Washington State Department of Labor & Industries

Wage and hour requirements

New TNC driver rights

# **Rights and protections for TNC drivers**

Engrossed Substitute House Bill 2076, passed early in 2022, amends a number of existing Washington laws to give drivers for transportation network companies (TNCs) certain rights and protections, and establishes new requirements for these companies. Many provisions of the bill will take effect Jan. 1, 2023. This law covers drivers providing passenger service and not food delivery.

## Paid sick time

Drivers will earn at least one hour of paid sick time for every 40 hours of passenger platform time worked. They can begin using paid sick time upon recording 90 hours of passenger platform time on the TNC's driver platform.

A driver can use paid sick time for the following reasons:

- An absence caused by a driver's mental or physical illness, injury, or health condition; to accommodate the driver's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or a driver's need for preventive medical care
- To allow the driver to provide care for a family member for the same reasons
- When the driver's place of business has been closed by order of a public official for any health-related reason, or when a driver's child's school or place of care has been closed for such a reason
- Absences that qualify for leave under the <u>Domestic Violence</u> <u>Leave Act</u>
- During a deactivation or other status that prevents the driver from performing network services on the TNC's platform, unless the deactivation or status is due to a verified allegation of sexual assault or physical assault perpetrated by the driver

## Workers' compensation coverage

 Starting Jan. 1, 2023, drivers will be covered for the time the driver is engaged in dispatch platform time and passenger platform time. If they are injured during that time, they can file a workers' compensation claim.

- For allowable claims, L&I benefits can include partial wage replacement and medical services for the injured driver.
- TNCs will report and pay for workers' compensation coverage for their drivers during dispatch platform time and passenger platform time.
- Like any other business in Washington, a TNC can deduct a portion of driver wages to help offset the company's costs of the workers' compensation insurance. TNCs may or may not choose to take the deduction.

## **Driver Resource Center**

- L&I will contract with a nonprofit organization to operate a Driver Resource Center that will provide education, outreach, and support to drivers.
- The center will also support drivers in resolving disputes related to account deactivations.
- Beginning Jan. 1, 2024, drivers can make voluntary per trip contributions to the resource center, as long as 100 or more drivers working for TNCs fully authorize such a deduction.
- Beginning July 1, 2024, TNCs will collect \$0.15 per trip fee from passengers for the Driver Resource Center fund. This fee will be adjusted by the current rate of inflation beginning Sept. 30, 2024.

## Resources

**Session law:** You can read the bill at <u>2076-S.PL.pdf (wa.gov)</u>

Minimum Wage Requirements and Labor Standards: <u>RCW 49.46</u>

Workers' compensation information: <u>www.Lni.wa.gov/</u> injuredworker

## For more info

If you have questions on the driver rights, contact L&I's Employment Standards Program by calling toll free 1-866-219-7321 or send an email to **tncdriversupport@lni.wa.gov**.

If you are a driver and have questions regarding workers' compensation, contact L&I's Insurance Services Program by calling 360-902-5775 or email the program at

## specialriskunit@lni.wa.gov.

TNCs with questions can contact L&I's Employer Services Program by calling 360-902-5775 or email the program at **specialriskunit@Ini.wa.gov**.

## Minimum trip compensation

The law establishes minimum per mile, per minute, and per trip rates for drivers.

On Sept. 30 of each year, L&I will adjust these rates based on the rate of inflation. The new rates will take effect the following Jan. 1.

<b>2023 Minimum driver rates</b> For each dispatched trip	For each trip starting inside Seattle*, the greater of:	For each trip starting and ending outside of Seattle*, the greater of:
Per passenger platform minute for all passenger platform time for that trip	\$0.64	\$0.37
Plus	Plus	Plus
Per passenger platform mile for all passenger platform miles driven on that trip	\$1.50	\$1.27
Or	Or	Or
Minimum per dispatched trip	\$5.62	\$3.26

\* Note: As of October 2022, Seattle is the only city in Washington with a population that exceeds the 600,000 population threshold set in the law and used to determine trip rates.

Note 2: Other minimum rate requirements for shared rides or trips starting outside and ending inside of a city with a population that exceeds 600,000 may apply.

### **Retaliation protections**

- It is unlawful for a TNC to retaliate against a driver for exercising any of the rights provided in this law.
- If a driver feels a company has retaliated, the driver may file a complaint with L&I within 180 days of the alleged retaliatory action.
- If the department finds the allegation to be true, and the TNC and driver do not reach a resolution, the department can fine the company.

### Other key elements of the law

- Beginning Jan. 1, 2023, TNCs shall provide each driver with a written notice of the rights established by this bill to inform drivers of their rights
- TNCs shall pay all tips to drivers. Tips are in addition to, and may not count towards, the driver's minimum compensation.
- Creates uniform statewide regulations of TNCs