

RCW 49.46.340 Transportation network companies—Unlawful practices—Retaliation—Penalties—Request for reconsideration—Appeals.

(1) It is unlawful for a transportation network company to interfere with, restrain, or deny the exercise of any driver right provided under or in connection with RCW 49.46.300 and 49.46.210(5). This means a transportation network company may not use a driver's exercise of any of the rights provided under RCW 49.46.300 and 49.46.210(5) as a factor in any action that adversely affects the driver's use of the transportation network.

(2) It is unlawful for a transportation network company to adopt or enforce any policy that counts the use of earned paid sick time for a purpose authorized under RCW 49.46.210(1) (b) and (c) as time off the platform that may lead to or result in temporary or permanent deactivation by the transportation network company against the driver.

(3) It is unlawful for a transportation network company to take any adverse action against a driver because the driver has exercised their rights provided under RCW 49.46.300 and 49.46.210(5). Such rights include, but are not limited to: Filing an action, or instituting or causing to be instituted any proceeding under or related to RCW 49.46.300 and 49.46.210(5), or testifying or intending to testify in any such proceeding related to any rights provided under RCW 49.46.300 and 49.46.210(5).

(4) Adverse action means any action taken or threatened by a transportation network company against a driver for the driver's exercise of rights under RCW 49.46.300 and 49.46.210(5).

(5) A driver who believes that he or she was subject to retaliation by a transportation network company for the exercise of any driver right under RCW 49.46.300 and 49.46.210(5) may file a complaint with the department within 180 days of the alleged retaliatory action. The department may, at its discretion, extend the 180-day period on recognized equitable principles or because of extenuating circumstances beyond the control of the department. The department may extend the 180-day period when there is a preponderance of evidence that the transportation network company has concealed or misled the driver regarding the alleged retaliatory action.

(6) If a driver files a timely complaint with the department alleging retaliation, the department shall investigate the complaint and issue either a citation and notice of assessment or a determination of compliance within 90 days after the date on which the department received the complaint, unless the complaint is otherwise resolved. The department may extend the period by providing advance written notice to the driver and the transportation network company setting forth good cause for an extension of the period, and specifying the duration of the extension.

(7) The department may consider a complaint to be otherwise resolved when the driver and the transportation network company reach a mutual agreement to remedy any retaliatory action, or the driver voluntarily and on the driver's own initiative withdraws the complaint.

(8) If the department's investigation finds that the driver's allegation of retaliation cannot be substantiated, the department shall issue a determination of compliance to the driver and the transportation network company detailing such finding.

(9) If the department's investigation finds that the transportation network company retaliated against the driver, and the complaint is not otherwise resolved, the department may, at its

discretion, notify the transportation network company that the department intends to issue a citation and notice of assessment, and may provide up to 30 days after the date of such notification for the transportation network company to take corrective action to remedy the retaliatory action. If the complaint is not otherwise resolved, then the department shall issue a citation and notice of assessment. The department's citation and notice of assessment may:

(a) Order the transportation network company to make payable to the driver earnings that the driver did not receive due to the transportation network company's retaliatory action, including interest of one percent per month on all earnings owed. The earnings and interest owed will be calculated from the first date earnings were owed to the driver;

(b) Order the transportation network company to restore the contract of the driver, unless otherwise prohibited by law;

(c) Order the transportation network company to cease using any policy that counts the use of earned paid sick time as time off the platform or an adverse action against the driver;

(d) For the first violation, order the transportation network company to pay the department a civil penalty established in subsection (15) of this section; and

(e) For a repeat violation, order the transportation network company to pay the department up to double the civil penalty established in subsection (15) of this section.

(10) The department shall send the citation and notice of assessment or determination of compliance to both the transportation network company and driver by service of process or using a method by which the mailing can be tracked or the delivery can be confirmed to their last known addresses. A transportation network company may designate a mailing address of record for service, and additionally may provide an email address to which the department shall direct electronic courtesy copies of mailed correspondence, if such email address is provided.

