RCW 49.46.300 Transportation network companies—Definitions—Driver compensation—Notice of rights—Electronic receipts—Weekly notice, trip information—Trip fee—Driver resource center—Rules. (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.

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

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

(d) "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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Separate entities that form an integrated enterprise are considered a single transportation network company under this section. Separate entities will be considered an integrated enterprise and a single transportation network company where a separate entity controls the operation of another entity. Factors to consider include, but are not limited to, the degree of interrelation between the operations of multiple entities; the degree to which the entities share common management; the centralized control of labor relations; the degree of common ownership or financial control over the entities; and the use of a common brand, trade, business, or operating name.

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

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

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

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

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

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

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

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

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

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

(b) Beginning September 30, 2022, and on each following September 30th, the department shall calculate adjusted per mile and per minute amounts and per trip minimums by increasing the current year's per mile and per minute amounts and per trip minimums by the rate of

increase of the state minimum wage, calculated to the nearest cent. The adjusted amount calculated under this section takes effect on the following January 1st.

(c) For shared rides, the per trip minimums in (a)(i) and (ii) of this subsection shall apply only to the entirety of the shared ride, and not on the basis of the individual passenger's trip within the shared ride.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) The total amount of passenger platform time;

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

(c) Rate or rates of pay, including but not limited to the rate per minute, rate per mile, percentage of passenger fare, and any applicable trip-based financial incentives, promotions, or bonuses paid to the driver that resulted directly from the specific trip, rather than any aggregated trip activity;

(d) Tip compensation;

(e) Gross payment;

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

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

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

(b) Beginning on July 1, 2026, a transportation network company shall make available to a driver a downloadable record containing the data from the driver's per-trip receipts for all trips in the reference period contained in this section. The record required by this section must be provided in a single aggregated, searchable, downloadable format, such as a comma-separated values file or searchable PDF file. The reference period for the record required by this section must be the previous 24 months. The record required by this section must be made available for download within three business days from the date that the driver requests the record. The record required by this section must contain a table with rows for each unique trip and columns for each itemized element contained in each trip receipt. The record required by this section may contain additional information at the discretion of the transportation network company.

(10) Beginning January 1, 2023, on a weekly basis, the transportation network company shall provide written notice to the driver that contains the following information for trips, or a portion

of a trip, that is covered by this section and which occurred in the prior week:

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

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

(c) The driver's total tip compensation;

(d) The driver's gross payment, itemized by: (i) Rate per minute; (ii) rate per mile; and (iii) any other method used to calculate pay including, but not limited to, base pay, percentage of passenger fare, or any applicable financial incentives, promotions, or bonuses paid to the driver related to any of the driver's activity on the platform;

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

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

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

(a) The date and time of the trip;

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

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

(d) The driver's first name;

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

(f) The total passenger-paid tips.

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

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

(13) No later than one year after June 9, 2022, transportation network companies shall provide an opportunity for drivers to make voluntary per trip earnings deduction contributions to the driver resource center, provided that 100 or more drivers working for transportation network companies covered under this section have authorized such a deduction to the driver resource center, and subject to the following:

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

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

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

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

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

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

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

(15)(a) The state expressly intends to displace competition with regulation allowing a transportation network company, at its own volition, to enter into an agreement with the driver resource center regarding a driver account deactivation appeals process for eligible account deactivations. It is the policy of the state to promote a fair appeals process related to eligible account deactivations that supports the rights of drivers and transportation network companies and provides fair processes related to eligible account deactivations. The state intends that any agreement under this section is immune from all federal and state antitrust laws.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) In reviewing any agreement between a transportation network company and the driver resource center, under (a) of this subsection, the department shall review the agreement to ensure that its content is consistent with this subsection and the public policy goals set forth in this subsection. The department shall consider in its review both qualitative and quantitative effects of the agreement and how the agreement comports with the state policies set forth in this section. In conducting a review, the record shall not be limited to the submissions of the parties nor to the terms of the proposed agreement and the department shall have the right to conduct public hearings and request additional information from the parties, provided that such information: (i) Is relevant for determining whether the agreement complies with this subsection; and (ii) does not contain either parties' confidential, proprietary, or privileged information, or any individual's personal identifying information from the parties. The department may approve or reject a proposed agreement, and may require the parties to submit a revised proposal on all or particular parts of the proposed agreement. If the department rejects an agreement, it shall set forth its reasoning in writing and shall suggest ways the parties may remedy the failures. Absent good cause, the department shall issue a written determination regarding its approval or rejection within 60 days of submission of the agreement.

(d)(i) For any account deactivation, the transportation network company shall provide notification to the driver, at the time of

deactivation, that the driver may have the right to representation by the driver resource center to appeal the account deactivation.

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

(16) The department may adopt rules to implement this section. [2025 c 229 s 3; 2022 c 281 s 1.]

Effective date—2025 c 229 s 3: "Section 3 of this act takes effect July 1, 2026." [2025 c 229 s 5.]