 review the plan within one hundred eighty days of receipt of the
39 plan, including a review of the plan for compliance with subsections

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

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

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

20 (a) Increasing the proportion of vehicles used to complete trips
21 that are zero emission vehicles;

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

25 (c) Decreasing the average gram-per-mile greenhouse gas emission
26 rates for vehicle miles traveled; and

27 (d) Increasing the proportion of passenger-miles traveled
28 relative 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

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 (8) The department must contract for two independent analyses of
11 the effects on drivers affiliated with commercial transportation
12 services providers of the implementation of each plan by each
13 commercial transportation services provider. The first analysis must
14 cover at least the first 12 months of plan implementation and must be
15 completed and made public on the department's website by November 1,
16 2026. The second analysis must cover at least the first five years of
17 plan implementation and must be completed and made public on the
18 department's website by November 1, 2030.

19 NEW SECTION. **Sec. 4.** A new section is added to chapter 70A.25
20 RCW to read as follows:

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

25 (2) The annual fee assessed to each commercial transportation
26 services provider must be calculated by dividing the department's
27 administrative costs associated with commercial transportation
28 services providers by the provider's proportional share of total
29 number of miles of service provided by all commercial transportation
30 services providers during the preceding calendar year.

31 NEW SECTION. **Sec. 5.** A new section is added to chapter 70A.25
32 RCW to read as follows:

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

36 (a) Minimal negative impact on low-income and moderate-income
37 drivers;

1 (b) That the program complements and supports the planning goals
2 of RCW 36.70A.020; and

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

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

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

11 (b) The efficacy and sufficiency of financial incentives created
12 by the legislature to encourage and facilitate the replacement of
13 high-utilization commercial transportation services provider vehicles
14 with zero emission vehicles.

15 (3) A commercial transportation services provider that submits
16 information or records to the department under this chapter may
17 request that the information or records be made available only for
18 the confidential use of the department, the director, the appropriate
19 division of the department, or an entity carrying out the independent
20 analysis as required under section 3(8) of this act, and other city,
21 county, or state agencies under data-sharing agreements approved by
22 the department that provide the same protections as would be afforded
23 to the information or records if the information or records remained
24 solely in the possession of the department. The director shall give
25 consideration to the request and if this action is not detrimental to
26 the public interest and is otherwise in accord with the policies and
27 purposes of chapter 43.21A RCW, the director must grant the request
28 for the information to remain confidential as authorized in RCW
29 43.21A.160.

30 (4) The department may not make public information that would
31 constitute an invasion of privacy consistent with the standard
32 established in RCW 42.56.050 including, at minimum, information that
33 would allow identification of individuals receiving services from
34 commercial transportation services providers.

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

37 (1) The air pollution control account is established in the state
38 treasury. All receipts collected by or on behalf of the department
39 from RCW 70A.15.2200(2), and receipts from nonpermit program sources

1 under RCW 70A.15.2210(1) and 70A.15.2230(7), and all receipts from
2 RCW 70A.15.5090 (~~and~~), 70A.15.5120, and section 4 of this act shall
3 be deposited into the account. Moneys in the account may be spent
4 only after appropriation. Expenditures from the account may be used
5 only to develop and implement the provisions of this chapter, chapter
6 70A.25 RCW, and RCW 70A.45.080.

7 (2) The amounts collected and allocated in accordance with this
8 section shall be expended upon appropriation except as otherwise
9 provided in this section and in accordance with the following
10 limitations:

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

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

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

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

21 (3) The air operating permit account is created in the custody of
22 the state treasurer. All receipts collected by or on behalf of the
23 department from permit program sources under RCW 70A.15.2210(1),
24 70A.15.2260, 70A.15.2270, and 70A.15.2230(7) shall be deposited into
25 the account. Expenditures from the account may be used only for the
26 activities described in RCW 70A.15.2210(1), 70A.15.2260, 70A.15.2270,
27 and 70A.15.2230(7). Moneys in the account may be spent only after
28 appropriation.

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

36 NEW SECTION. **Sec. 8.** If specific funding for the purposes of
37 this act, referencing this act by bill or chapter number, is not

1 provided by June 30, 2021, in the omnibus appropriations act, this
2 act is null and void.

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