

Chapter 46.72B RCW
TRANSPORTATION NETWORK COMPANIES

Sections

46.72B.010	Purpose.
46.72B.020	Definitions.
46.72B.030	Permits.
46.72B.040	Agent for service of process.
46.72B.050	Fare for prearranged ride.
46.72B.060	Digital network to include driver photograph, license plate number.
46.72B.070	Age of motor vehicle.
46.72B.080	Zero tolerance policy.
46.72B.090	Driver requirements.
46.72B.100	Drivers—Prohibited activities.
46.72B.110	Nondiscrimination policy.
46.72B.120	Public safety measures, not indicative of employment relationship.
46.72B.130	Records.
46.72B.140	Record inspection.
46.72B.150	Application of uniform regulation of business and professions act.
46.72B.160	Rules.
46.72B.170	Company duties—Nondiscrimination based on protected class—Driver remedies.
46.72B.180	Insurance that covers commercial transportation services—Requirements—Terms of coverage.
46.72B.190	Preemption.

RCW 46.72B.010 Purpose. The purpose of this chapter is to: Provide statewide uniform regulation for transportation network companies within the state of Washington, encourage technological innovation, and preserve and enhance access to important transportation options for residents and visitors to Washington state. [2022 c 281 § 14.]

RCW 46.72B.020 Definitions. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Department" means the department of licensing.
- (2) "Digital network" means any online-enabled application, website, or system offered or used by a transportation network company that enables the prearrangement of rides between drivers and passengers.
- (3) "Director" means the director of the department of licensing.
- (4) "Driver" has the meaning provided in RCW 49.46.300.
- (5) "Network services" has the meaning provided in RCW 49.46.300.
- (6) "Passenger" means an individual who uses a digital network to connect with a driver in order to obtain a prearranged ride in the driver's transportation network company vehicle. A person may use a digital network to request a prearranged ride on behalf of a passenger.
- (7) "Prearranged ride" has the same meaning provided in RCW 48.177.005.

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

(9) "Transportation network company vehicle" has the same meaning as "personal vehicle" in RCW 48.177.005. [2022 c 281 § 15.]

RCW 46.72B.030 Permits. (Effective March 1, 2023.) (1) A person must first obtain a permit from the department to operate a transportation network company in Washington state, except that any transportation network company operating in the state before March 1, 2023, may continue operating until the department creates a permit process and sets a registration deadline.

(2) The department must annually issue a permit to each applicant that meets the requirements for a transportation network company as set forth in this chapter and pays an annual permit fee of \$5,000 to the department. [2022 c 281 § 17.]

Effective dates—2022 c 281 §§ 8-13, 17, and 28: See note following RCW 51.12.020.

RCW 46.72B.040 Agent for service of process. Any transportation network company operating in Washington state must maintain an agent for service of process in the state. [2022 c 281 § 18.]

RCW 46.72B.050 Fare for prearranged ride. (1) Before a passenger enters a transportation network company vehicle, the transportation network company must provide, on behalf of the driver, either the fare for the prearranged ride or the option to receive an estimated fare for the prearranged ride.

(2) During the first seven days of a state of emergency, as declared by the governor or the president of the United States, a transportation network company may not charge a fare for transportation network company services provided to any passenger that exceeds two and one-half times the fare that would otherwise be applicable for the prearranged ride. [2022 c 281 § 19.]

RCW 46.72B.060 Digital network to include driver photograph, license plate number. A transportation network company's digital network or website must display a photograph of the driver and the license plate number of the transportation network company vehicle. [2022 c 281 § 20.]

RCW 46.72B.070 Age of motor vehicle. A transportation network company must require that any motor vehicle that a transportation network company driver will use to provide prearranged rides is not more than 15 years old as determined by the model year of the vehicle. [2022 c 281 § 21.]

RCW 46.72B.080 Zero tolerance policy. (1) A transportation network company must implement a zero tolerance policy regarding a driver's activities while accessing the transportation network

company's digital network. The zero tolerance policy must address the use of drugs or alcohol while a driver is providing prearranged rides or is logged in to the transportation network company's digital network but is not providing prearranged rides.