(11) During an investigation of the driver's retaliation complaint, if the department discovers information suggesting alleged violations by the transportation network company of the driver's other rights under this chapter, and all applicable rules, the department may investigate and take appropriate enforcement action without requiring the driver to file a new or separate complaint. In the event the department so expands an investigation, it shall provide reasonable notice to the transportation network company that it is doing so. If the department determines that the transportation network company violated additional rights of the driver under this chapter, and all applicable rules, the transportation network company may be subject to additional enforcement actions for the violation of such rights. If the department discovers information alleging the transportation network company retaliated against or otherwise violated rights of other drivers under this chapter, and all applicable rules, the department may launch further investigation under this chapter, and all applicable rules, without requiring additional complaints to be filed.

(12) The department may prioritize retaliation investigations as needed to allow for timely resolution of complaints.

(13) Nothing in this section impedes the department's ability to investigate under the authority prescribed in RCW 49.48.040.

(14) Nothing in this section precludes a driver's right to pursue private legal action, if any exists.

(15) If the department's investigation finds that a transportation network company retaliated against a driver, pursuant to the procedures outlined in this section, the department may order the transportation network company to pay the department a civil penalty. A civil penalty for a transportation network company's retaliatory action will not be less than \$1,000 or an amount equal to 10 percent of the total amount of unpaid earnings attributable to the retaliatory action per claimant, whichever is greater. The maximum civil penalty for a transportation network company's retaliatory action shall be \$20,000 per claimant for the first violation, and \$40,000 for each repeat violation.

(16) The department may, at any time, waive or reduce any civil penalty assessed against a transportation network company under this section if the department determines that the transportation network company has taken corrective action to remedy the retaliatory action.

(17) The department will deposit civil penalties paid under this section in the supplemental pension fund established under RCW 51.44.033.

(18) Collections of amounts owed for unpaid citations and notices of assessment, as detailed in this section, will be handled pursuant to the procedures outlined in RCW 49.48.086.

(19) A person, firm, or corporation aggrieved by a citation and notice of assessment or a determination of compliance may, within 30 days after the date of such determination, submit a request for reconsideration to the department setting forth the grounds for seeking such reconsideration, or submit an appeal to the director pursuant to the procedures outlined in subsection (22) of this section. If the department receives a timely request for reconsideration, the department shall either accept the request or treat the request as a notice of appeal.

(20) If a request for reconsideration is accepted, the department shall send notice of the request for reconsideration to the transportation network company and the driver. The department shall determine if there are any valid reasons to reverse or modify the department's original decision to issue a citation and notice of assessment or determination of compliance within 30 days of receipt of such request. The department may extend this period by providing advance written notice to the driver and transportation network company setting forth good cause for an extension of the period, and specifying the duration of the extension. After reviewing the reconsideration, the department shall either:

(a) Notify the driver and the transportation network company that the citation and notice of assessment or determination of compliance is affirmed; or

(b) Notify the driver and the transportation network company that the citation and notice of assessment or determination of compliance has been reversed or modified.

(21) A request for reconsideration submitted to the department shall stay the effectiveness of the citation and notice of assessment or the determination of compliance pending the reconsideration decision by the department.

(22) (a) Within 30 days after the date the department issues a citation and notice of assessment or a determination of compliance, or within 30 days after the date the department issues its decision on the request for reconsideration, a person, firm, or corporation aggrieved by a citation and notice of assessment or a determination of compliance may file with the director a notice of appeal.

(b) A notice of appeal filed with the director under this section shall stay the effectiveness of the citation and notice of assessment or the determination of compliance pending final review of the appeal by the director as provided for in chapter 34.05 RCW.

(c) Upon receipt of a notice of appeal, the director shall assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures shall be conducted in accordance with chapter 34.05 RCW, and the standard of review by the administrative law judge of an appealed citation and notice of assessment or determination of compliance shall be de novo. Any party who seeks to challenge an initial order shall file a petition for administrative review with the director within 30 days after service of the initial order. The director shall conduct administrative review in accordance with chapter 34.05 RCW.

(23) If a request for reconsideration is not submitted to the department within 30 days after the date of the original citation and notice of assessment or determination of compliance, and a person, firm, or corporation aggrieved by a citation and notice of assessment or determination of compliance did not submit an appeal to the director, then the citation and notice of assessment or determination of compliance is final and binding, and not subject to further appeal.

(24) The director shall issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(25) The director's orders that are not appealed within the time period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(26) Absent good cause, a transportation network company that fails to allow adequate inspection of records in an investigation by the department under this section within a reasonable time period may not use such records in any appeal under such rules to challenge the correctness of any determination by the department. [2022 c 281 s 5.]