

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Finance and Administrative Services	Matthew Eng	Lorine Cheung

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to taxicabs and for-hire vehicles; repealing or deleting provisions intended to no longer be in effect in separating the taxicab and transportation network company industries; conforming to changes in state law; adding a new Section 6.310.101 to the Seattle Municipal Code; amending the title of Chapter 6.310 of the Seattle Municipal Code and Sections 6.310.110, 6.310.125, 6.310.130, 6.310.150, 6.310.260, 6.310.270, 6.310.325, 6.310.327, 6.310.400, 6.310.452, 6.310.455, 6.310.470, 6.310.530, 6.310.600, 6.310.605, and 6.310.610 of the Seattle Municipal Code; and repealing Sections 6.310.120, 6.310.135, 6.310.137, 6.310.200, 6.310.210, 6.310.220, 6.310.225, 6.310.230, 6.310.240, 6.310.250, 6.310.255, 6.310.300, 6.310.310, 6.310.315, 6.310.320, 6.310.330, 6.310.340, 6.310.350, 6.310.360, 6.310.370, 6.310.380, 6.310.460, 6.310.475, 6.310.480, 6.310.500, 6.310.510, 6.310.720, and 6.310.730 of the Seattle Municipal Code.

Summary and background of the Legislation: This legislation revises SMC Chapter 6.310 to conform with several newly adopted state regulations affecting transportation network companies (TNCs) and their affiliated vehicles and drivers. The state regulations, first introduced as HB 2076, preserve the City’s ability to regulate TNCs but require that any amendments to existing City code or regulations conform with state law, now codified as Chapter 46.72B Revised Code of Washington.

In addition to removing existing provisions in Chapter 6.310 that explicitly regulate taxicabs and for-hire vehicles and the drivers of those vehicles and making other technical changes, this legislation makes the following changes to align with state regulations:

1. Raise the maximum model age for a TNC vehicle from 10 years to 15 years;
2. Lower the minimum TNC driver and vehicle endorsement holder age from 21 years to 20 years;
3. Change the maximum number of hours a driver can drive to 14 consecutive hours in any 24-hour period;
4. Update the citation for TNC insurance requirements from RCW 48.177 to RCW 46.72B.180;
5. Modify language regarding the prohibition of additional charges for transporting persons with disabilities; and

6. No longer specify Washington State when referring to a driver's license or a vehicle registration.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? No; this legislation does not have any material effect on the costs incurred to regulate TNCs and their affiliated vehicles and drivers operating in the city of Seattle.

Is there financial cost or other impacts of *not* implementing the legislation? King County (County) will transmit similar legislation to revise its code regulating TNCs. If the City or County does not implement its respective legislation, then enforcement and administration of regulations, which the City and County partner to undertake, will be frustrated. Further, City (or County) regulations will not align with State TNC law in the areas outlined in the bill summary. Staff have not estimated costs should a scenario materialize where one jurisdiction has implemented the legislation and the other has not.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?** No; however, FAS partners with the County Department of Executive Services to jointly regulate the for-hire transportation industry, which includes TNCs.
- b. **Is a public hearing required for this legislation?** No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. **Does this legislation affect a piece of property?** No.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** Many TNC affiliated drivers are immigrants and/or refugees, speak a language other than English as their primary language, and are persons of color. The City recognizes that

drivers faced reduced economic opportunities due to the COVID-19 pandemic and that HB 2076 has positively affected drivers' compensation and access to other benefits.

f. Climate Change Implications

1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** This legislation does not contain any provisions to directly affect carbon emissions. Nevertheless, as owners of TNC affiliated vehicles consider options to replace aging vehicles, the availability of electric vehicles (and access to charging infrastructure) and incentive programs (e.g., rebates) to purchase those vehicles could lead to decreased carbon emissions.

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** No actions proposed by this legislation will increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s). This legislation does not expand the existing for-hire regulatory program affecting TNCs. Success would be measured by ensuring key parts of City and state regulations align with one another and do not create barriers for companies and their affiliated drivers and vehicles.