(2) A transportation network company must provide notice of this policy on its website, as well as procedures to report a complaint about a driver with whom a passenger was matched and whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the trip.

(3) A transportation network company must maintain records relevant to the enforcement of the policy under this section for a period of at least two years from the date that a passenger complaint is received by the transportation network company. [2022 c 281 § 22.]

RCW 46.72B.090 Driver requirements. (1) Before allowing an individual to accept prearranged ride requests as a driver through a transportation network company's digital network and annually thereafter:

(a) The individual must submit an application to the transportation network company, which includes information regarding his or her name, address, phone number, age, driver's license number, motor vehicle registration, automobile liability insurance, and other information required by the transportation network company;

(b) The transportation network company, or a designated third party on behalf of the transportation network company, that is either nationally accredited or approved by the director, must conduct an annual local and national criminal background check for the applicant to include a review of:

(i) A multistate/multijurisdiction criminal records locator or other similar commercial nationwide database with validation; and

(ii) The United States department of justice national sex offender public website; and

(c) The transportation network company, or designated third party, must obtain and review a driving history report for the individual.

(2) A transportation network company must not permit an individual to act as a driver on its digital network who:

(a) Has had more than three moving violations in the prior three-year period, or one of the following major violations in the prior three-year period:

(i) Attempting to elude the police pursuant to RCW 46.61.024;

(ii) Reckless driving pursuant to RCW 46.61.500; or

(iii) Driving on a suspended or revoked driver's license pursuant to RCW 46.20.342 or 46.20.345;

(b) Has been convicted, within the past seven years, of:

(i) Any class A or B felony in Title 9A RCW;

(ii) Any violent offense as defined in RCW 9.94A.030 or serious violent offense as defined in RCW 9.94A.030;

(iii) Any most serious offense as defined in RCW 9.94A.030; or

(iv) Driving under the influence, hit and run, or any other driving-related crime pursuant to RCW 46.61.500 through 46.61.540;

(c) Has been convicted of any sex offense as defined in RCW 9.94A.030 or is a match in the United States department of justice national sex offender public website;

(d) Does not possess a valid driver's license;

(e) Does not possess proof of automobile liability insurance for the motor vehicle or vehicles used to provide prearranged rides;

(f) Is not at least 20 years of age; or

(g) Has not self-certified that he or she is physically and mentally fit to be a transportation network company driver.

(3) (a) Subsection (2) (a) and (b) of this section applies to any conviction of any offense committed in another jurisdiction that includes all of the elements of any of the offenses described or defined in subsection (2) (a) and (b) of this section.

(b) Any collision where the driver can demonstrate, through the account deactivation appeals process outlined in RCW 49.46.300(15), that he or she was not at fault for the collision, shall not be considered to be a moving violation under subsection (2) (a) of this section.

(c) For purposes of subsection (2) (a) of this section[,] multiple moving violations shall be treated by the transportation network company as a single moving violation if the driver can demonstrate, through the account deactivation appeals process outlined in RCW 49.46.300(15), that the violations arose from a single incident.

(4) A transportation network company must establish a clear background check policy consistent with this section that informs drivers of any thresholds for categories of violations and any other factors which will result in a restriction of access to the driver platform. [2022 c 281 § 23.]

RCW 46.72B.100 Drivers—Prohibited activities. A driver may not:

(1) Solicit or accept a trip request to provide network services other than a trip request arranged through a transportation network company's digital network;

(2) Provide network services for more than 14 consecutive hours in a 24-hour period; or

(3) Allow any other individual to use that driver's access to a transportation network company's digital network. [2022 c 281 § 24.]

RCW 46.72B.110 Nondiscrimination policy. (1) A transportation network company must adopt a policy of nondiscrimination on the basis of race, color, national origin, citizenship or immigration status, families with children, creed, religious belief or affiliation, sex, marital status, the presence of any sensory, mental, or physical disability, age, honorably discharged veteran or military status, sexual orientation, gender expression or gender identity, the use of a trained dog guide or service animal by a person with a disability, or any other protected class under RCW 49.60.010, with respect to passengers and potential passengers and notify drivers of such policy.

