

**Attachment 1 to Council Budget Action TNCTAX-101-A-1**

**Sponsor: Councilmember Herbold**

**Amend CB 119684 to change the specified transportation and transit purposes identified as intended uses for TNC tax revenues.**

Notes:

Double underlines indicate new language proposed to be added.

~~Double strikethroughs~~ indicate language proposed to be removed.

1. Remove third recital of Council Bill 119684 as follows:

WHEREAS, transportation network companies (TNCs) provide application dispatch services that allow passengers to directly request the dispatch of drivers via the internet using mobile interfaces such as smartphone applications; and

WHEREAS, over 24 million TNC trips were taken in Seattle in 2018; and

~~WHEREAS, the Mayor and City Council seek to invest in affordable housing near transit, transportation and transit investments including the Center City Connector Streetcar, and a driver conflict resolution center using proceeds from a tax on TNC companies providing 1,000,000 rides per quarter or more on a per ride basis; and~~

WHEREAS, the Director of Finance and Administrative Services (FAS) assesses a per-ride regulatory fee for the costs to FAS of operating and enforcing the TNC regulatory scheme; and

WHEREAS, as of the date of submitting this ordinance to establish a tax on TNC rides, the fee to regulate TNCs was \$0.14; and

WHEREAS, The City of Seattle intends to exercise its taxing authority, as granted by the Washington State Constitution and as authorized by the Washington State Legislature, and impose a tax on TNCs operating in Seattle; NOW, THEREFORE,

2. Amend Section 12 of Council Bill 119684 as follows:

Section 12. It is the intent of the Mayor and the Council through the annual budget process to use the proceeds of the tax imposed by Seattle Municipal Code Section 5.39.030 for the following purposes:

- A. Administrative costs related to the tax and regulations of TNC drivers;
- B. Investment in affordable housing near transit;
- C. Transportation and transit investments, including ~~the Center City Connector Streetcar~~, the purchase of transit service and/or third party funding for the Sound Transit West Seattle and Ballard Link Extensions; and
- D. A driver conflict resolution center.

**Effect:** Removes Center City Connector Streetcar from recitals and list of purposes which the Mayor and the Council intend to fund with TNC tax revenues. Adds the purchase of transit service and Sound Transit West Seattle and Ballard Link Extension as intended uses.