(2) A driver must comply with all applicable laws regarding nondiscrimination against transportation network company riders or potential riders on the basis of race, color, national origin, citizenship or immigration status, families with children, creed, religious belief or affiliation, sex, marital status, the presence of any sensory, mental, or physical disability, age, honorably discharged veteran or military status, sexual orientation, gender expression or gender identity, or any other protected class under RCW 49.60.010.

(3) A driver must comply with all applicable laws relating to the transportation of service animals.

(4) A transportation network company may not impose additional charges for providing services to persons with disabilities because of those disabilities. [2022 c 281 § 25.]

RCW 46.72B.120 Public safety measures, not indicative of employment relationship. Any safety product, feature, process, policy, standard, or other effort undertaken by a transportation network company, or the provision of equipment by a transportation network company, to further public safety is not an indicia of an employment or agency relationship with a driver. [2022 c 281 § 26.]

RCW 46.72B.130 Records. A transportation network company must maintain the following records:

(1) Individual trip records, except receipts pursuant to RCW 49.46.300(9), for at least three years from the end of the calendar year in which each trip was provided; and

(2) Individual records of drivers, except receipts pursuant to RCW 49.46.300(9), at least until the end of the calendar year marking the three-year anniversary of the date on which a driver's relationship with the transportation network company has ended. [2022 c 281 § 27.]

RCW 46.72B.140 Record inspection. (Effective March 1, 2023.)

(1) For the sole purpose of verifying that a transportation network company is in compliance with the requirements of this chapter and no more than twice per year, the department may review a sample of records that the transportation network company is required to maintain under this chapter. The sample of records must be chosen randomly by the department in a manner agreeable to both parties. Any record sample furnished to the department may exclude information that would reasonably identify specific drivers or passengers.

(2) Records provided to the department for inspection under this chapter are exempt from disclosure under chapter 42.56 RCW and are confidential and not subject to disclosure to a third party by the department without prior written consent of the transportation network company. [2022 c 281 § 28.]

Effective dates—2022 c 281 §§ 8-13, 17, and 28: See note following RCW 51.12.020.

RCW 46.72B.150 Application of uniform regulation of business and professions act. The uniform regulation of business and professions act, chapter 18.235 RCW, governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter. [2022 c 281 § 29.]

RCW 46.72B.160 Rules. The department may adopt rules consistent with and as necessary to carry out this chapter. [2022 c 281 § 30.]

RCW 46.72B.170 Company duties—Nondiscrimination based on protected class—Driver remedies. (1) A transportation network company shall not, unless based upon a bona fide occupational qualification, refuse to contract with or terminate the contract of a driver based upon age, sex, marital status, sexual orientation, gender expression or gender identity, race, creed, religious belief or affiliation, color, national origin, citizenship or immigration status, families with children, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, the use of a trained guide dog or service animal by a person with a disability, or any other protected class under RCW 49.60.010.

(2) Drivers shall have all rights and remedies available under chapter 49.60 RCW solely to enforce this section. [2022 c 281 § 31.]

RCW 46.72B.180 Insurance that covers commercial transportation services—Requirements—Terms of coverage. (1)(a) Before being used to provide commercial transportation services, as defined in RCW 48.177.005, every personal vehicle, as defined in RCW 48.177.005, must be covered by a primary automobile insurance policy that specifically covers commercial transportation services. However, the insurance coverage requirements of this section are alternatively satisfied by securing coverage pursuant to chapter 46.72 or 46.72A RCW that covers the personal vehicle being used to provide commercial transportation services and that is in effect twenty-four hours per day, seven days per week. Except as provided in subsection (2) of this section, a commercial transportation services provider, as defined in RCW 48.177.005, must secure this policy for every personal vehicle used to provide commercial transportation services. For purposes of this section, a "primary automobile insurance policy" is not a private passenger automobile insurance policy.

(b) The primary automobile insurance policy required under this section must provide coverage, as specified in this subsection (1)(b), at all times the driver is logged in to a commercial transportation services provider's digital network or software application and at all times a passenger is in the vehicle as part of a prearranged ride.

(i) The primary automobile insurance policy required under this subsection must provide the following coverage during commercial transportation services applicable during the period before a driver accepts a requested ride through a digital network or software application:

(A) Liability coverage in an amount no less than fifty thousand dollars per person for bodily injury, one hundred thousand dollars per accident for bodily injury of all persons, and thirty thousand dollars for damage to property;

(B) Underinsured motorist coverage to the extent required under RCW 48.22.030; and

(C) Personal injury protection coverage to the extent required under RCW 48.22.085 and 48.22.095.

(ii) The primary automobile insurance policy required under this subsection must provide the following coverage, applicable during the period of a prearranged ride:

(A) Combined single limit liability coverage in the amount of one million dollars for death, personal injury, and property damage; and

(B) Personal injury protection coverage to the extent required under RCW 48.22.085 and 48.22.095.

(iii) The primary automobile insurance policy required under this subsection must provide underinsured motorist coverage in the amount of \$100,000 per person, \$300,000 per accident from the moment a passenger enters the transportation network company vehicle of a driver until the passenger exits the transportation network company vehicle.

(2)(a) As an alternative to the provisions of subsection (1) of this section, a driver may secure a primary automobile insurance policy covering a personal vehicle and providing the same coverage as required in subsection (1) of this section from a lawful admitted or surplus lines insurer. The policy coverage may be in the form of a rider to, or endorsement of, the driver's private passenger automobile insurance policy only if approved as such by the office of the insurance commissioner.

(b) If the primary automobile insurance policy maintained by a driver to meet the obligation of this section does not provide coverage for any reason, including that the policy lapsed or did not exist, the commercial transportation services provider must provide the coverage required under this section beginning with the first dollar of a claim.

(c) The primary automobile insurance policy required under this subsection and subsection (1) of this section may be secured by any of the following:

(i) The commercial transportation services provider as provided under subsection (1) of this section;

(ii) The driver as provided under (a) of this subsection; or

(iii) A combination of both the commercial transportation services provider and the driver.

(3) The insurer or insurers providing coverage under subsections (1) and (2) of this section are the only insurers having the duty to defend any liability claim from an accident occurring while commercial transportation services are being provided.

(4) In addition to the requirements in subsections (1) and (2) of this section, before allowing a person to provide commercial transportation services as a driver, a commercial transportation services provider must provide written proof to the driver that the driver is covered by a primary automobile insurance policy that meets the requirements of this section. Alternatively, if a driver purchases a primary automobile insurance policy as allowed under subsection (2) of this section, the commercial transportation services provider must verify that the driver has done so.

(5) A primary automobile insurance policy required under subsection (1) or (2) of this section may be placed with an insurer licensed under this title to provide insurance in the state of Washington or as an eligible surplus line insurance policy as described in RCW 48.15.040, or through a surplus lines insurer that meets the financial requirements as described in RCW 48.15.090 and follows the procurement procedures of RCW 48.15.040.

(6) Insurers that write automobile insurance in Washington may exclude any and all coverage afforded under a private passenger automobile insurance policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver for a commercial transportation services provider is logged in to a commercial transportation services provider's digital network or while a driver provides a prearranged ride. This right to exclude all

coverage may apply to any coverage included in a private passenger automobile insurance policy including, but not limited to:

- (a) Liability coverage for bodily injury and property damage;
- (b) Personal injury protection coverage;
- (c) Underinsured motorist coverage;
- (d) Medical payments coverage;
- (e) Comprehensive physical damage coverage; and
- (f) Collision physical damage coverage.

(7) Nothing in this section shall be construed to require a private passenger automobile insurance policy to provide primary or excess coverage or a duty to defend for the period of time in which a driver is logged in to a commercial transportation services provider's digital network or software application or while the driver is engaged in a prearranged ride or the driver otherwise uses a vehicle to transport passengers for compensation.

(8) Insurers that exclude coverage under subsection (6) of this section have no duty to defend or indemnify any claim expressly excluded under subsection (6) of this section. Nothing in this section shall be deemed to invalidate or limit an exclusion contained in a policy, including any policy in use or approved for use in Washington state before July 24, 2015, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

(9) An exclusion exercised by an insurer in subsection (6) of this section applies to any coverage selected or rejected by a named insured under RCW 48.22.030 and 48.22.085. The purchase of a rider or endorsement by a driver under subsection (2)(a) of this section does not require a separate coverage rejection under RCW 48.22.030 or 48.22.085.

(10) If more than one insurance policy provides valid and collectible coverage for a loss arising out of an occurrence involving a motor vehicle operated by a driver, the responsibility for the claim must be divided as follows:

(a) Except as provided otherwise under subsection (2)(c) of this section, if the driver has been matched with a passenger and is traveling to pick up the passenger, or the driver is providing services to a passenger, the commercial transportation services provider that matched the driver and passenger must provide insurance coverage; or

(b) If the driver is logged in to the digital network or software application of more than one commercial transportation services provider but has not been matched with a passenger, the liability must be divided equally among all of the applicable insurance policies that specifically provide coverage for commercial transportation services.

(11) In an accident or claims coverage investigation, a commercial transportation services provider or its insurer must cooperate with a private passenger automobile insurance policy insurer and other insurers that are involved in the claims coverage investigation to facilitate the exchange of information, including the provision of (a) dates and times at which an accident occurred that involved a participating driver and (b) within ten business days after receiving a request, a copy of the provider's electronic record showing the precise times that the participating driver logged on and off the provider's digital network or software application on the day the accident or other loss occurred. The commercial transportation services provider or its insurer must retain all data, communications, or documents related to insurance coverage or accident details for a

period of not less than the applicable statutes of limitation, plus two years from the date of an accident to which those records pertain.

(12) This section does not modify or abrogate any otherwise applicable insurance requirement set forth in this title.

(13) After July 1, 2016, an insurance company regulated under this title may not deny an otherwise covered claim arising exclusively out of the personal use of the private passenger automobile solely on the basis that the insured, at other times, used the private passenger automobile covered by the policy to provide commercial transportation services.

(14) If an insurer for a commercial transportation services provider makes a payment for a claim covered under comprehensive coverage or collision coverage, the commercial transportation services provider must cause its insurer to issue the payment directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder on the covered vehicle.

(15)(a) To be eligible for securing a primary automobile insurance policy under this section, a commercial transportation services provider must make the following disclosures to a prospective driver in the prospective driver's terms of service:

WHILE OPERATING ON THE DIGITAL NETWORK OR SOFTWARE APPLICATION OF THE COMMERCIAL TRANSPORTATION SERVICES PROVIDER, YOUR PRIVATE PASSENGER AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD LIABILITY, UNDERINSURED MOTORIST, PERSONAL INJURY PROTECTION, COMPREHENSIVE, OR COLLISION COVERAGE, DEPENDING ON THE TERMS OF THE POLICY.

IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE COMMERCIAL TRANSPORTATION SERVICES FOR OUR COMPANY HAS A LIEN AGAINST IT, YOU MUST NOTIFY THE LIENHOLDER THAT YOU WILL BE USING THE VEHICLE FOR COMMERCIAL TRANSPORTATION SERVICES THAT MAY VIOLATE THE TERMS OF YOUR CONTRACT WITH THE LIENHOLDER.

(b) The prospective driver must acknowledge the terms of service electronically or by signature. [2022 c 281 § 33; 2015 c 236 § 2. Formerly RCW 48.177.010.]

RCW 46.72B.190 Preemption. (1) Except as provided in subsections (2) and (3) of this section, as of June 9, 2022, the state preempts the field of regulating transportation network companies and drivers. No county, city, town, or other municipal corporation may regulate transportation network companies or drivers, or impose any tax, fee, or other charge, on a transportation network company or driver.

(2)(a) Except as provided in (b) and (c) of this subsection, a local ordinance or regulation, in a city with a population of more than 600,000 or a county with a population of more than 2,000,000, existing on or before January 1, 2022, that imposes a tax, fee, or other charge on a transportation network company or driver, remains in effect at the rate that exists on or before January 1, 2022. The city or county may continue to collect that tax, fee, or other charge, but may not increase the amount of that tax, fee, or other charge, and may not impose any higher or new taxes, fees, or other charges. This subsection (2)(a) applies retroactively and preempts any increase in the amount of an existing tax, fee, or other charge, or the imposition of any higher or new taxes, fees, or other charges, which occurs between January 2, 2022, and June 9, 2022.

(b) Beginning on January 1, 2023, any local ordinance or regulation, in a city or county described in (a) of this subsection, existing on or before June 9, 2022, that imposed a per trip tax, fee, or other charge for which, at the time the ordinance became effective, the proceeds were to be used in part to fund a driver conflict resolution center, shall be reduced by \$0.15. The city or county may continue to collect that tax, fee, or other charge, but only at the reduced rate and may not increase the amount of that tax, fee, or other charge, and may not impose any higher or new taxes, fees, or other charges.

(c) Any per ride fee imposed by a local ordinance or regulation described in (a) of this subsection, the proceeds of which are used to offset expenses of enforcing the ordinance or regulation, may be adjusted under the following provisions:

(i) The city or county demonstrates to the satisfaction of the department that the revenues from the existing per ride fee amount are insufficient to offset the city's or county's cost from enforcement and regulation;

(ii) The total amount expected to be collected under the increased amount will not exceed the city or county's total expected costs; and

(iii) The department has not authorized an increase in the per ride fee in the last two fiscal years.

(3) (a) A local ordinance or regulation in a city with a population of more than six hundred thousand or a county with a population of more than two million, and that existed on or before January 1, 2022, that defined and regulated licensing for transportation network companies and permits for drivers, or the requirements for and processing of applications, certifications, examinations, and background checks for drivers and personal vehicles, remains in effect as the requirements exist on June 9, 2022. The county or city may continue to enforce the ordinance or regulation but may not alter, amend, or implement changes to the ordinance or regulation, or requirements under it, after January 1, 2022, except if such alteration, amendment, or implementation conforms with the requirements of this chapter. This subsection shall apply retroactively to any alteration, amendment, or implementation which occurs between March 10, 2022, and June 9, 2022.

(b) Notwithstanding subsection (1) of this section, a local ordinance or regulation in a city with a population of more than six hundred thousand or a county with a population of more than two million, and that existed before January 1, 2022, that is related to requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, and 51.04.190, and sections 6, 8 through 10, and 12, chapter 281, Laws of 2022 are preempted as of January 1, 2023. The city may continue to enforce the local ordinance or regulation between June 9, 2022, and January 1, 2023, but may not alter, amend, or implement changes to the ordinance or regulation, or requirements under it, after January 1, 2022, except if such alteration, or amendment, or implementation conforms with the requirements of chapter 281, Laws of 2022. This subsection shall apply retroactively to any alteration, amendment, or implementation which occurs between March 10, 2022, and June 9, 2022.

(4) Nothing in this chapter shall be interpreted to prevent an airport operator, as defined in RCW 14.08.015, from requiring a transportation network company to enter into a contract or agreement, consistent with the provisions of RCW 14.08.120, governing requirements of the transportation network company on airport property

including but not limited to the fees and operational requirements. An airport operator may not impose any requirements through a contract authorized by this section that relate to requirements covered by RCW 49.46.300, 49.46.350, 51.16.250, 51.04.190, 49.46.210(5), 51.08.070, 51.08.180, 51.12.020, and 51.16.060.

(5) Other than taxes, fees, or other charges imposed explicitly or exclusively on a transportation network company or driver, this section does not preempt any generally applicable taxes, fees, or other charges, such as:

- (a) Business tax;
- (b) Sales and use tax;
- (c) Excise tax; or
- (d) Property tax. [2022 c 281 § 32.]